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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 stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Genertec Universal Medical Group Company Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**GENERTEC UNIVERSAL MEDICAL GROUP
COMPANY LIMITED
通用環球醫療集團有限公司**

(Incorporated in Hong Kong with limited liability)

(Stock code: 2666)

**PROPOSED ENTERING INTO CONTINUING CONNECTED TRANSACTIONS
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
NOTICE OF EGM**

**Independent Financial Adviser to the Independent Board Committee
and the Independent Shareholders in respect of
the Continuing Connected Transactions and Annual Caps**



Alliance Capital Partners Limited
同人融資有限公司

A notice convening the EGM to be held at Room 1, 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong on Friday, 29 December 2023 at 10:00 a.m. is set out on pages 45 to 46 of this circular. The EGM is to be held to approve matters referred to in this circular. A form of proxy for use at the EGM is also enclosed. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (www.umcare.cn) respectively.

Whether or not you are able to attend the EGM, please complete and sign the enclosed form of proxy in accordance with the instructions stated thereon and return it to the Company's share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours, no account will be taken of any part of a day that is public holiday, before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the EGM if they so wish.

11 December 2023

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“2021 Deposit Service Framework Agreement”	the deposit service framework agreement entered into between the Company and GT-PRC Finance on 10 November 2020
“2024 Deposit Service Framework Agreement”	the deposit service framework agreement entered into between the Company and GT-PRC on 23 November 2023
“2024 Factoring Service Framework Agreement”	the factoring service framework agreement entered into between the Company and GT-PRC on 23 November 2023
“2023 Digitalization-based Procurement Framework Agreement”	the digitalization-based product and service procurement framework agreement entered into between the Company and GT-PRC on 27 October 2023
“2023 Digitalization-based Sales Framework Agreement”	the digitalization-based product and service sales framework agreement entered into between the Company and GT-PRC on 27 October 2023
“Articles of Association”	the articles of association of the Company
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors of the Company
“Company”	Genertec Universal Medical Group Company Limited (通用環球醫療集團有限公司), a company incorporated in Hong Kong with limited liability and the issued shares of which are listed on the main board of the Stock Exchange (stock code: 2666)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the directors of the Company
“EGM”	the extraordinary general meeting of the Company to be held on 29 December 2023 to consider and, if appropriate, to approve, among others, the continuing connected transactions under the 2024 Deposit Service Framework Agreement and the 2024 Factoring Service Framework Agreement, and the respective proposed annual caps thereof, and the proposed amendments to the Articles of Association

DEFINITIONS

“Evergreen”	Evergreen021 Co., Ltd, a company incorporated under the laws of the British Virgin Islands on 14 August 2014 with limited liability
“Group”	the Company and its subsidiaries
“GT-HK”	Genertec Hong Kong International Capital Limited (通用技術集團香港國際資本有限公司), a company incorporated with limited liability under the laws of Hong Kong on 24 March 1994, an indirect wholly-owned subsidiary of GT-PRC
“GT-PRC”	China General Technology (Group) Holding Company (中國通用技術(集團)控股有限責任公司), a state-owned enterprise and a controlling shareholder of the Company
“GT-PRC Finance”	Genertec Finance Co., Ltd (通用技術集團財務有限責任公司), a company established in the PRC, which is wholly owned by GT-PRC
“Independent Board Committee”	an independent board committee comprising all the independent non-executive Directors, for the purpose of providing advice to the Independent Shareholders in respect of the continuing connected transactions under each of the 2024 Factoring Service Framework Agreement and the 2024 Deposit Service Framework Agreement and the respective proposed annual caps thereof
“Independent Financial Adviser”	Alliance Capital Partners Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the continuing connected transactions under each of the 2024 Factoring Service Framework Agreement and the 2024 Deposit Service Framework Agreement and the respective proposed annual caps
“Independent Shareholders”	the Shareholders who are not required to abstain from voting in respect of the continuing connected transactions under each of the 2024 Factoring Service Framework Agreement and the 2024 Deposit Service Framework Agreement and the respective proposed annual caps thereof
“Latest Practicable Date”	30 November 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers, as set out in Appendix 10 to the Listing Rules
“NAFR”	the National Administration of Financial Regulation (國家金融監督管理總局)
“PBOC”	the People’s Bank of China
“PRC” or “China”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholders”	holder(s) of the shares of the Company
“Shares”	the ordinary share(s) in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning ascribed thereto under the Listing Rules
“subsidiary”	has the meaning ascribed thereto under the Listing Rules
%	per cent

LETTER FROM THE BOARD



GENERTEC UNIVERSAL MEDICAL GROUP COMPANY LIMITED 通用環球醫療集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 2666)

Executive Directors:

Ms. Peng Jiahong (彭佳虹女士) (*Chairwoman*)
Mr. Wang Wenbin (王文兵先生)
Ms. Wang Lin (王琳女士)

Registered Office:

Room 702, Fairmont House
8 Cotton Tree Drive Central
Hong Kong

Non-executive Directors:

Mr. Chan Kai Kong (陳啟剛先生) (*Vice-chairman*)
Mr. Tong Chaoyin (童朝銀先生)
Mr. Xu Ming (徐明先生)
Mr. Zhu Ziyang (朱梓陽先生)

*Head Office and Principal Place of
Business in China:*

4th, 5th and 13th Floor
Hademen Plaza
8-1 Chongwenmenwai Street
Dongcheng District
Beijing, China

Independent Non-executive Directors:

Mr. Li Yinquan (李引泉先生)
Mr. Chow Siu Lui (鄒小磊先生)
Mr. Xu Zhiming (許志明先生)
Mr. Chan, Hiu Fung Nicholas (陳曉峰先生)

11 December 2023

To the Shareholders

Dear Sir/Madam,

PROPOSED ENTERING INTO CONTINUING CONNECTED TRANSACTIONS PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND NOTICE OF EGM

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information regarding the resolutions to be proposed, and if thought fit, to be approved at the EGM in respect of (i) the continuing connected transactions under the 2024 Deposit Service Framework Agreement and the proposed

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annual caps thereof, (ii) the continuing connected transactions under the 2024 Factoring Service Framework Agreement and the proposed annual caps thereof, and (iii) the proposed amendments to the Articles of Association.

2. CONTINUING CONNECTED TRANSACTIONS

Reference is made to the announcement of the Company dated 23 November 2023 in relation to renewal of existing continuing connected transactions and entering into new continuing connected transactions.

(A) 2024 Deposit Service Framework Agreement

Principal Terms of the 2024 Deposit Service Framework Agreement

The principal terms of the 2024 Deposit Service Framework Agreement and the proposed annual caps for the transactions thereunder are set out as below:

Parties: GT-PRC and the Company

Reasons for the transactions: The Company expects that it is beneficial for the Group to utilize the deposit services from GT-PRC and/or its associates (including GT-PRC Finance) for the following reasons:

- (i) GT-PRC Finance, a non-bank financial institution approved and regulated by the PBOC and the NAFR, has been serving as a fund management platform to streamline the Company's extensive daily fund settlements, enable centralized fund management and more efficient allocation. The deposit service from GT-PRC Finance is convenient since it allows the Company to draw upon the deposit at any time. As a financial institution serving member companies of GT-PRC (including the Group), GT-PRC Finance acts as a conduit to consolidate dispersed funds, bolstering liquidity management;
- (ii) the interest rates of GT-PRC Finance are expected to allow the Company to maximize interest return. The full-service solutions (including fund settlement services, bill-related services and consultation service for financing) provided by GT-PRC Finance are more favorable than the terms for similar services provided by other independent third parties. In particular, GT-PRC Finance provides the Company with cost-free fund transfer service and issuance of commercial acceptance drafts to cater to the Company's needs of settlement services for large sums of funds;
- (iii) GT-PRC Finance has acquired in-depth knowledge about the Company over the years and good understanding on its capital structure, business operation, capital requirements and modes of cash flows, and therefore is able to anticipate the Company's business needs and provide customized services for the Company. The Company expects to continue the existing business relationship with GT-PRC Finance; and

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- (iv) entering into the 2024 Deposit Service Framework Agreement will not prevent the Group from using financial services from independent commercial banks in China. The Group may still select independent commercial banks in China to act as its financial service provider as it deems fit and in the interest of the Group.

Major terms:

The Company entered into the 2024 Deposit Service Framework Agreement with GT-PRC on 23 November 2023, pursuant to which GT-PRC and/or its associates will provide deposit services to the Company and/or its subsidiaries. The major terms of the 2024 Deposit Service Framework Agreement are as follows:

- GT-PRC and/or its associates will provide deposit service to the Group;
- with respect to specific deposit service, specific terms and conditions, including service scope, deposit interest and other terms will comply with the relevant regulations of the NAFR and the PBOC; and
- the 2024 Deposit Service Framework Agreement will come into effect from 1 January 2024 until 31 December 2026, subject to the Independent Shareholders' approval at the EGM and may be renewed by mutual consent.

Pricing policy: In respect of the deposit service, the interest rate on the Group's deposits placed with GT-PRC and/or its associates should be more favorable than: (i) the benchmark interest rate of similar deposits for a similar term set by the PBOC published on its official website (www.pbc.gov.cn) from time to time; and (ii) the interest rate of similar deposits for a similar term provided by a major independent commercial bank in China to the Group.

Proposed annual caps:

On 10 November 2020, the Company entered into the 2021 Deposit Service Framework Agreement with GT-PRC Finance, pursuant to which GT-PRC Finance agreed to provide deposit services to the Company and/or its subsidiaries from time to time. Details of the terms of the 2021 Deposit Service Framework Agreement, which are substantially identical to those of the 2024 Deposit Services Framework Agreement, were disclosed in Company's announcement dated 10 November 2020. For each of the three years ended/ending 31 December 2021, 2022 and 2023, the existing annual caps for the daily maximum deposit (including accrued interest) of the Group placed with GT-PRC Finance were RMB2,000 million. As at the Latest Practicable Date, the annual actual transaction amount under the 2021 Deposit Service Framework Agreement has not exceeded the existing annual caps. The table below sets out, for the two years ended 31 December 2021 and 2022, and the nine months ended 30 September 2023, the maximum daily deposit balance (including accrued interest) of the Group placed with GT-PRC Finance.

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	Year ended 31 December		For the nine months ended 30 September
	<i>(RMB' million)</i>		
	2021	2022	2023
Maximum daily deposit balance (including accrued interest) of the Group placed with GT-PRC Finance	1,508.78	1,939.37	1,901.36

For the period from 1 January 2021 to 20 June 2021, the basic deposit of RMB0.5 million placed by the Company with GT-PRC Finance was applied with an interest rate of 0.525%, and any balance exceeding RMB0.5 million was applied with an interest rate of 1.725%. For the period from 21 June 2021 to 30 September 2023, the basic deposit of RMB0.5 million placed by the Company with GT-PRC Finance was applied with an interest rate of 0.55%, and any balance exceeding RMB0.5 million was applied with an interest rate of 1.35%. Such interest rates were determined upon arm-length negotiation with reference to the corresponding benchmark interest rates for current deposits and negotiated deposits promulgated by the PBOC respectively.

The table below sets out the proposed annual caps in respect of the 2024 Deposit Services Framework Agreement.

	Year ending 31 December		
	<i>(RMB' million)</i>		
	2024	2025	2026
Maximum daily deposit balance (including accrued interest) of the Group placed with GT-PRC	1,600	1,600	1,600

Basis of proposed annual caps: The above proposed maximum daily deposit balance (including accrued interest) is based on the following:

- (i) the increasing trend of the historical revenue of the Group. For the year ended 31 December 2022, the Group's revenue increased by approximately 20.2% from approximately RMB9.9 billion for the year ended 31 December 2021 to approximately RMB11.9 billion. For the six months ended 30 June 2023, the Group's revenue increased by approximately 16.1% from approximately RMB5.7 billion for the six months ended 30 June 2022 to approximately RMB6.6 billion;
- (ii) the expected cash flows from the Group's financing activities, including debt financing. For the year ended 31 December 2022 and the nine months ended 30 September 2023, (a) the aggregate principal amount of the bonds and notes issued by the Group in the interbank bond market and exchange bond market amounted to approximately

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RMB13.88 billion and RMB13.40 billion, respectively; and (b) the Group's principal amount of borrowings from domestic and overseas financial institutions amounted to approximately RMB21.59 billion and RMB27.70 billion, respectively. Based on the anticipated growth of the Group's business and the capital needs for payment of mature debts, it is expected that the Group's financing activities would remain active in the upcoming years;

- (iii) the strengthened credit collaboration between the Group and major commercial banks since 2023, along with the bolstered financial security, which suggests more versatile funding sources and enables the Group to better manage cash flow and optimize fund utilization. Consequently, it is anticipated that the Group would gradually reduce idle cash reserves by enhancing fund efficiency and accelerating capital turnover;
- (iv) the historical amount of Group's maximum daily deposit balance with GT-PRC Finance for the two years ended 31 December 2021 and 2022, and the nine months ended 30 September 2023 as set out above. The Group anticipates a continuing substantial demand for deposit services from GT-PRC for the following reasons: (a) the potentially more favorable interest rates offered by GT-PRC and/or its associates compared to other major domestic commercial banks and/or financial institutions; and (b) the deposit services provided by GT-PRC and/or its associates are expected to enhance the Group's cash management efficiency and facilitate its treasury management activities more effectively; and
- (v) the specific arrangements established during the Group's financing projects with commercial banks. In the Group's accounts receivable financing projects with commercial banks, following market practices and prior cooperation arrangements, the Group is required to retain subsequently received accounts receivable in a designated account for repaying the bank's factoring loan. Additionally, in certain loan transactions, a portion of accrued interest needs to be reserved as repayment security according to the repayment schedule. Therefore, it is estimated that the Group's remaining funds available for deposit services with GT-PRC and/or its associates will not exceed RMB1.6 billion. With the fund utilization efficiency further enhanced in the future, the proposed annual cap of RMB1.6 billion is expected to be sufficient and fair and reasonable.

Internal Control Measures

For the 2024 Deposit Service Framework Agreement, the Company has adopted the following internal procedures to safeguard the interest of the Shareholders as a whole:

- the Company will obtain the relevant interest rate from GT-PRC and at least three independent commercial banks whenever the Company has demand for services or the PBOC adjusts the benchmark interest rate for deposits;

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- the Company will consider several factors before placing deposit with GT-PRC, including but not limited to (a) the deposit interest rates provided by GT-PRC and independent commercial banks, (b) the type of deposit to be placed (such as demand deposit, term deposit, negotiated deposit or others), (c) the financial status of GT-PRC (such as total assets, current ratio, net profit and others), and (d) the quality of services provided by GT-PRC (such as customized services, response time, designated service team, notification period and others); and
- the Company will at the beginning of each month, compare quotation from GT-PRC with quotation published on the official websites of at least three independent commercial banks (such as Agricultural Bank of China, China Construction Bank, and Industrial and Commercial Bank of China) for deposits of a similar type and maturity. The deposit interest rate provided by GT-PRC should be more favorable than: (a) the benchmark interest rate of similar deposits for a similar term set by the PBOC; and (b) the interest rate of similar deposits for a similar term provided by a major independent commercial bank in China to the Group.

Furthermore, the Company has adopted the following internal procedures to control the risk exposure relating to the Group's deposits with GT-PRC:

- GT-PRC has undertaken to provide the Company with annual audited financial statements and other financial information that the Company may reasonably request from time to time, which will enable the Company to monitor and review the financial positions of GT-PRC. Prior to entering into any specific deposit service agreements, the management of the Group will (i) conduct due diligence and evaluate the financial capability of GT-PRC or its associate by reviewing its audited financial statements, and (ii) obtain and review the relevant permits or licenses regarding deposit service issued by competent authorities, where applicable;
- prior to entering into any specific deposit service agreements, GT-PRC or its associates will undertake to operate in strict compliance with the risk monitoring indicators for financial institutions promulgated by competent authorities (including PBOC and NAFR) from time to time, where applicable;
- GT-PRC has undertaken to notify the Company as soon as practicable, to the extent permissible by applicable laws and regulations, if it is subject to any judicial, legal or regulatory proceedings or investigations that are reasonably likely to have a material adverse effect on the financial positions of GT-PRC. The finance department of the Company will continue to monitor the financial capacity of GT-PRC, and report to the senior management of the Company on a regular basis. If the Company considers that there is any material adverse change in the financial positions of GT-PRC, it will take proper measures to protect the deposits of the Company, including early withdrawal of deposits and discontinuation of further deposits;

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- GT-PRC has undertaken to provide the Company with relevant information on its deposits to enable the Company to monitor changes in its deposits and ensure that the relevant annual caps under the 2024 Deposit Service Framework Agreement will not be exceeded. This has been achieved by granting the Group real-time access to its deposits held with GT-PRC through the unified online banking system; and
- the Company has the right to require withdrawal or early termination of the Company's deposits with GT-PRC, in full or in part, to ensure its liquidity and deposit safety. If the Company's deposits with GT-PRC exceed the maximum daily deposit balance (including accrued interest) on any day, the Company should transfer the excess deposits to its designated account with an independent commercial bank.

(B) 2024 Factoring Service Framework Agreement

Principal Terms of the 2024 Factoring Service Framework Agreement

The principal terms of the 2024 Factoring Service Framework Agreement and the proposed annual caps for the transactions thereunder are set out as below:

Parties: GT-PRC and the Company

Reasons for the transactions: Certain members of the Group are principally engaged in providing commercial factoring service. It is expected that the Group would provide commercial factoring service to GT-PRC and/or its associates in the near future as the revenue generated from the factoring service can provide an additional source of income for the Group. The demand for factoring service from GT-PRC and/or its associates represents an opportunity for the Group to expand its commercial factoring business to a wider customer base and achieve better economies of scale. The Group's factoring service is beneficial to GT-PRC and/or its associates as factoring services will provide them with immediate funding for working capital and business development and help optimize their assets structure, increase capital efficiency. Furthermore, the Group is able to provide factoring service to GT-PRC and/or its associates in a more convenient and efficient manner as compared to other third parties because of the long-term business relationship between the Group and GT-PRC.

Major terms:

The Company entered into the 2024 Factoring Service Framework Agreement with GT-PRC on 23 November 2023, pursuant to which the Company and/or its subsidiaries will provide factoring services to GT-PRC and/or its associates. The major terms of the 2024 Factoring Service Framework Agreement are as follows:

- the Company and/or its subsidiaries will provide factoring services to GT-PRC and/or its associates;

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- the Company and/or its subsidiaries and GT-PRC and/or its associates will enter into separate agreements which prescribe specific terms and conditions for the provision of factoring services; and
- subject to the Independent Shareholders' approval at the EGM, the 2024 Factoring Service Framework Agreement will come into effect from 1 January 2024 until 31 December 2026 and may be renewed by mutual consent.

Pricing policy:

The factoring service fees the Company charges GT-PRC and/or its associates should be determined with reference to (i) the relevant interest rates or service fees provided by at least two major domestic commercial banks or institutions that are independent third-parties conducting commercial factoring business in accordance with the laws, if being able to access service fees and interest rates charged by other third-party institutions offering the same type of service, or (ii) arm's length negotiation with the counterparty based on the Group's assessment of the counterparty's creditworthiness and specific business demands such as business urgency and credit enhancement conditions, if not being able to access service fees and interest rates charged by other third-party institutions offering the same type of service. The Group will assess the creditworthiness of the counterparty by reviewing its corporate credit rating and credit history, financial statements, and quality of the underlying assets of the involved accounts receivables. The Group will also review the interest rates or service fees under the 2024 Factoring Service Framework Agreement by comparing them against interest rates or service fees the Group charges similar independent third-party factoring service clients, and ensure that the terms the Group offers to GT-PRC or its associates should be no less favorable to the Company than those to independent third parties.

The fees for other ancillary transactions (if any) such as consulting shall be determined by agreements between both parties with reference to the relevant fees the Group charges independent third parties in conjunction with the content of the services and shall be on terms no less favorable than terms available to independent third parties.

Annual caps:

For the three years ending 31 December 2024, 2025 and 2026, the annual cap under the 2024 Factoring Service Framework Agreement are as follows:

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	Year ending 31 December		
	<i>(RMB' million)</i>		
	2024	2025	2026
Factoring Financing Amount	1,000	1,000	1,000
Factoring Service Charge and Handling Charge	60	60	60
Total	1,060	1,060	1,060

Basis of annual caps: The above proposed annual cap is based on the following factors:

- (i) the demand for commercial factoring services of GT-PRC and/or its associates as estimated by the Group based on the information available to the Group. GT-PRC, a conglomerate primarily engaged in advanced manufacturing and technology service, pharmaceutical and healthcare and trade, and engineering contracting, periodically requires factoring services to optimize asset structures and enhance capital efficiency. It is anticipated that over the next three years, there will be a total demand of approximately RMB1.1 billion for factoring services from three subsidiaries of GT-PRC. This estimation is based on preliminary discussions regarding GT-PRC's anticipated capital expenditures and funding requirements until 31 December 2026. Nevertheless, considering the absence of historical factoring services provided by the Group to GT-PRC or its associates, both parties expect to commence a moderate volume of factoring business in the near future. The Group remains committed to adhering strictly to its internal control standards, particularly regarding the quality of underlying assets, when providing factoring services to its connected persons. At the early stage of the potential transactions, due to the lack of detailed information on the quality of underlying assets before substantial evaluation of a potential factoring business opportunity, the Group prudently anticipates to capture only a portion but not the full amount of the RMB1.1 billion factoring service opportunity;
- (ii) to the Company's knowledge, certain subsidiaries of GT-PRC engaged in trading business have accumulated over RMB20 billion in accounts receivable in 2022 due to the nature of their business, indicating a strong likelihood of recurrent demands for factoring services. Given the uncertainty of the quality of underlying assets related to the aforementioned potential business opportunity at this stage and to cater to potential increases in factoring service needs from GT-PRC and its associates, the proposed annual caps have been set with sufficient buffers in place;
- (iii) the Group's capacity to offer commercial factoring services, which has shown consistent growth in recent years. Factoring service is a branch of the Group's finance business segment. Notably, the Group's factoring income increased by approximately 133.2% from approximately RMB43.5 million for the year ended 31 December 2021 to approximately RMB101.4 million for the year ended 31 December 2022. The Group's factoring income increased by approximately 44.9% from approximately RMB46.2

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million for the six months ended 30 June 2022 to RMB67.0 million for the six months ended 30 June 2023. The Group will continue to optimize capital allocation and management, enhancing both the available capital returns and capital usage efficiency. Considering the Group's funds investment and anticipated returns, along with the potential financial impact on the Group, the proposed annual cap of RMB1.0 billion for factoring financing limit is a reasonably balanced amount; and

- (iv) the market factoring service fee rates and the range of factoring service periods, including the average fee rate the Group charges similar independent third-party factoring service clients with comparable financial capability and asset quality as those of GT-PRC and its associates.

Internal Control Measures

For the continuing connected transactions under the 2024 Factoring Service Framework Agreement, the Company has adopted the following internal procedures to safeguard the interest of the Shareholders as a whole:

- the business departments of the Company will conduct market analysis on commercial factoring service, and make pricing proposal to the senior management after considering a number of factors, including overall market price, market share, orders and performance of major competitors, value added by relevant service and importance of customer relationship;
- the business departments of the Company will conduct arm's length negotiation with GT-PRC and/or its associates, and after several rounds of internal assessment conducted on individual transactions based on the above factors by the Company's internal departments such as business operation department and treasury department, a final report will be made to the senior management who will approve individual transactions;
- the business departments of the Company will also review the reasonableness of pricing for relevant commercial factoring services on regular basis according to the latest market intelligence, and report to the senior management, if necessary, for their approval of any adjustment;
- the treasury department of the Company will collect and monitor the transaction amount of continuing connected transactions under the 2024 Factoring Service Framework Agreement based on real-time business occurrences to ensure timely assessment on whether the relevant annual caps are exceeded; and
- the independent non-executive Directors will also conduct annual review on the continuing connected transactions under the 2024 Factoring Service Framework Agreement to ensure that such transactions have been entered into on normal commercial terms, are fair and reasonable and conducted according to the terms. The

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auditor of the Company will also conduct annual review on the pricing and annual caps of the continuing connected transactions under the 2024 Factoring Service Framework Agreement.

Information about the Parties

The Company

The Company is an integrated healthcare service provider with a focus on the fast-growing healthcare service industry in the PRC. Leveraging its own diversified healthcare resources and strong financial support, the Company has been committed to building up hospitals' comprehensive strengths in terms of healthcare technology, service quality, operating efficiency as well as managerial capacity.

GT-PRC

GT-PRC was established in March 1998 as a state-owned enterprise supervised by the State-owned Assets Supervision and Administration Commission. The principal business of GT-PRC comprises three major segments, namely, advanced manufacturing and technology service, pharmaceutical and healthcare and trade and engineering contracting.

Listing Rules Implications

As at the Latest Practicable Date, GT-PRC holds approximately 39.38% of the total issued share capital of the Company and is a controlling shareholder of the Company. Therefore, GT-PRC and its associates constitute connected persons of the Company pursuant to Rule 14A.07 of the Listing Rules.

For each of the three years ending 31 December 2024, 2025 and 2026, the highest applicable percentage ratios of the annual caps for the transactions under each of the 2024 Deposit Service Framework Agreement and the 2024 Factoring Service Framework Agreement will exceed 5% but none of them is 25% or more. Therefore, the transactions under each of the 2024 Deposit Service Framework Agreement and the 2024 Factoring Service Framework Agreement will constitute discloseable transactions and non-exempt continuing connected transactions of the Company subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements pursuant to Chapters 14 and 14A of the Listing Rules.

Approval by the Board

Among the Directors, Mr. Tong Chaoyin and Mr. Xu Ming hold positions in GT-PRC or its associates and accordingly they are considered to have material interests in the transactions under the 2024 Deposit Service Framework Agreement and the 2024 Factoring Service Framework Agreement. Mr. Tong Chaoyin and Mr. Xu Ming had abstained from voting on the resolution in respect of the 2024 Deposit Service Framework Agreement and the 2024 Factoring Service Framework Agreement at the Board meeting. Save as disclosed above, no

LETTER FROM THE BOARD

Director has interests in the transactions under the 2024 Deposit Service Framework Agreement and the 2024 Factoring Service Framework Agreement. The transactions under each of the 2024 Deposit Service Framework Agreement and the 2024 Factoring Service Framework Agreement and the respective annual caps have been approved by the Directors who are entitled to vote at the Board meeting.

In light of the reasons stated above, the Directors of the Company (excluding Mr. Tong, Mr. Xu and the independent non-executive Directors whose view is set out in the letter from the Independent Board Committee on page 18 to page 19 of this circular) are of the view that the continuing connected transactions under each of the 2024 Deposit Service Framework Agreement and the 2024 Factoring Service Framework Agreement and the respective annual caps thereof have been entered into/arrived at (i) in the ordinary and usual course of the business of the Company; (ii) on normal commercial terms; and (iii) on terms that are fair and reasonable and in the interest of the Company and its Shareholders as a whole.

Independent Board Committee and Independent Financial Adviser

The Company has established the Independent Board Committee comprising all independent non-executive Directors for providing advice to the Independent Shareholders on (i) whether the terms of each of the 2024 Deposit Service Framework Agreement and the 2024 Factoring Service Framework Agreement and the transactions thereunder are in the ordinary course of business of the Group and on normal commercial terms, fair and reasonable, and in the interest of the Company and the Shareholders as a whole; and (ii) whether the proposed annual caps under each of the 2024 Deposit Service Framework Agreement and the 2024 Factoring Service Framework Agreement are fair and reasonable and in the interest of the Company and the Shareholder as a whole. None of the members of the Independent Board Committee has any material interest in the 2024 Deposit Service Framework Agreement and the 2024 Factoring Service Framework Agreement.

The Company has appointed Alliance Capital Partners Limited as the Independent Financial Adviser to the Company for providing advice to the Independent Board Committee and the Independent Shareholders in this regard.

3. HISTORICAL TRANSACTION AMOUNTS UNDER 2023 DIGITALIZATION-BASED SALES FRAMEWORK AGREEMENT AND 2023 DIGITALIZATION-BASED PROCUREMENT FRAMEWORK AGREEMENT

Reference is made to the Company's announcement dated 23 November 2023 in relation to, among other things, renewal of existing continuing connected transactions. The Company would like to supplement that, as at 23 November 2023, the actual transaction amounts under the 2023 Digitalization-based Sales Framework Agreement and the 2023 Digitalization-based Procurement Framework Agreement are approximately RMB0 and RMB228,000, respectively.

LETTER FROM THE BOARD

4. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In order to promote the construction of the Company's compliance system and strengthen its compliance management capabilities, the Company intends to create the position of general counsel and to specify the same in the Articles of Association. A special resolution will be proposed at the EGM to approve the proposed amendments to the Articles of Association as set forth in Appendix II to this circular (the "**Proposed Amendments**") and the adoption of the amended and restated Articles of Association incorporating the Proposed Amendments. Except for the Proposed Amendments, other provisions of the Articles of Association remain unchanged.

As disclosed in the Company's announcement dated 5 December 2023, the adoption of the amended and restated Articles of Association has been approved by the Board and will take effect upon Shareholders' approval of the Proposed Amendments. Prior to that, the Articles of Association currently in force shall apply. The relevant details of the Proposed Amendments are set forth in Appendix II to this circular.

5. EGM AND PROXY ARRANGEMENT

The notice of the EGM is set on pages 45 to 46 of this circular.

Pursuant to the Listing Rules and the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, 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. An announcement on the poll results will be published by the Company after the EGM in the manner prescribed under the Listing Rules.

Any Shareholder who has a material interest in the above matters shall abstain from voting on the resolution(s) in relation thereto to be proposed at the EGM. As at the Latest Practicable Date, GT-PRC holds approximately 39.38% of the total issued share capital of the Company (i.e., 744,851,700 Shares) and is the controlling shareholder of the Company. As such, GT-PRC and its associates shall abstain from voting on (i) the ordinary resolution approving the 2024 Deposit Service Framework Agreement and the proposed annual caps thereunder, and (ii) the ordinary resolution approving the 2024 Factoring Service Framework Agreement and the proposed annual caps thereunder at the EGM. GT-PRC and its associates are entitled to vote on the other resolution at the EGM.

Save as disclosed above, to the best of the Directors' knowledge, information and belief having made reasonable enquiries, no other Shareholders would be required to abstain from voting at the EGM.

A form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (www.umcare.cn). To be valid, the form of proxy must be completed and signed in accordance with the instructions stated thereon and deposited, together with any authority under which it is executed or a copy of the authority certified notarially at the Company's share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. In calculating the aforesaid 48-hour period, no account

LETTER FROM THE BOARD

will be taken of any part of a day that is public holiday. Accordingly, the form of proxy must be delivered to the Company not later than 10:00 a.m. on Wednesday, 27 December 2023. Completion and delivery of the form of proxy will not preclude you from attending and voting at the EGM if you so wish.

6. RECOMMENDATION

The Board considers that (i) the 2024 Deposit Service Framework Agreement and the proposed annual caps thereof, (ii) the 2024 Factoring Service Framework Agreement and the proposed annual caps thereof, and (iii) the proposed amendments to the Articles of Association (the recommendation on (i) and (ii) from the independent non-executive Directors is set out in the letter from the Independent Board Committee on page 18 to page 19 of this circular) are in the interests of the Company and its Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of all the relevant resolutions to be proposed at the EGM for such purpose.

7. FURTHER INFORMATION

Your attention is drawn to the letter from the Independent Board Committee, the letter from the Independent Financial Adviser, and the additional information set out in the appendix to this circular.

Yours faithfully,

For and on behalf of the Board

Genertec Universal Medical Group Company Limited

通用環球醫療集團有限公司

Peng Jiahong

Chairwoman of the Board

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



GENERTEC UNIVERSAL MEDICAL GROUP COMPANY LIMITED 通用環球醫療集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 2666)

11 December 2023

To the Independent Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS UNDER 2024 DEPOSIT SERVICE FRAMEWORK AGREEMENT AND 2024 FACTORING SERVICE FRAMEWORK AGREEMENT

We refer to the circular dated 11 December 2023 issued by the Company to its Shareholders (the “Circular”) of which this letter forms part. Capitalised terms used in this letter shall bear the same meanings as defined in the Circular unless the context otherwise requires.

Under the Listing Rules, the 2024 Deposit Service Framework Agreement and the 2024 Factoring Service Framework Agreement and the respective proposed annual caps thereof are subject to the approval of the Independent Shareholders at the EGM.

We have been appointed as the Independent Board Committee to consider terms of the 2024 Deposit Service Framework Agreement and the 2024 Factoring Service Framework Agreement and the respective proposed annual caps thereof and to advise the Independent Shareholders and make recommendations to the Independent Shareholders as to how to vote at the EGM on the ordinary resolutions regarding the 2024 Deposit Service Framework Agreement and the 2024 Factoring Service Framework Agreement and the respective proposed annual caps thereof.

Alliance Capital Partners Limited has been appointed as the Independent Financial Adviser to advise us and the Independent Shareholders in this regard. We wish to draw your attention to the letter from the Board and the letter from the Independent Financial Adviser as set out in the Circular.

Having taken into account, among other things, the advice from the Independent Financial Adviser, we are of the view that the 2024 Deposit Service Framework Agreement and the 2024 Factoring Service Framework Agreement and the respective proposed annual caps thereof (i) have been negotiated on an arm’s length basis; (ii) are determined on normal commercial terms; (iii) are entered into in the ordinary and usual course of business of the Company; and (iv) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Accordingly, we recommend the Independent Shareholders to vote at the EGM in favour of the ordinary resolutions regarding the 2024 Deposit Service Framework Agreement and the 2024 Factoring Service Framework Agreement and the respective proposed annual caps thereof.

Yours faithfully,
For and on behalf of
Independent Board Committee
Genertec Universal Medical Group Company Limited
通用環球醫療集團有限公司

Mr. Li Yinquan
Independent
non-executive Director

Mr. Chow Siu Lui
Independent
non-executive Director

Mr. Xu Zhiming
Independent
non-executive Director

Mr. Chan, Hiu Fung
Nicholas
Independent
non-executive Director

LETTER FROM INDEPENDENT FINANCIAL ADVISER

The following is the text of a letter of advice from Alliance Capital Partners Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, prepared for the purpose of inclusion in this circular.



Alliance Capital Partners Limited
同人融資有限公司

Unit 03, 7/F Worldwide House,
19 Des Voeux Road Central
Hong Kong

11 December 2023

*To: The Independent Board Committee and the Independent Shareholders of
Genertec Universal Medical Group Company Limited*

PROPOSED ENTERING INTO CONTINUING CONNECTED TRANSACTIONS

INTRODUCTION

We refer to our appointment as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the continuing connected transactions contemplated under and the proposed annual caps for the 2024 Deposit Service Framework Agreement and the 2024 Factoring Service Framework Agreement, details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in this circular dated 11 December 2023 issued by the Company to the Shareholders (the “**Circular**”), of which this letter forms part. Unless otherwise defined, capitalised terms used in this letter shall have the same meanings as those defined in the Circular.

Reference is made to the prospectus of the Company dated 24 June 2015, the announcements of the Company dated 29 March 2016, 1 December 2017, 10 November 2020, 31 December 2020 and 11 November 2021, and the circulars of the Company dated 20 April 2016, 7 December 2017, 25 November 2020 and 2 December 2021, in respect of, among others, the continuing connected transactions of the Company. As set out in the announcement of the Company dated 23 November 2023 and the Letter from the Board, the Company has entered into the 2024 Deposit Service Framework Agreement with GT-PRC and the 2024 Factoring Service Framework Agreement with GT-PRC for the continuing connected transactions to be contemplated thereunder for a term of three years ending 31 December 2026 (the “**Transactions**”).

As at the Latest Practicable Date, the Company is directly and indirectly owned as to approximately 39.38% by GT-PRC, the controlling shareholder of the Company. Accordingly, GT-PRC and its associates (including GT-PRC Finance) are connected persons of the Company pursuant to Chapter 14A of the Listing Rules.

For each of the three years ending 31 December 2026, the highest applicable percentage ratios of the proposed annual caps for the Transactions will exceed 5% but none of them is 25% or more. Therefore, the Transactions will constitute discloseable transactions and non-exempt continuing connected transactions of the Company subject to the reporting, annual review, announcement and Independent Shareholders’ approval requirements pursuant to Chapters 14 and 14A of the Listing Rules.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

An EGM is expected to be held to seek approval from the Independent Shareholders for the Transactions and the respective proposed annual caps thereof. GT-PRC and its associates will abstain from voting in respect of the ordinary resolutions on matters relating to the 2024 Deposit Service Framework Agreement and the 2024 Factoring Service Framework Agreement at the EGM.

THE INDEPENDENT BOARD COMMITTEE

As at the Latest Practicable Date, the Independent Board Committee, comprising all of the independent non-executive Directors of the Company (namely Mr. Li Yinquan, Mr. Chow Siu Lui, Mr. Xu Zhiming and Mr. Chan, Hiu Fung Nicholas) who have no direct or indirect interest in the continuing connected transactions of the Company, has been established for the purpose of providing advice to the Independent Shareholders in respect of the Transactions and the respective proposed annual caps thereof. In this regard, we, Alliance Capital Partners Limited, have been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders on whether the terms of the 2024 Deposit Service Framework Agreement and the 2024 Factoring Service Framework Agreement and the respective proposed annual caps are on normal commercial terms, in the ordinary course of business, fair and reasonable and in the interest of the Company and the Independent Shareholders as a whole.

In the past two years, we were appointed in November 2021 as independent financial adviser to the Company for the revision of annual caps for continuing connected transactions under the 2021 Deposit Service Framework Agreement for the three years ending 31 December 2023 and our opinion letter was included in the Company's circular dated 3 December 2021. Apart from the normal advisory fee paid to us in connection with these transactions, we do not have any business dealings with the Company.

Apart from the normal advisory fee payable to us in connection with our appointment as the independent financial adviser to the Independent Board Committee and the Independent Shareholders, there is no relationship or interests with the Company, the Group, GT-PRC, GT-PRC Finance, or any of their respective associates, or any other parties that could reasonably be regarded as relevant to our independence. Accordingly, we consider that we are independent under Rule 13.84 of the Listing Rules.

BASIS OF OUR ADVICE

In formulating our recommendations, we have relied on the statements, information and representations contained in the Circular and the information and representations provided to us by the Directors and senior management (collectively, the "**Management**") of the Company. We have assumed that all information and representations contained or referred to in the Circular and all information and representations which have been provided by the Management of the Company are true and accurate at the time they were made and will continue to be true and accurate as at the date of the despatch of the Circular.

The Management of the Company collectively and individually accept full responsibility for the accuracy of the information contained in the Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, information contained in the 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 contained in the Circular misleading. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Management of the Company. We consider that we have been provided with sufficient information on which to form a reasonable basis for our

LETTER FROM INDEPENDENT FINANCIAL ADVISER

opinion. We have no reason to suspect that any relevant information has been withheld, nor are we aware of any facts or circumstances which would render the information provided and representations made to us untrue, inaccurate or misleading.

We consider that we have performed all the necessary steps to enable us to reach an informed view and to justify our reliance on the information provided to us so as to provide a reasonable basis for our opinion. We have no reason to suspect that any relevant information has been withheld, nor are we aware of any facts or circumstances which would render the information provided and representations made to us untrue, inaccurate or misleading. We have not, however, carried out any independent verification of the information provided by the Management of the Company, nor have we conducted an independent investigation into the business and affairs or the prospects of the Company, the Group, GT-PRC, GT-PRC Finance, or any of their respective associates. We understand that the Management of the Company shall ensure the information referred to in the Circular continues to be true, accurate and complete as at the date of the EGM. The Company will notify the Shareholders of any material changes as soon as practicable, if any.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources which are the latest information publicly available to the best of our knowledge, the sole responsibility of Alliance Capital Partners Limited is to ensure that such information has been correctly extracted from the relevant sources.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating and giving our opinion to the Independent Board Committee and the Independent Shareholders in relation to the Transactions and the respective proposed annual caps thereof, we have taken into consideration the following principal factors:

1. Background of the Group

The Group is an integrated healthcare service provider with focuses on the fast-growing healthcare service industry in the PRC. Leveraging its own rich medical resources and strong financial strength, the Company is committed to improving the technical standards, service capabilities, operational performance and management effectiveness of the hospitals, to effectively enhance the overall strength of the hospital. According to the Company's annual report for the year ended 31 December 2022 (the "**Annual Report 2022**") and the interim report for the six months ended 30 June 2023 (the "**Interim Report 2023**"), its business is organised into two operating segments, namely (i) the finance and advisory business which primarily comprises (a) direct finance leasing; (b) sale-and-leaseback; (c) factoring; (d) operating leases; and (e) advisory services, and (ii) the healthcare business which comprises primarily (a) medical services; (b) hospital and healthcare management; (c) import and export trade and domestic trade of medical-related goods; and (d) life cycle management of equipment assets.

The Group recorded a revenue of approximately RMB8.5 billion, RMB9.9 billion and RMB11.9 billion for the year ended 31 December 2020, 2021 and 2022, representing an increase of approximately 16.3% and 20.2%, respectively. As disclosed in the Annual Report 2022 and Interim Report 2023, during the year ended 31 December 2022 and the six months ended 30 June 2023, the Group will continue to promote the steady and safe development of its finance business, and give full

LETTER FROM INDEPENDENT FINANCIAL ADVISER

play to the finance business to empower the development of the medical care industry, so as to lay a solid foundation for the high-quality development of a central state-owned and listed enterprise. As at 31 December 2021 and 2022, and 30 June 2023, the carrying balance of bonds (including medium-term notes, corporate bonds, super short-term financing bonds and non-publicly oriented debt financing instruments) amounted to approximately RMB14.8 billion, RMB16.6 billion and RMB16.3 billion, respectively. In addition, the total balance of sum of cash and cash equivalents and loans and accounts receivables of the Group increased from approximately RMB62.9 billion as at 31 December 2021 to approximately RMB67.5 billion as at 31 December 2022 and further increased to approximately RMB74.1 billion as at 30 June 2023, representing an increase of approximately 7.3% and 9.8%, respectively.

2. Background of GT-PRC and GT-PRC Finance

GT-PRC is a controlling shareholder of the Company and a state-owned enterprise supervised by the State-owned Assets Supervision and Administration Commission. The principal business of GT-PRC comprises three major segments, namely, advanced manufacturing and technology service, pharmaceutical and healthcare and trade, and engineering contracting.

GT-PRC Finance is a licensed non-bank financial institution incorporated in the PRC in September 2010 with registered capital of RMB1,000 million. As at the Latest Practicable Date, GT-PRC Finance is owned as to 95% and 5% respectively by GT-PRC and CNTIC, a wholly-owned subsidiary of GT-PRC, and is regulated by the Administrative Measures for Enterprise Group Finance Companies (企業集團財務公司管理辦法) promulgated by the PBOC and the NAFR. Its incorporation was approved by the NAFR and its operation has been regulated by the NAFR. The regulations on interest rate promulgated by the PBOC and the NAFR are also applicable to it. According to the laws and regulations of the PRC, GT-PRC Finance is only permitted to provide financial services to member companies of GT-PRC (including the Group). As advised by the Management of the Company, set out below are the major regulatory ratio requirements (as stipulated in the Administrative Measures for Enterprise Group Finance Companies) and the relevant ratios of GT-PRC Finance as at 31 December 2022 and as at 30 June 2023:

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	Requirements for PRC licensed finance companies	GT-PRC Finance	
		As at 31 December 2022	As at 30 June 2023 (unaudited)
Capital adequacy ratio	Not lower than 10.5%	14.94%	14.41%
Current ratio	Not lower than 25%	54.79%	74.04%
Loan to deposit and paid-up capital ratio	Not higher than 80%	69.08%	74.95%
Non-intra group liabilities to net capital ratio	Not higher than 100%	0.00%	0.00%
Bill acceptance balance to total asset ratio	Not higher than 15%	5.26%	6.72%
Bill acceptance balance to inter-bank deposit ratio	Not higher than 300%	21.85%	34.90%
Total bill acceptance and discount to net capital ratio	Not higher than 100%	45.37%	55.25%
Bill acceptance deposit balance to deposit ratio	Not higher than 10%	0.39%	0.22%
Investment to net capital ratio	Not higher than 70%	4.88%	33.86%
Self-owned fixed assets to net capital ratio	Not higher than 20%	0.10%	0.17%

As shown on the table above, we note that all applicable ratios (as stipulated in the Administrative Measures for Enterprise Group Finance Companies) of GT-PRC Finance are in compliance with regulatory requirements for PRC licensed finance companies as promulgated by the PBOC and the NAFR. We have also noted that on 13 October 2022, NAFR issued an announcement on revision of applicable ratios which was effective from 13 November 2022. All applicable ratios of GT-PRC Finance are in compliance with the preceding regulatory requirements for the year ended 31 December 2021 and since 1 January 2022 up to 13 November 2022.

3. Reasons for and benefits in relation to the Transactions

2024 Deposit Service Framework Agreement

As stated in the Letter from the Board, the Company expects that it is beneficial for the Group to utilise the deposit services from GT-PRC and/or its associates (including GT-PRC Finance) under the proposed annual caps for the following reasons:

- (i) GT-PRC Finance, a non-bank financial institution approved and regulated by the PBOC and the NAFR, has been serving as a fund management platform to streamline the Company's extensive daily fund settlements, enable centralised fund management and more efficient allocation. The deposit service from GT-PRC Finance is convenient since it allows the

LETTER FROM INDEPENDENT FINANCIAL ADVISER

Company to draw upon the deposit at any time. As a financial institution serving member companies of GT-PRC (including the Group), GT-PRC Finance acts as a conduit to consolidate dispersed funds, bolstering liquidity management;

- (ii) the interest rates of GT-PRC Finance are expected to allow the Company to maximise interest return. The full-service solutions (including fund settlement services, bill-related services and consultation service for financing) provided by GT-PRC Finance are more favorable than the terms for similar services provided by other independent third parties. In particular, GT-PRC Finance provides the Company with cost-free fund transfer service and issuance of commercial acceptance drafts to cater for the Company's needs of settlement services for large sums of funds;
- (iii) GT-PRC Finance has acquired in-depth knowledge about the Company over the years and good understanding on its capital structure, business operation, capital requirements and modes of cash flows, and therefore is able to anticipate the Company's business needs and provide customised services for the Company. The Company expects to continue the existing business relationship with GT-PRC Finance; and
- (iv) entering into the 2024 Deposit Service Framework Agreement will not prevent the Group from using financial services from independent commercial banks in China. The Group may still select independent commercial banks in China to act as its financial service provider as it deems fit and in the interest of the Group.

2024 Factoring Service Framework Agreement

As stated in the Letter from the Board, the Company expects that it is beneficial for the Group to provide factoring services to GT-PRC and/or its associates under the proposed annual caps for the following reasons:

- (i) Certain members of the Group are principally engaged in providing commercial factoring service. It is expected that the Group would provide commercial factoring service to GT-PRC and/or its associates in the near future as the revenue generated from the factoring service can provide an additional source of income for the Group;
- (ii) the demand for factoring service from GT-PRC and/or its associates represents an opportunity for the Group to expand its commercial factoring business to a wider customer base and achieve better economies of scale;
- (iii) the Group's factoring service is beneficial to GT-PRC and/or its associates as factoring services will provide them with immediate funding for working capital and business development and help optimise their assets structure, increase capital efficiency; and
- (iv) the Group is able to provide factoring service to GT-PRC and/or its associates in a more convenient and efficient manner as compared to other third parties because of the long-term business relationship between the Group and GT-PRC.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

Taking into account of the factors above, we are of the view that the transactions under 2024 Deposit Service Framework Agreement and 2024 Factoring Service Framework Agreement will be conducted in the ordinary and usual course of the Group's business and the 2024 Deposit Service Framework Agreement and 2024 Factoring Service Framework Agreement are in the interest of the Group and the Shareholders as a whole.

4. Principal terms of the 2024 Deposit Service Framework Agreement

Major terms of the transactions under 2024 Deposit Service Framework Agreement

Pursuant to the 2024 Deposit Service Framework Agreement, GT-PRC and/or its associates shall provide deposit services to the Company and/or its subsidiaries. The major terms of the 2024 Deposit Service Framework Agreement are as follows:

- GT-PRC and/or its associates will provide deposit service to the Group;
- with respect to specific deposit service, specific terms and conditions, including service scope, deposit interest and other terms will comply with the relevant regulations of the NAFR and the PBOC; and
- the 2024 Deposit Service Framework Agreement will come into effect from 1 January 2024 until 31 December 2026, subject to the Independent Shareholders' approval at the EGM and may be renewed by mutual consent.

Pricing policy

In respect of the deposit service, the interest rate on the Group's deposits placed with GT-PRC and/or its associates should be more favourable than:

- a. the benchmark interest rate of similar deposits for a similar term set by the PBOC published on its official website (www.pbc.gov.cn) from time to time; and
- b. the interest rate of similar deposits for a similar term provided by a major independent commercial bank in the PRC to the Group.

Our Assessment

We have obtained and reviewed a summary comparing the interest rates offered by GT-PRC Finance since January 2020 and the interest rates offered by four independent commercial banks in the PRC, which are the principal banks of the Group, since October 2015, for a variety of deposits with different deposit period. We noted that the deposit interest rate at GT-PRC Finance was never lower than the interest rate of similar deposits for a similar term provided by four independent commercial banks. We have also compared the interest rate of deposits placed with GT-PRC Finance in contrast with the latest benchmark interest rate announced by the PBOC, revealed on the website of PBOC at

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www.pbc.gov.cn, and noted that the latest interest rate of deposits placed with GT-PRC Finance was significantly higher than the benchmark interest rate of similar deposits for a similar term set by the PBOC.

Having considered that (i) the interest rate of deposits placed with GT-PRC and/or its associates shall not be lower than the benchmark interest rate of similar deposits for a similar term set by the PBOC and the interest rate of similar deposits for a similar term provided by an independent commercial bank in the PRC to the Group; and (ii) the Company has complied with the pricing policy for the two years ended 31 December 2022 and the nine months ended 30 September 2023, we concur with the view of the Management of the Company that the terms of the 2024 Deposit Service Framework Agreement are in favour of the Group and the relevant transactions will be conducted in the ordinary and usual course of the Group's business.

5. Principal terms of the 2024 Factoring Service Framework Agreement

Major terms of 2024 Factoring Service Framework Agreement

Pursuant to the 2024 Factoring Service Framework Agreement, the Company and/or its subsidiaries will provide factoring services to GT-PRC and/or its associates. The major terms of the 2024 Factoring Service Framework Agreement are as follows:

- the Company and/or its subsidiaries will provide factoring services to GT-PRC and/or its associates;
- the Company and/or its subsidiaries and GT-PRC and/or its associates will enter into separate agreements which prescribe specific terms and conditions for the provision of factoring services; and
- subject to the Independent Shareholders' approval at the EGM, the 2024 Factoring Service Framework Agreement will come into effect from 1 January 2024 until 31 December 2026 and may be renewed by mutual consent.

Pricing policy

In respect of the factoring services, the interest rates and service fees for factoring services provided by the Company and/or its subsidiaries to GT-PRC and/or its associates should be determined with reference to (i) the relevant interest rates or service fees provided by at least two major domestic commercial banks or institutions that are independent third-parties conducting commercial factoring business in accordance with the laws, if being able to access service fees and interest rates charged by other third-party institutions offering the same type of service; or (ii) arm's length negotiation with the counterparty based on the Group's assessment of the counterparty's creditworthiness and specific business demands such as business urgency and credit enhancement conditions, if not being able to access service fees and interest rates charged by other third-party institutions offering the same type of service; and (iii) the Group will assess the creditworthiness of the counterparty by reviewing its corporate credit rating and credit history, financial statements, and quality of the underlying assets of the involved accounts receivables. The Group will also review the interest rates or service fees under

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the 2024 Factoring Service Framework Agreement by comparing them against interest rates or service fees the Group charges similar independent third-party factoring service clients, and ensure that the terms the Group offers to GT-PRC or its associates should be no less favorable to the Company than those to independent third parties.

The fees for other ancillary transactions (if any) such as consulting shall be determined by agreements between both parties with reference to the relevant fees the Group charges independent third parties in conjunction with the content of the services and shall be on terms no less favorable than terms available to independent third parties.

Our Assessment

We are advised by the Management of the Company that the factoring services could be with or without recourse subject to the decision of the Company and/or its subsidiaries when entering into the specific factoring contract with GT-PRC and/or its associates. The fee charged by the Company and/or its subsidiaries for the factoring services with recourse will be lower than the service without recourse, so GT-PRC and/or its associates can choose the factoring services type based their own financing needs.

Before entering into any specific agreement in accordance with the 2024 Factoring Service Framework Agreement, the Company will, according to the following procedures, ensure that the terms offered to relevant connected persons of the Company are the most favourable terms:

- (i) In practice, relevant considerations for the factoring business services shall be agreed and confirmed by the parties thereto, and determined after arm's length negotiations by reference to prevailing market prices and current market conditions. To be specific, the relevant executives of the relevant departments (such as finance management department and treasury department) of the Company will review interest rates and service fees for the same period and other relevant terms offered by independent commercial banks or other commercial factoring companies engaged in commercial factoring business in the PRC, and compare with the interest rates and service fees charged for the same type of services provided by the Company and/or its subsidiaries to GT-PRC and/or its associates, and ensure that the terms offered to the relevant connected persons of the Company are fair and reasonable and comparable to those offered to independent third parties; and where the terms offered to independent third parties are more favourable to the Company, such terms will be adopted by the Company;
- (ii) The Company will ensure that relevant prices are fair and reasonable for the Company and its Shareholders as a whole, by reference to the historical prices and price trend of relevant factoring business services; and
- (iii) The audit department and finance management department of the Company will periodically review and inspect the process of relevant continuing connected transactions.

Having considered that (i) the Company has established sufficient internal control measures to ensure the pricing basis of each specific agreement to be entered into pursuant to the 2024 Factoring Service Framework Agreement will be on normal commercial terms, fair and reasonable, in accordance with

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the pricing policy of the Company and in the interest of the Company and its Shareholders as a whole, we concur with the view of the Management of the Company that the terms of the 2024 Factoring Service Framework Agreement are in favour of the Group and the relevant transactions will be conducted in the ordinary and usual course of the Group's business.

6. Review of the basis for determining the proposed annual caps

Actual transaction amounts

The table below sets out (i) actual transaction amount for the two years ended 31 December 2022 and the nine months ended 30 September 2023 and (ii) the existing annual caps for the Transactions for the three years ending 31 December 2023:

	For the year ended	For the year ended	For the nine
	31 December	31 December	months ended 30
	2021	2022	September 2023
	<i>(RMB million)</i>	<i>(RMB million)</i>	<i>(RMB million)</i>
Actual transactions:			
Maximum daily deposit balance, including accrued interest, placed with GT-PRC Finance ^(Note)	1,509	1,939	1,901
Contract sum of factoring service agreements entered with GT- PRC and/or its associates	–	–	–

Note: These amounts were the maximum daily deposit balance of the Group placed with GT-PRC Finance. The actual daily deposit amounts fluctuated considerably due to the nature of the Group's business: the daily deposit balance may be in a large amount as a result of certain centralised payment arrangements or centralised financing withdrawals; however, this is not a regular state. The Group reasonably arranges the position of cash balances according to its liquidity management needs.

	For the year ended	For the year ended	For the
	31 December	31 December	year ending
	2021	2022	31 December
	<i>(RMB million)</i>	<i>(RMB million)</i>	2023
			<i>(RMB million)</i>
Existing annual caps^(Note):			
Maximum daily deposit balance, including accrued interest, placed with GT-PRC Finance	2,000	2,000	2,000
Factoring financing amount	N/A	N/A	N/A
Factoring service charge and handling charge	N/A	N/A	N/A

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Proposed annual caps for the 2024 Deposit Service Framework Agreement

The table below sets out the Group's proposed annual caps in respect of the 2024 Deposit Service Framework Agreement for the three years ending 31 December 2026:

	For the year ending		
	31 December	31 December	31 December
	2024	2025	2026
	(RMB million)	(RMB million)	(RMB million)
Proposed annual caps:			
Maximum daily deposit balance, including accrued interest, placed with GT-PRC and/or its associates	1,600	1,600	1,600

We have discussed with the Management of the Company, reviewed the historical maximum daily deposit balance, as well as the financial conditions of the Group. We noted that the proposed annual caps above are determined having considered the following:

- (i) the Group's maximum daily deposit balance with GT-PRC Finance for each of the year ended 31 December 2021 and 2022 and the nine months ended 30 September 2023. As compared to the Group's maximum daily deposit balance with GT-PRC Finance for the year ended 31 December 2021 and 31 December 2022, and the nine months ended 30 September 2023, the proposed annual caps for each of the three years ending 31 December 2026 of RMB1.6 billion was slightly above the maximum daily deposits balance for the year ended 31 December 2021 but below that for the year ended 31 December 2022 and the nine months ended 30 September 2023;
- (ii) the historical revenue of the Group and the expected cash flows from the Group's operation and business development. According to the Annual Report 2022, the Group's revenue increased by approximately 20.2% from approximately RMB9.9 billion for the year ended 31 December 2021 to RMB11.9 billion for the year ended 31 December 2022. The Group's net cash inflow from operating activities amounted to RMB2,057.2 million, representing an increase of inflow of RMB3,457.8 million as compared to that for the year ended 31 December 2021, which was mainly due to the increase in the inflow amounts as a result of the increased scale in asset-backed securities business. Cash and cash equivalents was RMB2,679.4 million, representing an increase of approximately 14.4% as compared to that as at 31 December 2021. Pledged deposits and restricted bank deposits was RMB628.3 million, representing a decrease of approximately 19.6% when compared to that as at 31 December 2021. According to the Interim Report 2023, the Group's revenue increased by approximately 16.1% from approximately RMB5.7 billion for the six months ended 30 June 2022 to RMB6.6 billion for the six months ended 30 June 2023. The Group's net cash outflow from operating activities amounted to RMB3,339.4 million, representing an increase of outflow of RMB2,018.4 million as compared to that for the six months ended 30 June 2022, which was mainly due to the substantial period-on-period increase in the finance business scale. Cash and cash equivalents

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was RMB2,510.1 million, representing a decrease of approximately 6.3% as compared to that as at 31 December 2022. Pledged deposits and restricted bank deposits was RMB837.5 million, representing an increase of approximately 33.3% when compared to that as at 31 December 2022;

- (iii) the expected cash flows from the Group's financing activities, including debt financing, of which the Group may deposit part or all of the proceeds for temporary cash management at a particular time. As mentioned in the Letter from the Board, (a) the aggregate principal amount of bonds and notes issued by the Group in the interbank bond market and exchange bond market amounted to approximately RMB13.88 billion and RMB13.40 billion, respectively; and (b) the Group's principal amount of borrowings from domestic and overseas financial institutions amounted to approximately RMB21.59 billion and RMB27.70 billion, respectively. Based on the anticipated growth of the Group's business and the capital needs for payment of mature debts, it is expected that the Group's financial activities would remain active in the upcoming years;
- (iii) the strengthened credit collaboration between the Group and major commercial banks since 2023, along with the bolstered financial security (such as in the form of pledged deposits or restricted bank deposits), which may provide more versatile funding sources. Consequently, it is anticipated that the Group would gradually reduce idle cash reserves; and
- (iv) the specific arrangements established during the Group's financing projects with commercial banks. As mentioned in the Letter from the Board, these arrangements have been in place previously and are anticipated to grow with the Group's expanded financing collaborations with banks. When the Group secures accounts receivable financing from commercial banks and subsequently receives payments for such accounts receivable, it is required by the banks to reserve allocated funds in regulatory accounts specifically designated for repaying the bank's factoring loan. In addition, for certain loan transactions, a portion of accrued interest needs to be retained as repayment security based on the repayment schedule.

Notwithstanding that the proposed annual caps are lower than the existing annual caps, having considered the above, it is estimated that the Group's remaining funds available for deposit services with GT-PRC and/or its associates will not exceed RMB1.6 billion. However, in any event that the cash balance of the Group exceeds RMB1.6 billion, the Group can deposit the excess cash amount in other independent commercial banks.

Taking into account the proposed annual caps are determined based on the above factors, including (i) the strengthened credit collaboration between the Group and major commercial banks, along with the bolstered financial security; (ii) specific arrangements to retain certain funds in the relevant banks for certain loans; (iii) the proposed annual caps are within the range of the historical maximum daily deposit balance for the two years ended 31 December 2022 and the nine months ended 30 September 2023; (iv) the Group's business development; (v) the expected cash flows from the Group's financing activities, which is expected to remain active; (vi) the cash flows from operating activities, as well as cash and cash equivalents for the year ended 31 December 2022 and the six months ended 30 June

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2023; and (vii) the Group's strategies for treasury and cash management, we are of the view that the basis of determining the proposed annual Caps for the three years ending 31 December 2026 are fair and reasonable.

Proposed annual caps for 2024 Factoring Service Framework Agreement

	31 December 2024 <i>(RMB million)</i>	For the year ending 31 December 2025 <i>(RMB million)</i>	31 December 2026 <i>(RMB million)</i>
Proposed annual caps:			
Factoring financing amount	1,000	1,000	1,000
Factoring service charge and handling charge	60	60	60
Total	1,060	1,060	1,060

We have discussed with the Management of the Company, and noted that the proposed annual caps above are determined based on the following:

- (i) to the Company's knowledge, certain subsidiaries of GT-PRC engaged in trading business have accumulated over RMB20 billion in accounts receivable in 2022 due to the nature of their business, indicating a strong likelihood of recurrent demands for factoring services;
- (ii) the demand for commercial factoring services of GT-PRC and/or its associates as estimated by the Group based on the information available to the Group. GT-PRC, a conglomerate primarily engaged in advanced manufacturing and technology service, pharmaceutical and healthcare and trade, and engineering contracting, periodically requires factoring services to optimise asset structures and enhance capital efficiency. It is anticipated that over the next three years, there will be a total demand of approximately RMB1.1 billion for factoring services from three subsidiaries of GT-PRC. This estimation is based on preliminary discussions regarding GT-PRC's anticipated capital expenditures and funding requirements until 31 December 2026. Nevertheless, considering the absence of historical factoring services provided by the Group to GT-PRC or its associates, both parties expect to commence a moderate volume of factoring business in the near future. As mentioned in the Letter from the Board, the Group remains committed to adhering strictly to its internal control standards, particularly regarding the quality of underlying assets, when providing factoring services to its connected persons. At the early stage of the potential transactions, as the Group has not yet obtained detailed information on the quality of underlying assets before substantial evaluation of a potential factoring business opportunity, the Group prudently anticipates to capture only a portion but not the full amount of the RMB1.1 billion factoring service opportunity;
- (iii) the Group's capacity to offer commercial factoring services, which has shown consistent growth in recent years. Factoring service is a branch of the Group's finance business segment. Notably, the Group's factoring income increased by approximately 133.2% from approximately

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RMB43.5 million for the year ended 31 December 2021 to RMB101.4 million for the year ended 31 December 2022. The Group's factoring income increased by approximately 44.9% from approximately RMB46.2 million for the six months ended 30 June 2022 to RMB67.0 million for the six months ended 30 June 2023. The Group will continue to optimise capital allocation and management, enhancing both the available capital returns and capital usage efficiency; and

- (iv) the market factoring service fee rates and the range of factoring service periods, including the average fee rate the Group charges similar independent third-party factoring service clients with comparable financial capability and asset quality as those of GT-PRC and its associates.

According to the Annual Report 2022, the Group's finance business income increased by approximately 7.8% from approximately RMB5.3 billion for the year ended 31 December 2021 to RMB5.7 billion for the year ended 31 December 2022, while the Group's factoring income increased by approximately 133.2% from approximately RMB43.5 million for the year ended 31 December 2021 to RMB101.4 million for the year ended 31 December 2022. In addition, the Group's assets for finance business segment increased by approximately 7.8% from approximately RMB63.8 billion for the year ended 31 December 2021 to RMB68.8 billion for the year ended 31 December 2022. According to the Interim Report 2023, the Group's finance business income remained stable at approximately RMB3.0 billion for the six months ended 30 June 2022 and for the six months ended 30 June 2023, while the Group's factoring income increased by approximately 44.9% from approximately RMB46.2 million for the six months ended 30 June 2022 to RMB67.0 million for the six months ended 30 June 2023. In addition, the Group's assets for finance business segment increased by approximately 12.3% from approximately 68.8 billion for the year ended 31 December 2022 to RMB77.3 billion for the six months ended 30 June 2023. As advised by the Management of the Company, the Group intends to expand its commercial factoring business.

We noted there is no historical transaction amount can be used as reference when determining the annual caps as GT-PRC and/or its associates have not used any factoring services of the Group in the past. According to the unaudited financial results of GT-PRC for the third quarter of 2023, the accounts receivable of GT-PRC increased by approximately 13.0% from approximately RMB38.5 billion as at 31 December 2022 to RMB43.5 billion as at 30 September 2023. We have also obtained and reviewed the accounts receivables of certain subsidiaries of GT-PRC engaged in trading business. It is noted that certain subsidiaries of GT-PRC engaged in trading business have accumulated over RMB20 billion in accounts receivable in 2022, indicating a strong likelihood of recurrent demands for factoring services. However, the Group prudently anticipates to capture only a portion but not the full amount of the estimated RMB1.1 billion factoring service opportunity from three subsidiaries of GT-PRC. As advised by the Management of the Group, such amount of factoring service opportunities was estimated based on the Group's preliminary discussions with GT-PRC. Having considered the above, we are of the view that the proposed annual cap of RMB1.0 billion for factoring financing amount is reasonable.

In addition, we have discussed with the Management of the Company and reviewed the average fee rate the Group charges similar independent third-party factoring service clients with comparable financial capability and asset quality as GT-PRC and its associates. We noted that the proposed annual cap of factoring service charge and handling charge was determined with reference to the

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estimated annual factoring financing amount to GT-PRC and its associates and the average fee rate the Group charges similar independent third-party factoring service clients with comparable financial capability and asset quality as those of GT-PRC and its associates. Therefore, we are of the view that the proposed annual cap of factoring service charge and handling charge is reasonable.

Having considered the above, we consider that the proposed annual caps for the three years ending 31 December 2026 are fair and reasonable.

7. Internal control procedures adopted

In relation to the 2024 Deposit Service Framework Agreement

The Company has adopted the following internal procedures on the 2024 Deposit Service Framework Agreement to safeguard the interest of the Shareholders as a whole:

- the Company will obtain the relevant interest rates from GT-PRC and at least three independent commercial banks whenever the Company has demand for services or the PBOC adjusts the benchmark interest rate for deposits;
- the Company will consider several factors before placing deposit with GT-PRC, including but not limited to (a) the deposit interest rates provided by GT-PRC and independent commercial banks, (b) the type of deposit to be placed (such as demand deposit, term deposit, negotiated deposit or others), (c) the financial status of GT-PRC (such as total assets, current ratio, net profit and others), and (d) the quality of services provided by GT-PRC (such as customised services, response time, designated service team, notification period and others); and
- the Company will at the beginning of each month, compare quotation from GT-PRC with quotation published on the official websites of at least three independent commercial banks (such as Agricultural Bank of China, China Construction Bank, and Industrial and Commercial Bank of China) for deposits of a similar type and maturity. The deposit interest rate provided by GT-PRC should be more favourable than: (a) the benchmark interest rate of similar deposits for a similar term set by the PBOC; and (b) the interest rate of similar deposits for a similar term provided by a major independent commercial banks in China to the Group.

Furthermore, the Company has adopted the following internal procedures to control the risk exposure relating to the Group's deposits with GT-PRC:

- GT-PRC has undertaken to provide the Company with annual audited financial statements and other financial information that the Company may reasonably request from time to time, which will enable the Company to monitor and review the financial positions of GT-PRC. Prior to entering into any specific deposit service agreements, the management of the Group will (i) conduct due diligence and evaluate the financial capability of GT-PRC or its associates by reviewing its audited financial statements; and (ii) obtain and review the relevant permits or licenses regarding deposit service issued by competent authorities, where applicable;

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- prior to entering into any specific deposit service agreement, GT-PRC or its associates will undertake to operate in strict compliance with the risk monitoring indicators for financial institutions promulgated by competent authorities (including PBOC and NAFR), from time to time, where applicable;
- GT-PRC has undertaken to notify the Company as soon as practicable, to the extent permissible by applicable laws and regulations, if it is subject to any judicial, legal or regulatory proceedings or investigations that are reasonably likely to have a material adverse effect on the financial positions of GT-PRC. The finance department of the Company will continue to monitor the financial capacity of GT-PRC, and report to the senior management of the Company on a regular basis. If the Company considers that there is any material adverse change in the financial positions of GT-PRC, it will take proper measures to protect the deposits of the Company, including early withdrawal of deposits and discontinuation of further deposits;
- GT-PRC has undertaken to provide the Company with relevant information on its deposits to enable the Company to monitor changes in its deposits and ensure that the relevant annual caps under the 2024 Deposit Service Framework Agreement will not be exceeded. This has been achieved by granting the Group real-time access to its deposits held with GT-PRC through the unified online banking system; and
- the Company has the right to require withdrawal or early termination of the Company's deposits with GT-PRC, in full or in part, to ensure its liquidity and deposit safety. If the Company's deposits with GT-PRC exceed the maximum daily deposits balance (including accrued interest) on any day, the Company should transfer the excess deposits to its designated account with an independent commercial bank.

We have reviewed the latest internal control manual of treasury department, which covered the control procedures of (i) comparison of fee quotes or interest rates of independent third parties and that of the connected person being conducted by the Company and (ii) the review and approval process being conducted by the chief financial officer or the chief executive officer of the Company, we concur with the view of the Company that the abovementioned internal procedures on the 2024 Deposit Service Framework Agreement will safeguard the interest of the Shareholders as a whole. In addition, as aforementioned, we have reviewed a summary comparing the interest rates offered by GT-PRC Finance since January 2020 and the interest rates offered by four independent commercial banks in the PRC, prepared by the Management of the Company, and noted that the terms of the deposit transactions are no less favourable than those offered by the independent third parties.

Furthermore, given the undertakings of GT-PRC, which enable the Company to: (i) monitor and review the financial positions of GT-PRC; (ii) take proper measures to protect the deposits of the Company, including early withdrawal of deposits and discontinuation of further deposits; (iii) monitor changes in its deposits and ensure that the relevant annual caps under the 2024 Deposit Service Framework Agreement will not be exceeded; and (iv) the right to require withdrawal or early termination of the Company's deposits with GT-PRC, in full or in part, to ensure its liquidity and deposit safety, we consider these internal procedures strengthen the Company's control on the risk exposure relating to the Group's deposits with GT-PRC. In addition, we have also obtained the signed

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audit report of GT-PRC and/or its associates for each of the two years ended 31 December 2022, and therefore we consider the Company has properly implemented the said control procedure to monitor and review the financial positions of GT-PRC.

We are also advised that (i) the Company has implemented various internal control procedures as stated above which enable the Company to monitor the financial status of GT-PRC in a timely manner and take appropriate precautions measures; (ii) to the best knowledge of the Management of the Company, GT-PRC has no fault or non-compliance record, having reviewed the information revealed on the websites of PBOC (www.pbc.gov.cn) and NAFR (www.cbirc.gov.cn); (iii) GT-PRC has never committed any defaults in the past cooperation or transactions with the Group; and (iv) GT-PRC has fulfilled its obligations in assisting the Company to assess risks in relation to deposits placed with GT-PRC. Having considered the above, we are of the view that the concentration risk of the Group in placing a significant amount of deposits into GT-PRC and/or its associates is under control.

In relation to the 2024 Factoring Service Framework Agreement

The Company has adopted the following internal procedures on the 2024 Factoring Service Framework Agreement to safeguard the interest of the Shareholders as a whole:

- the business departments of the Company will conduct market analysis on commercial factoring service, and make pricing proposal to the senior management after considering a number of factors, including overall market price, market share, orders and performance of major competitors, value added by relevant service and importance of customer relationship.
- the business departments of the Company will conduct arm's length negotiation with GT-PRC and/or its associates, and after several rounds of internal assessment conducted on individual transactions based on the above factors by the Company's internal departments such as business operation department and treasury department, a final report will be made to the senior management who will approve individual transactions.
- the business departments of the Company will also review the reasonableness of pricing for relevant commercial factoring services on regular basis according to the latest market intelligence, and report to the senior management, if necessary, for their approval of any adjustment.
- the treasury department of the Company will collect and monitor the transaction amount of continuing connected transactions under the 2024 Factoring Service Framework Agreement based on real-time business occurrences to ensure timely assessment on whether the relevant annual caps are exceeded.
- the independent non-executive Directors of the Company will conduct an annual review with respect to the continuing connected transactions of the Company throughout the preceding financial year and confirm on the transactional amounts and terms of the continuing connected transactions in the annual report of the Company pursuant to the requirements under the Listing Rules, and to ensure that those transactions have been entered into on normal

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commercial terms or better are carried out pursuant to relevant agreements governing the continuing connected transactions on terms that are fair and reasonable and in the interest of its Shareholders as a whole.

- the external auditor of the Company will report by issuing a letter to the Board every year on the continuing connected transactions of the Company in relation to the pricing policies and annual caps of the continuing connected transactions (including the transactions contemplated under the 2024 Factoring Service Framework Agreement) and help to ensure that the respective services will be conducted on normal commercial terms or better and are fair and reasonable so far as the Independent Shareholders are concerned.

Furthermore, in order to effectively prevent and diversify operational risks, strengthen management of key debtors, and control the proportion of business related to individual debtors and debtors who are connected parties, the credit concentration should meet the basic requirements of which the acquisition of accounts receivable from debtors who are connected persons shall not exceed 40% of the total risk assets.

We have reviewed the latest internal control manual of factoring department, which covered the control procedures of (i) comparison of the interest rates and service fees for factoring services provided to independent third parties and that of GT-PRC and/or its associates; (ii) the review and approval process being conducted by the Company; and (iii) the diversification of operational risks of key debtors, we concur with the view of the Company that the abovementioned internal procedures on the 2024 Factoring Service Framework Agreement will safeguard the interest of the Shareholders as a whole.

RECOMMENDATION

Having considered the principal factors and reasons mentioned above, we are of the view that (i) the Transactions will be conducted in the ordinary and usual course of the Group's business; (ii) the 2024 Deposit Service Framework Agreement and 2024 Factoring Service Framework Agreement are entered into on normal commercial terms and also in the interest of the Group and the Shareholders as a whole; and (iii) the proposed annual caps thereof are fair and reasonable so far as the Independent Board Committee and the Independent Shareholders are concerned.

Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the ordinary resolutions to approve the 2024 Deposit Service Framework Agreement and the 2024 Factoring Service Framework Agreement, the Transactions, as well as the respective proposed annual caps thereof at the EGM.

Yours faithfully,
For and on behalf of
Alliance Capital Partners Limited
Alyssa Ng
Managing Director

1. RESPONSIBILITY STATEMENT

This circular, for which our Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. All of 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.

2. SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, and to the best knowledge of the Directors, the following entities/persons (except for the Directors and the chief executive of the Company) have interests or short positions in the Shares or underlying shares of the Company which are required to be disclosed to the Company under the provisions of Divisions 2 and 3 in Part XV of SFO:

Name	Nature of interest	Number of Shares interested	Approximate percentage of interest held in the Company
GT-HK (<i>Note 1</i>)	Beneficial owner	681,373,395	36.02%
GT-PRC (<i>Note 1</i>)	Interest of controlled corporation	744,851,700	39.38%
Trustar Capital Holdings Limited (<i>Note 2</i>)	Interest of controlled corporation	191,349,753	10.12%
CP Management Holdings Limited (<i>Note 2</i>)	Interest of controlled corporation	191,349,753	10.12%
Zhang Yichen (<i>Note 2</i>)	Interest of controlled corporation	191,349,753	10.12%
CITIC Capital (<i>Notes 2 and 3</i>)	Interest of controlled corporation	233,342,753	12.34%
Chu Mang Yee (<i>Note 4</i>)	Interest of controlled corporation	245,629,081	12.99%
Sounda Properties (<i>Note 4</i>)	Beneficial owner	4,806,000	0.25%
	Interest of controlled corporation	240,823,081	12.73%
Meta Group Limited (<i>Note 4</i>)	Interest of controlled corporation	169,835,081	8.98%
Sounda Hopson Technology Investment Limited (<i>Note 4</i>)	Interest of controlled corporation	169,835,081	8.98%
Sounda Hopson Technology Holdings Limited (<i>Note 4</i>)	Interest of controlled corporation	169,835,081	8.98%

Notes:

- (1) Among the 744,851,700 Shares, 681,373,395 Shares are registered under the name of GT-HK and 63,478,305 Shares are registered under the name of China General Consulting & Investment (Hong Kong) Co., Limited ("CGCI-HK"). The entire issued share capital of GT-HK is ultimately owned by GT-PRC and the entire issued share capital of CGCI-HK is directly held by China General Consulting & Investment Co., Limited, which in turn, is wholly-owned by GT-PRC. By virtue of the SFO, GT-PRC is deemed to be interested in a total of 744,851,700 Shares held by GT-HK and CGCI-HK.

- (2) CCP Leasing II Limited, a wholly-owned subsidiary of CITIC Capital China Partners IV, L.P., is interested in 191,349,753 Shares, which arises from the entering into a subscription agreement in relation to subscription of convertible bonds in the amount of USD150 million with the Group on 29 December 2020. The general partner of CITIC Capital China Partners IV, L.P. is CCP IV GP Ltd. CCP IV GP Ltd. is a wholly-owned subsidiary of CCP Ltd., which is wholly owned by Trustar Capital Partners Limited. Trustar Capital Partners Limited is indirectly wholly owned by Trustar Capital Holdings Limited through Trustar Capital Company Limited. Trustar Capital Holdings Limited is held as to 51% and 49% by CITIC Capital Holdings Limited (“**CITIC Capital**”) and CP Management Holdings Limited (of which Mr. Zhang Yichen holds more than one-third voting power), respectively. By virtue of the SFO, Trustar Capital Holdings Limited, CITIC Capital, CP Management Holdings Limited and Mr. Zhang Yichen are deemed to be interested in the 191,349,753 Shares directly held by CCP Leasing II Limited.
- (3) Other than the 191,349,753 Shares mentioned above, CITIC Capital is also interested in another 41,993,000 Shares, which are indirectly held by CITIC Capital Equity Investment (Tianjin) Corporation Limited (“**CITIC Capital (Tianjin)**”) through its wholly owned subsidiary, Infinite Benefits Limited. CITIC Capital (Tianjin) is held as to 68.17% by Prestige Way Limited, a wholly owned subsidiary of Prestige Way Holdings Limited. Prestige Way Holdings Limited is a wholly owned subsidiary of CITIC Capital MB Investment Limited, which is wholly owned by CITIC Capital. By virtue of the SFO, CITIC Capital is deemed to be interested in the 41,993,000 Shares.
- (4) Among the 245,629,081 Shares, (i) 4,806,000 Shares are directly held by Sounda Properties Limited (“**Sounda Properties**”); (ii) 169,835,081 Shares are directly held by Million Surplus Developments; and (iii) 70,988,000 Shares are directly held by Hopson E-Commerce Limited (“**Hopson E-Commerce**”).

Sounda Properties is wholly owned by Mr. Chu Mang Yee. By virtue of the SFO, Mr. Chu Mang Yee is deemed to be interested in the 245,629,081 Shares held by Sounda Properties.

Million Surplus Developments is wholly owned by Meta Group Limited, which in turn, is indirectly owned as to 80% by Sounda Hopson Investment Holdings Limited (“**Sounda Hopson Investment**”) through Sounda Hopson Technology Holdings Limited and Sounda Hopson Technology Investment Limited. Sounda Properties holds 100% of the equity interest in Sounda Hopson Investment. By virtue of the SFO, Mr. Chu Mang Yee is deemed to be interested in the 169,835,081 Shares held by Million Surplus Developments.

Hopson E-Commerce, through Hopson Capital International Limited, is indirectly wholly owned by Hopson Development International Limited. Hopson Development International Limited is wholly owned by Hopson Development Holdings Limited, which in turn, is owned as to 53.75% by Sounda Properties. By virtue of the SFO, Mr. Chu Mang Yee is deemed to be interested in the 70,988,000 Shares held by Hopson E-Commerce.

Therefore, Mr. Chu Mang Yee is deemed to be interested in a total of 245,629,081 Shares.

As at the Latest Practicable Date, so far as is known to the Directors, the following Directors are a director or an employee of the substantial Shareholders set out above:

Name of Director	Name of substantial Shareholders	Positions held
Chan Kai Kong	CITIC Capital Holdings Limited	Chief financial officer and senior managing director
Xu Ming	GT-HK	Director

Save as disclosed above, as at the Latest Practicable Date, so far as is known to the Directors, no other Director was a director or employee of a company which had an interest or short position in the Shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. INTERESTS OF THE DIRECTORS AND CHIEF EXECUTIVE

As at the Latest Practicable Date, the interests or short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which will fall to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which are recorded in the register required to be kept under section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

(A) Long positions in the Shares

Name	Nature of interest	Position	Number of Shares interested	Approximate percentage of interest held in the Company
Peng Jiahong (<i>Note 1</i>)	Interest of controlled corporation	Executive Director	7,617,400	0.40%
Chan Kai Kong	Beneficial owner	Non-executive Director	30,000	0.00%

(B) Long position in underlying shares of the Company – physically settled unlisted equity derivatives

Name	Nature of interest	Position	Number of underlying shares in respect of the share options granted	Approximate percentage of interest held in the Company
Peng Jiahong (<i>Note 2</i>)	Beneficial owner	Executive Director	881,333	0.05%

Notes:

- (1) Ms. Peng Jiahong is the sole legal and beneficial owner of Evergreen which is the beneficial owner of the said 7,617,400 Shares. By virtue of the SFO, Ms. Peng is deemed to be interested in the Shares owned by Evergreen.

- (2) Ms. Peng Jiahong was entitled to subscribe for 1,322,000 Shares under the share option scheme of the Company adopted on 31 December 2019 (the “**Share Option Scheme**”). On 30 December 2022, one-third of the options granted to Ms. Peng Jiahong were lapsed pursuant to the Share Option Scheme. Therefore, as at the Latest Practicable Date, Ms. Peng Jiahong was entitled to subscribe for 881,333 Shares under the Share Option Scheme.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interests or short positions in any Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were recorded in the register required to be kept under section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

4. DIRECTORS’ SERVICE CONTRACTS

The Company has entered into service contracts with all of the Directors. None of the Directors has entered into any service contracts with the Company which cannot be terminated by the Company within one year without payment of compensation (other than statutory compensation).

5. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirmed that there had been no material adverse change in the Group’s financial or trading position since 31 December 2022 (being the date to which the Company’s latest published audited consolidated financial statements were made).

6. QUALIFICATION AND CONSENT OF EXPERT

The following are the qualifications of the expert who has given advice, letter or opinion for incorporation and as contained in this circular:

Name	Qualification
Alliance Capital Partners Limited	a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

As at the Latest Practicable Date, Alliance Capital Partners Limited had given and had not withdrawn its written consent to the issue of this circular with the inclusion of its letter and/or the references to its name included herein in the form and context in which they are respectively included.

As at the Latest Practicable Date, Alliance Capital Partners Limited did not have any shareholding in any member of the Group or the rights (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for the securities in any member of the Group.

As at the Latest Practicable Date, Alliance Capital Partners Limited did not have any interest in any assets which have been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2022 (being the date to which the latest published audited consolidated financial statements of the Company were made).

7. COMPETING INTERESTS

As at the Latest Practicable Date, Mr. Tong Chaoyin and Mr. Zhu Ziyang, each a non-executive Director, had interests in the following business, which is considered to compete or be likely to compete, either directly or indirectly, with the Group's businesses:

Name of Director	Name of company	Interest in the competing business	Nature of the competing business
Tong Chaoyin	GT-PRC Healthcare Company Limited	Non-executive director	Medical and healthcare business
Zhu Ziyang	Ping An Healthcare and Technology Company Limited	Non-executive director	Medical and healthcare business

As each of Mr. Tong Chaoyin and Mr. Zhu Ziyang is not a member of our executive management team, we do not believe that their respective interests in the above business as a director would render us incapable of carrying on our businesses independently from GT-PRC Healthcare Company Limited and Ping An Healthcare and Technology Company Limited.

Save as disclosed above, none of the Directors and their close associates was considered to be interested in business which competes or is likely to compete, either directly or indirectly, with the core business of the Group, which is required to be disclosed under Rule 8.10 of the Listing Rules.

8. INTERESTS IN ASSETS OF THE GROUP

So far as the Directors were aware, as at the Latest Practicable Date, none of the Directors had any interest, either direct or indirect, in any assets which had been since 31 December 2022 (being the date to which the latest published audited accounts of the Company were made up) acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

So far as the Directors were aware, save for the continuing connected transactions entered into between the Company and GT-PRC and/or its associates, as at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement subsisting at the date hereof which was significant in relation to the business of the Group.

9. DOCUMENTS ON DISPLAY

Copies of the following documents will be on display for inspection on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.umcare.cn for 14 days from the date of this circular:

- (a) the 2024 Deposit Service Framework Agreement;
- (b) the 2024 Factoring Service Framework Agreement;
- (c) the letter of recommendation from the Independent Board Committee to the Independent Shareholders, the text of which is set out in the section headed "Letter from the Independent Board Committee" on page 18 to page 19 of this circular;
- (d) the letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and Independent Shareholders, the text of which is set out in the section headed "Letter from the Independent Financial Adviser" on page 20 to page 37 of this circular;
- (e) the written consent as referred to in the paragraph headed "Qualification and Consent of Expert" in this appendix; and
- (f) this circular.

10. MISCELLANEOUS

- (a) The secretary to the Company is Ms. Ng Wai Kam, who is a Chartered Secretary and an Associate of both The Hong Kong Institute of Chartered Secretaries and The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators) in the United Kingdom.
- (b) The registered office of the Company is situated at Room 702, Fairmont House, 8 Cotton Tree Drive, Central, Hong Kong.
- (c) The head office and principal place of business in China of the Company is situated at 4th, 5th and 13th Floor, Hademen Plaza, 8-1 Chongwenmenwai Street, Dongcheng District, Beijing, China.
- (d) The share registrar of the Company is Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (e) This circular has been prepared in both English and Chinese. In the case of inconsistency, the English text of this circular will prevail over the Chinese text.

APPENDIX II PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Particulars of the proposed amendments to the Articles of Association are set out as follows:

The Articles of Association	
Original Articles of Association	Amended and Restated Articles of Association
<p>ARTICLES OF ASSOCIATION OF GENERTEC UNIVERSAL MEDICAL GROUP COMPANY LIMITED 通用環球醫療集團有限公司 <i>(Incorporated in Hong Kong with limited liability)</i> Incorporated on 19 April 2012 (As amended by special resolution passed on 7 June 2023 and effective on 7 June 2023)</p>	<p>ARTICLES OF ASSOCIATION OF GENERTEC UNIVERSAL MEDICAL GROUP COMPANY LIMITED 通用環球醫療集團有限公司 <i>(Incorporated in Hong Kong with limited liability)</i> Incorporated on 19 April 2012 (As amended by special resolution passed on 7 June 2023 <u>29 December 2023</u> and effective on 7 June 2023 <u>29 December 2023</u>)</p>
<p>THE COMPANIES ORDINANCE (CHAPTER 622) Public Company Limited by Shares ARTICLES OF ASSOCIATION (As amended by special resolution passed on 7 June 2023 and effective on 7 June 2023)</p>	<p>THE COMPANIES ORDINANCE (CHAPTER 622) Public Company Limited by Shares ARTICLES OF ASSOCIATION (As amended by special resolution passed on 7 June 2023 <u>29 December 2023</u> and effective on 7 June 2023 <u>29 December 2023</u>)</p>
Nil	<p><u>GENERAL COUNSEL</u> 138.1 The Company shall adopt a <u>general counsel system</u> and appoint one (1) <u>general counsel</u> to serve as a <u>gatekeeper</u> to supervise the Company's operation and management, and to promote the Company's operation in accordance with the laws and facilitate the Company's compliance management. The <u>general counsel</u> is an officer of the Company and shall be appointed and removed by the Board.</p>

NOTICE OF EXTRAORDINARY GENERAL MEETING



GENERTEC UNIVERSAL MEDICAL GROUP COMPANY LIMITED 通用環球醫療集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 2666)

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the “EGM”) of Genertec Universal Medical Group Company Limited (the “Company”) will be held at Room 1, 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong on Friday, 29 December 2023 at 10:00 a.m. for the following purposes:

ORDINARY RESOLUTIONS

1. To consider and approve the continuing connected transactions under the 2024 Deposit Service Framework Agreement (as defined in the circular of the Company dated 11 December 2023 (the “Circular”)) and the proposed annual caps thereunder for the three years ending 31 December 2026 (as set out in the Circular).
2. To consider and approve the continuing connected transactions under the 2024 Factoring Service Framework Agreement (as defined in the Circular) and the proposed annual caps thereunder for the three years ending 31 December 2026 (as set out in the Circular).

SPECIAL RESOLUTION

3. To consider and, if thought fit, pass with or without amendments, the following resolution as a special resolution:

“THAT:

- (a) the proposed amendments to the articles of association of the Company as set forth in Appendix II to the circular be and are hereby approved and the same to take effect upon the Shareholders’ approval;
- (b) the Directors be and are hereby authorised to do all such acts and things and execute all such documents and make all such arrangements as they shall, in their absolute discretion, deem necessary or expedient to give effect to the foregoing.”

For and on behalf of the Board
Genertec Universal Medical Group Company Limited
通用環球醫療集團有限公司
Peng Jiahong
Chairwoman of the Board

Beijing, PRC, 11 December 2023

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. All resolutions at the meeting will be taken by poll except where the chairman, 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 pursuant to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any member of the Company entitled to attend and vote at the above meeting is entitled to appoint another person as his proxy to attend, speak and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf. A proxy need not be a member of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. On a poll, every member who is present in person or by proxy shall have one vote for every fully paid-up share held by him.

On a show of hands, every member who is present in person or by proxy shall have one vote. If a member appoints more than one proxy, the proxies so appointed are not entitled to vote on the resolution on a show of hands.

3. In order to be valid, the form of proxy and any authority under which it is executed or a copy of the authority certified notarially, must be deposited at the Company’s share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours (excluding any part of a day that is a public holiday) before the time appointed for the above meeting or the adjourned meeting (as the case may be). Accordingly, the form of proxy must be delivered to the Company’s share registrar not later than 10:00 a.m. on Wednesday, 27 December 2023 (Hong Kong time).
4. Deposit of the form of proxy shall not preclude a member from attending and voting at the meeting or at any adjournment of it and, in such event, the form of proxy shall be deemed to be revoked.
5. For determining the entitlement to attend and vote at the above meeting, the Register of Members of the Company will be closed from Thursday, 28 December 2023 to Friday, 29 December 2023, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the EGM, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 27 December 2023.
6. A form of proxy for use at the EGM is enclosed.

As at the date of this notice, the executive Directors are Ms. Peng Jiahong (Chairwoman), Mr. Wang Wenbing and Ms. Wang Lin; the non-executive Directors are Mr. Chan Kai Kong (Vice-chairman), Mr. Tong Chaoyin, Mr. Xu Ming and Mr. Zhu Ziyang; and the independent non-executive Directors are Mr. Li Yinquan, Mr. Chow Siu Lui, Mr. Xu Zhiming and Mr. Chan, Hiu Fung Nicholas.