

## DIRECTORS AND SENIOR MANAGEMENT

### BOARD OF DIRECTORS

Our Board consists of eight Directors, of whom five are executive Directors and three are independent non-executive Directors. Our Board is responsible for, and has general powers for, the management and conduct of our business.

The table below sets out certain information in respect of the members of the Board.

Name	Position	Age	Time of joining the Group	Date of appointment as Director	Role and responsibility	Relationship with other Directors and senior management
LU Bo (陸波)	Chairman and executive Director, chief executive officer	51	January 1994	6 February 2020 (re-designated as an executive Director on 15 March 2023)	Overall strategic planning, business direction and operational management	Sibling of LU Xiaojing (陸曉靜); spouse of BAI Wei (白薇)
LU Xiaojing (陸曉靜)	Executive Director, deputy chief executive officer	54	January 1994	6 February 2020 (re-designated as an executive Director on 15 March 2023)	Overall strategic planning, business direction and operational management	Sibling of LU Bo (陸波); spouse of SHAO Song (邵松)
BAI Wei (白薇) (former name BAI Wei (白瑋))	Executive Director, senior vice president (human resources)	50	February 2004	15 March 2023	Corporate administration, human resources	Spouse of LU Bo (陸波)
SHAO Song (邵松)	Executive Director, senior vice president	55	January 1994	15 March 2023	Sales, research and development	Spouse of LU Xiaojing (陸曉靜)
WU Rui (吳瑞)	Executive Director, vice president (administration)	56	March 2004	15 March 2023	Corporate administration	N/A
TU Shenwei (塗申偉)	Independent Non-executive Director	47	March 2023	15 March 2023 (effective on the [REDACTED])	Supervising and providing independent judgment to our Board	N/A

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Name	Position	Age	Time of joining the Group	Date of appointment as Director	Role and responsibility	Relationship with other Directors and senior management
ZHANG Shengjie (張晟杰)	Independent Non-executive Director	53	March 2023	15 March 2023 (effective on the [REDACTED])	Supervising and providing independent judgment to the Board	N/A
BAU Siu Fung (鮑小豐)	Independent Non-executive Director	56	March 2023	15 March 2023 (effective on the [REDACTED])	Supervising and providing independent judgment to the Board	N/A

The following sets forth the biographies of our Directors:

### Executive Directors

**Mr. LU Bo (陸波)**, aged 51, has been with our Group since January 1994. He was appointed a Director on 6 February 2020 was re-designated as an executive Director and the chief executive officer on 15 March 2023. Mr. Lu first joined our Group in January 1994. Mr. Lu has been serving as the chairman of the Board of our Company and is primarily responsible for the overall strategic planning, business direction and operational management of our Group. Mr. Lu has been serving as a director of Luoyang Ruichang since January 1994; its general manager of sales from January 1994 to March 2006, its general manager since April 2006, its vice chairperson from April 2006 to May 2011, and its chairperson since June 2011. Mr. Lu has been serving in various roles including as an executive director, deputy general manager and general manager of Shanghai Ruiqieer since its inception.

Mr. Lu obtained his college diploma in automotive use and repair from Luoyang Institute of Technology (洛陽工學院) (currently known as Henan University of Science and Technology (河南科技大學)) in the PRC in July 1993. He obtained his master’s degree in business administration from China Europe International Business School in the PRC in November 2017. Mr. Lu received his qualification as an engineer from Henan Province Science and Technology Committee (河南省科學技術委員會) in December 1999.

**Ms. LU Xiaojing (陸曉靜)**, aged 54, has been with our Group since January 1994. She was appointed a Director on 6 February 2020 and was re-designated as an executive Director and the deputy chief executive officer on 15 March 2023. Ms. Lu first joined our Group in January 1994. Ms. Lu has been serving as the Director of our Company since its inception. She is primarily responsible for overall strategic planning, business direction and operational management of our Group. At Luoyang Ruichang, Ms. Lu served as the general manager of finance from January 1994 to March 2006, its director from January 1994 to April 2005, its supervisor from April 2005 to June 2011 and is currently serving as its vice general manager since April 2006 and as its director since June 2011. Ms. Lu has also served in various roles including as a general manager and an executive director of Shanghai Ruiqieer from its inception to January 2021.

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Ms. Lu obtained her college diploma in machinery manufacturing process and equipment from Henan Radio and TV University (河南廣播電視大學) (currently known as the Open University of Henan (河南開放大學)) in the PRC in July 1989. She obtained her master’s degree in business administration from China Europe International Business School in the PRC in June 2021. Ms. Lu received her qualification as an engineer from Luoyang City Science and Technology Committee (洛陽市科學技術委員會) in December 2002.

**Ms. BAI Wei (白薇)**, aged 50, was appointed an executive Director on 15 March 2023 and is also our senior vice president (human resources). Ms. Bai is primarily responsible for corporate administration, human resources and participating in decision-making in respect of major matters such as corporate and business strategies. Ms. Bai joined our Group in February 2004 and is currently the human resources manager of Shanghai Ruisheng and a supervisor of Luoyang Ruichang.

Ms. Bai obtained her college diploma in economic management from Henan Agricultural University (河南農業大學) in the PRC in June 1996.

**Mr. SHAO Song (邵松)**, aged 55, was appointed an executive Director on 15 March 2023 and is also our senior vice president. Mr. Shao is primarily responsible for sales, research and development and participating in the decision-making process in respect of major matters such as corporate and business strategies. Mr. Shao joined our Group in January 1994 and is also currently serving as a director and deputy general manager of Luoyang Ruichang as well as a supervisor of Shanghai Ruiqieer.

Mr. Shao obtained his college diploma in welding process and equipment from Luoyang Institute of Technology (洛陽工學院) (currently known as Henan University of Science and Technology (河南科技大學)) in the PRC in July 1991.

**Ms. WU Rui (吳瑞)**, aged 56, was appointed an executive Director on 15 March 2023 and is also our vice president (administration). Ms. Wu is primarily responsible for corporate administration and participates in the decision-making process in respect of major matters such as corporate and business strategies. Ms. Wu joined Luoyang Ruichang in March 2004 and has been serving as the director of the administration department of Luoyang Ruichang since February 2012 and also served as assistant to the chief executive officer of Luoyang Ruichang since May 2017.

Ms. Wu completed her undergraduate studies in national economic management from Luoyang University (洛陽大學) (currently known as Luoyang Institute of Science and Technology (洛陽理工學院)) in the PRC in June 1996.

### Independent Non-executive Directors

**Mr. TU Shenwei (塗申偉)**, aged 47, was appointed as an independent non-executive Director on 15 March 2023 (with effect on the [REDACTED]). He is primarily responsible for supervising and providing independent judgment to our Board.

From September 2004 to May 2006, he served as an industry management controller at Valeo Systemes D’Essuyage, a global automotive supplier headquartered in France. From May 2006 to August 2011, he served as a financial control manager at SAINT-GOBAIN (CHINA) Investment

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Co., Ltd. (聖戈班(中國)投資有限公司), a company designing, producing and distributing building materials headquartered in France. Since August 2011, he served as a financial director of Asia Pacific at Imerys (Shanghai) Investment Management Co., Ltd. (益瑞石(上海)投資管理有限公司), a company specialised in the production and processing of industrial minerals headquartered in France.

Mr. Tu received his bachelor’s degree in French from Sun Yat-sen University (中山大學) in June 1998. He then obtained his master’s degree in corporate strategy and management from Paris Institutes of Political Studies (Institut d’Etudes Politiques de Paris) in France in July 2002. Mr. Tu obtained the qualification as a chartered management accountant from the Chartered Institute of Management Accountants in June 2019.

**Mr. ZHANG Shengjie (張晟杰)**, aged 53, was appointed as an independent non-executive Director on 15 March 2023 (with effect on the [REDACTED]). He is primarily responsible for supervising and providing independent judgment to our Board.

Since October 1993, Mr. Zhang has been serving at various law firms, primarily responsible for providing legal services on PRC laws. Mr. Zhang served as a lawyer at Zhejiang New Century Law Office (浙江新世紀律師事務所, currently known as Zhejiang Changchuan Law Office (浙江長川律師事務所)), from November 1993 to April 2000. Mr. Zhang then served as a lawyer and a partner of Zhejiang Junan Century Law Office (浙江君安世紀律師事務所), from March 2001 to February 2013, primarily responsible for providing legal services on PRC laws and the general management of the firm. Mr. Zhang then served as a lawyer and a partner of AllBright Law Offices (Hangzhou) (上海錦天城(杭州)律師事務所) from February 2013 to March 2017. From April 2017 to March 2022, Mr. Zhang served as a lawyer and an equity partner of Zhong Lun Law Firm (Hangzhou) (北京中倫(杭州)律師事務所). Mr. Zhang has been serving as a senior equity lawyer of DeHeng Law Offices (Hangzhou) (北京德恒(杭州)律師事務所) since April 2022.

Mr. Zhang also has been serving as independent director at various listed companies, primarily responsible for providing independent advices to the boards. Mr. Zhang served as an independent director of Focused Photonics (Hangzhou), Inc. (聚光科技(杭州)股份有限公司), an environmental management solution company listed on the Shenzhen Stock Exchange (SHE: 300203), from May 2019 to May 2020. Mr. Zhang has been serving as an independent director of Pacific Shuanglin Bio-pharmacy Co., Ltd. (派斯雙林生物製藥股份有限公司), a pharmaceutical company listed on the Shenzhen Stock Exchange (SHE: 000403) since May 2018. Mr. Zhang has also served as an independent director of Guobang Pharma Ltd. (國邦醫藥集團股份有限公司), a pharmaceutical company listed on the Shanghai Stock Exchange (SHA: 605507) since October 2019.

Mr. Zhang first obtained his Lawyer’s License from the Zhejiang Provincial Department of Justice (浙江省司法廳) in October 1993. Mr. Zhang obtained his qualification as a Second-Grade Lawyer (二級律師) from the Zhejiang Province Human Resources and Social Security Department (浙江省人力資源和社會保障廳) in November 2015. Mr. Zhang completed his independent directorship training from the Shenzhen Stock Exchange in November 2019. Mr. Zhang obtained his bachelor’s degree in economics law from the Zhongnan Institute of Politics and Law (中南政法學院) (currently known as Zhongnan University of Economics and Law (中南財經政法大學)) in the PRC in July 1992. He obtained his master’s degree in law from Southwest Politics and Law

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University (西南政法大學) in the PRC in January 2009. Mr. Zhang obtained his executive MBA degree from the China Europe International Business School (中歐國際工商學院) in the PRC in August 2021.

**Mr. BAU Siu Fung (鮑小豐)**, aged 56, was appointed as an independent non-executive Director on 15 March 2023 (with effect on the [REDACTED]). He is primarily responsible for supervising and providing independent judgment to our Board.

Mr. Bau served as an auditor in KPMG (Hong Kong) and KPMG Huazhen LLP, both auditing and financial services firms, from June 2004 to October 2011, where he served as a manager at the time of leaving. Mr. Bau then served as an executive director from June 2012 to January 2017, and the chief financial officer and company secretary from June 2012 to September 2017, of Sheen Tai Holdings Group Company Limited, a conglomerate company listed on the Stock Exchange (SEHK: 1335), where he was responsible for its financial management and compliance matters. Mr. Bau then served as an executive director, chief financial officer and company secretary of Chen Lin Education Group Holdings Limited, a higher-education provision company listed on the Stock Exchange (SEHK: 1593), primarily responsible for formulating financial strategies, from March 2018 to May 2021. Mr. Bau served at Fulcrum Global (Hong Kong) Limited, an investment management from May 2021 to August 2022, where he left as its managing director, finance.

Mr. Bau has been serving as an independent non-executive director of various companies listed on the Hong Kong Stock Exchange, primarily responsible for providing independent advice to the respective boards. Mr. Bau has been serving as an independent non-executive director of AUX International Holdings Limited, an investment holding company listed on the Stock Exchange (SEHK: 2080) since May 2015, and of FSM Holdings Limited, a company which is a sheet metal fabricator with a focus on precision engineering and a precision machine service provider, listed on the Stock Exchange (SEHK: 1721) since June 2018.

Mr. Bau is currently a member of the Hong Kong Institute of Certified Public Accountants. Mr. Bau graduated from Idaho State University with a bachelor of business administration in Accounting and Finance in the United States in August 1997.

### General

Certain of our directors were directors or supervisors of companies which were incorporated in Hong Kong and the PRC which were subsequently dissolved due to the reasons listed in the table below. Each of the relevant Director has confirmed that the companies were solvent and inactive at the time of their dissolution and that their dissolution was not a result of any fraudulence or misconduct on the Directors’ part and that they have no outstanding liabilities or obligations arising from such dissolution.

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<b>Name of company (Place of incorporation)</b>	<b>Relevant Director</b>	<b>Nature of business immediately prior to dissolution</b>	<b>Date of dissolution</b>
Shanghai Gangbo Mechanical and Electrical Equipment Co., Ltd. (上海鋼博機電設備有限公司) (PRC)	Lu Bo, Lu Xiaojing	No business was carried out	Dissolved on 13 September 2006
Hangzhou Simengyuan Culture and Art Planning Co., Ltd. (杭州思夢源文化藝術策劃有限公司) (PRC)	Zhang Shengjie	No business was carried out	Dissolved on 30 May 2007
Shanghai Deang Information Technology Co., Ltd. (上海德昂信息技術有限公司) (PRC)	Lu Bo, Lu Xiaojing	No business was carried out	Dissolved on 12 May 2010
FLAMING STONE INTERNATIONAL DEVELOPMENT LIMITED (菲力斯通國際發展有限公司) (Hong Kong)	Lu Bo, Lu Xiaojing, Shao Song	No business was carried out	Dissolved by deregistration on 28 March 2013
Ruichang (Luoyang) Petro-Chemical Equipment Engineering Technology Co., Ltd. (瑞昌(洛陽)石化設備工程技術有限公司) (PRC)	Lu Bo, Lu Xiaojing	No business was carried out	Dissolved on 23 May 2013
Shanghai Zhenghaoda Medical Technology Development Co., Ltd. (上海正昊達醫療科技發展有限公司) (PRC)	Lu Bo	No business was carried out	Dissolved on 10 November 2016
Shanghai Kunrui Industry and Trade Co., Ltd. (上海坤瑞工貿有限公司) (PRC)	Lu Xiaojing	No business was carried out	Revoked on 9 January 2017
Luoyang Flaming Stone Environmental Engineering Co., Ltd. (洛陽菲力斯通環境工程有限公司) (PRC)	Lu Bo, Shao Song	No business was carried out	Dissolved on 9 May 2018
Luoyang Ruichang Environmental Engineering Co., Ltd. Shanghai Branch (洛陽瑞昌環境工程有限公司上海分公司) (PRC)	Lu Bo	No business was carried out	Dissolved on 7 December 2018

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<b>Name of company (Place of incorporation)</b>	<b>Relevant Director</b>	<b>Nature of business immediately prior to dissolution</b>	<b>Date of dissolution</b>
Shanghai Qimao Corporate Management Center (Limited Partnership) (上海祁懋企業管理中心(有限合伙)) (PRC)	Lu Bo	No business was carried out	Dissolved on 27 November 2020
Champion Journey Global Developments Limited (致遠環球發展有限公司) (Hong Kong)	Lu Bo, Lu Xiaojing	No business was carried out	Dissolved by deregistration on 30 July 2021

Our Directors have confirmed that:

- (1) save as disclosed in the section headed “Statutory and General Information — C. Further Information about Directors and Substantial Shareholders in Appendix V to this document, none of our Directors has any existing or proposed service contract with our Company or any of its subsidiaries other than contracts expiring or determinable by the relevant member of our Group within one year without payment of compensation (other than statutory compensation);
- (2) save as disclosed in the section headed “Statutory and General Information — C. Further Information about Directors and Substantial Shareholders — 1. Disclosure of interests” in Appendix V to this document and above, each of our Directors has no interests in the Shares within the meaning of Part XV of the SFO;
- (3) save as disclosed above, each of our Directors has not been a director of any other publicly listed company during the three years prior to the Latest Practicable Date and as at the Latest Practicable Date;
- (4) save as disclosed herein, other than being a Director of our Company, none of our Directors has any relationship with any other Directors, senior management of our Company or substantial shareholders of our Company or Controlling Shareholders; and
- (5) none of our Directors completed their respective education programs as disclosed in this section by way of attendance of long distance learning or online courses.

To the best of the knowledge, information and belief of our Directors having made all reasonable enquiries:

- (1) there is no other matter with respect to the appointment of our Directors that need to be brought to the attention to the Shareholders as at the Latest Practicable Date; and
- (2) there is no other information relating to our Directors that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules as at the Latest Practicable Date.

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### SENIOR MANAGEMENT

Our senior management is responsible for the day-to-day management of our business. The table below sets out certain information in respect of the senior management of our Group.

Name	Position	Age	Time of joining the Group	Date of appointment as Senior Management of the Group	Role and responsibility	Relationship with other Directors and senior management
LU Bo (陸波)	Chairman and executive Director, chief executive officer	51	January 1994	6 February 2020	Overall strategic planning, business direction and operational management	Sibling of LU Xiaojing (陸曉靜); spouse of BAI Wei (白薇)
LU Xiaojing (陸曉靜)	Executive Director, deputy chief executive officer	54	January 1994	6 February 2020	Overall strategic planning, business direction and operational management	Sibling of LU Bo (陸波); spouse of SHAO Song (邵松)
BAI Wei (白薇) (former name BAI Wei (白瑋))	Executive Director, senior vice president (human resources)	50	February 2004	15 March 2023	Corporate administration, human resources	Spouse of LU Bo (陸波)
SHAO Song (邵松)	Executive Director, senior vice president	55	January 1994	15 March 2023	Sales, research and development	Spouse of LU Xiaojing (陸曉靜)
WU Rui (吳瑞)	Executive Director, vice president (administration)	56	March 2004	15 March 2023	Corporate administration	N/A
ZHANG Xian (張顯)	Senior vice president	48	November 1994	15 March 2023	Management of sales/business department; responsible for the overall operation management of the SRU and VOCs Incineration Equipment Division	N/A
JIN Xuli (金旭立) (former name JIN Li (金力))	Senior vice president	46	June 2000	15 March 2023	Overall operation management of the Process Burners Division	N/A



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Name	Position	Age	Time of joining the Group	Date of appointment as Senior Management of the Group	Role and responsibility	Relationship with other Directors and senior management
FU Cong (付聰)	Financial director and joint company secretary	35	April 2021	15 March 2023	Overall management and supervision of financial affairs	N/A

**Mr. LU Bo (陸波)**, see “— Board of Directors — Executive Directors” for details.

**Ms. LU Xiaojing (陸曉靜)**, see “— Board of Directors — Executive Directors” for details.

**Ms. BAI Wei (白薇)**, see “— Board of Directors — Executive Directors” for details.

**Mr. SHAO Song (邵松)**, see “— Board of Directors — Executive Directors” for details.

**Ms. WU Rui (吳瑞)**, see “— Board of Directors — Executive Directors” for details.

**Mr. ZHANG Xian (張顯)**, aged 48, has been the deputy general manager of Luoyang Ruichang since May 2017, mainly responsible for the management of the sales/business department. Mr. Zhang joined our Group in November 1994 and has been with us for more than 26 years. He is our senior vice president and is responsible for the management of sales/business department, and responsible for the overall operation management of the SRU and VOCs Incineration Equipment Division.

Mr. Zhang obtained his college diploma in computer accounting from Luoyang Workers’ College of Science and Technology (洛陽市職工科學技術學院) (currently known as Luoyang Vocational and Technical College (洛陽職業技術學院)) in July 1999. He then completed his undergraduate studies in business administration from Central Radio and Television University (中央廣播電視大學) (currently known as the Open University of China (國家開放大學)) in July 2015.

**Mr. JIN Xuli (金旭立)**, aged 46, has been the deputy general manager of the Luoyang Ruichang since May 2017, mainly responsible for management of the sales/business department. Mr. Jin has been with our Group for more than 20 years. He is our senior vice president and is responsible for the overall operation management of our Process Burners Division.

Mr. Jin obtained his college diploma in trade economics from Luoyang Technology College (洛陽工業高等專科學校) (currently known as Luoyang Institute of Science and Technology (洛陽理工學院)) in July 2000. He then completed his undergraduate studies in business administration from Henan University of Science and Technology (河南科技大學) in July 2012.

**Mr. FU Cong (付聰)**, aged 35, is the financial director of our Company and has been the head of financial affairs since January 2022, mainly responsible for the overall management and supervision of financial affairs, and was appointed as a joint company secretary of our Company in 15 March 2023.

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Mr. Fu joined our Group in April 2021 and has been serving as the vice president of Luoyang Ruichang and assistant to general manager of Shanghai Ruiqieer since joining the Group, primarily responsible for managing its financial affairs.

Mr. Fu has over 10 years of experience in accounting, auditing and financial management. Prior to joining the Group, Mr. Fu worked at the Shanghai Branch of Ernst & Young Hua Ming LLP, an international accounting firm, from September 2011 to April 2021. Mr. Fu served as an audit senior manager of the Shanghai Branch of Ernst & Young Hua Ming LLP prior to his departure.

Mr. Fu became a member of the Chinese Institute of Certified Public Accountants in April 2017. Mr. Fu obtained his bachelor’s degree in accounting from the Shanghai University of Finance and Economics (上海財經大學) in the PRC in July 2011.

### General

Save as disclosed above, each of our senior management members has confirmed that:

- (1) he/she does not hold and has not held any other positions in our Company and any other members of our Group as at the Latest Practicable Date;
- (2) save as being a member of the Company’s senior management, he/she does not have any other relationship with any Directors, substantial shareholders of our Company, our Controlling Shareholders or other members of senior management of our Group as at the Latest Practicable Date;
- (3) save as disclosed above, he/she does not hold and has not held any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the three years prior to the Latest Practicable Date and as at the Latest Practicable Date; and
- (4) save as disclosed above, he/she has not completed their respective education programs as disclosed in this section by way of attendance of long distance learning or online courses.

### JOINT COMPANY SECRETARIES

**Mr. FU Cong (付聰)** was appointed as a joint company secretary of our Company on 15 March 2023, see “— Senior Management” for details.

**Mr. LEE Chung Shing (李忠成)** was appointed as a joint company secretary of our Company in May 2021. Mr. Lee serves as the assistant vice president of the governance services of Computershare Hong Kong Investor Services Limited. He has over 20 years of experiences in providing services to listed companies in the areas of auditing, financial management, company secretarial services and investors relations. He is currently the joint company secretary and company secretary of various companies listed on the Stock Exchange. Mr. Lee obtained a bachelor’s degree in Accountancy from the City University of Hong Kong and a master’s degree in Business Administration (Financial Services) from The Hong Kong Polytechnic University. Mr. Lee is an associate of the Hong Kong Institute of Certified Public Accountants (formerly known as Hong Kong Society of Accountants) since March 1999 and a fellow of the Association of Chartered Certified Accountants since July 2003.

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### COMPLIANCE ADVISER

We have appointed First Shanghai Capital Limited as our compliance adviser pursuant to Rule 3A.19 of the Listing Rules. Pursuant to Rule 3A.23 of the Listing Rules, the compliance adviser will advise us on the following circumstances:

- before the publication of any announcements, circulars or financial reports required by regulatory authorities or applicable laws;
- where a transaction, which might be a notifiable or connected transaction under Chapters 14 and 14A of the Listing Rules is contemplated, including share issues and share repurchases;
- where we propose to use the [REDACTED] of the [REDACTED] in a manner different from that detailed in this document or where our business activities, developments or results deviate from any forecast, estimate or other information in this document; and
- where the Stock Exchange makes an inquiry of us regarding unusual price movement and trading volume or other issues under Rule 13.10 of the Listing Rules.

The terms of the appointment shall commence on the [REDACTED] and end on the date which we distribute our annual report of our financial results for first full the financial year commencing after the [REDACTED].

### BOARD COMMITTEES

We have established the following committees on our Board: an audit committee, a remuneration committee and a nomination committee. The committees operate in accordance with the terms of reference established by our Board.

#### Audit Committee

Our Company has established an audit committee on 15 March 2023 (effective from the [REDACTED]) with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph C.3 and paragraph D.3 of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules (the “Corporate Governance Code”). The audit committee consists of Mr. Tu Shenwei, Mr. Zhang Shengjie and Mr. Bau Siu Fung. Mr. Bau Siu Fung holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules. The chairman of the audit committee is Mr. Tu Shenwei. The primary duties of the audit committee are to assist our Board by providing an independent view of the effectiveness of the financial reporting process, internal control and risk management systems of the Group, overseeing the audit process, and performing other duties and responsibilities as assigned by our Board.

#### Remuneration Committee

The Company has established a remuneration committee on 15 March 2023 (effective from the [REDACTED]) with written terms of reference in compliance with Rule 3.25 of the Listing Rules and paragraph B.1 of the Corporate Governance Code. The remuneration committee consists of Mr. Tu Shenwei, Mr. Zhang Shengjie and Mr. Bau Siu Fung, with Mr. Tu Shenwei as the chairman. The

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primary duties of the remuneration committee include, but are not limited to, the following: (i) making recommendations to our Board on our policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration; (ii) determining the specific remuneration packages of all Directors and senior management; and (iii) reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by our Board from time to time.

### **Nomination Committee**

The Company has established a nomination committee on 15 March 2023 (effective from the [REDACTED]) with written terms of reference in compliance with paragraph B.3 of the Corporate Governance Code. The nomination committee consists of Mr. Lu Bo, Mr. Tu Shenwei and Mr. Zhang Shengjie, with Mr. Lu Bo as the chairman. The primary functions of the nomination committee include, without limitation, reviewing the structure, size and composition of our Board, assessing the independence of independent non-executive Directors and making recommendations to our Board on matters relating to the appointment of Directors.

## **CORPORATE GOVERNANCE**

### **Code Provision A.2.1 of the Corporate Governance Code**

Mr. Lu Bo is our chairman of the Board and the chief executive officer of our Company. Having served in our Company since its establishment, Mr. Lu Bo is in charge of overall strategic planning, business direction and operational management of our Group. Our Board considers that vesting the roles of chairman and chief executive officer in the same person is beneficial to the management of our Group. The balance of power and authority is ensured by the operation of our Board and our senior management, which comprises experienced and diverse individuals. Our Board currently comprises five executive Directors (including Mr. Lu Bo) and three independent non-executive Directors, and therefore has a strong independence element in its composition.

Save as disclosed above, our Company intends to comply with all code provisions under the Corporate Governance Code after the [REDACTED].

### **Board Diversity**

In order to enhance the effectiveness of the Board and to maintain the high standard of corporate governance, we have adopted the board diversity policy which sets out our objectives and approach to achieve and maintain diversity of the Board. Pursuant to the board diversity policy, we seek to achieve board diversity through the consideration of a number of factors when selecting the candidates to the Board, including but not limited to gender, skills, age, professional experience, knowledge, cultural, education background and length of service. The ultimate decision of the appointment will be based on merit and the contribution which the selected candidates will bring to the Board.

The Board comprises eight members, including five executive Directors and three independent non-executive Directors. Our Directors have a balanced mix of knowledge, skills, perspectives and experience, including overall management and strategic development, business, science, investment, accounting and consulting. They obtained professional and academic qualifications including masters of business administration, law, economics and corporate management as well as qualification to practise in

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the legal, accounting and engineering field. Furthermore, the Board possesses members spanning a wide range of ages, from 47 years old to 56 years old. Taking into account our existing business model and specific needs as well as the different background of our Directors, the composition of the Board satisfies our board diversity policy, and the Board and the nomination committee of the Company will assess the Board composition regularly.

Given that three out of eight of our Directors is female upon [REDACTED], we will continue to take steps to promote gender diversity at the Board of our Company. After the [REDACTED], we will strive to achieve gender balance of the Board through certain measures to be implemented by our nomination committee in accordance with our board diversity policy. In particular, we will actively identify female individuals suitably qualified to become our Board members and we aim to further increase the female representation in our Board. To further ensure gender diversity of our Board in a long run, our Group will also identify and select female individuals with a diverse range of skills, experience and knowledge in different fields from time to time, and maintain a list of such female individuals who possess qualities to become our Board members, which will be reviewed by our nomination committee periodically in order to develop a pipeline of potential successors to our Board to promote gender diversity of our Board.

Our nomination committee is responsible for reviewing the diversity of the Board. After [REDACTED], our nomination committee will continue to monitor and evaluate the implementation of the board diversity policy from time to time to ensure its continued effectiveness and we will disclose in our corporate governance report about the implementation of the board diversity policy, including any measurable objectives set for implementing the board diversity policy and the progress on achieving these objectives on an annual basis. We will also continue to take steps to promote gender diversity at all levels of our Company, including but without limitation at the Board and senior management levels.

### **COMPENSATION OF DIRECTORS AND MANAGEMENT**

Our Directors receive compensation in the form of fees, salaries, bonuses, other allowances and benefits in kind, including the Company’s contribution to the pension scheme on their behalf. We determine the salaries of our Directors based on each Director’s responsibilities, qualification, position and seniority.

The aggregate amount of remuneration which was paid to our Directors for the years ended 31 December 2021, 2022 and 2023 were approximately RMB1.4 million, RMB1.4 million and RMB2.6 million, respectively.

The aggregate amount of remuneration which were paid by the Group to our five highest paid individuals (including both employees and Directors) for the years ended 31 December 2021, 2022 and 2023 were approximately RMB3.3 million, RMB3.3 million and RMB3.0 million, respectively.

## **DIRECTORS AND SENIOR MANAGEMENT**

During the Track Record Period, (i) no remuneration was paid to our Directors or the five highest paid individuals as an inducement to join, or upon joining our Group, (ii) no compensation was paid to, or receivable by, our Directors or past Directors or the five highest paid individuals for the loss of office as director of any member of our Group or any other office in connection with the management of the affairs of any member of our Group, and (iii) none of our Directors waived any emoluments.

Our Directors' remuneration is determined with reference to the relevant Director's experience and qualifications, level of responsibility, performance and the time devoted to our business, and the prevailing market conditions.

For additional information on Directors' remuneration during the Track Record Period as well as information on the highest paid individuals, please see Note 12 of the Accountants' Report set out in Appendix I to this document.

Save as disclosed herein, to the best of the knowledge, information and belief of our Directors having made all reasonable enquiries, there was no other matter with respect to the appointment of our Directors that needs to be brought to the attention of the Shareholders and there was no information relating to our Directors that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules as of the Latest Practicable Date.