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If you have sold or transferred all your shares in Hebei Yichen Industrial Group Corporation Limited* (河北翼辰實業集團股份有限公司), 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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Hebei Yichen Industrial Group Corporation Limited* **河北翼辰實業集團股份有限公司**

(A joint stock limited liability company incorporated in the People's Republic of China)
(Stock Code: 1596)

PROPOSED RE-ELECTION AND ELECTION OF DIRECTORS, PROPOSED RE-ELECTION OF SHAREHOLDER REPRESENTATIVE SUPERVISORS AND NOTICE OF EXTRAORDINARY GENERAL MEETING

A notice convening the EGM to be held at the meeting room of the Company, No. 1 Yichen North Street, Gaocheng District, Shijiazhuang City, Hebei Province, the PRC on Thursday, 2 December 2021 at 10:30 a.m. is set out on pages 23 to 25 of this circular.

A form of proxy for use at the EGM are enclosed herewith and also published on both the websites of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.hbyc.com.cn>). If you intend to appoint a proxy to attend the meeting, you are requested to complete, sign and return the enclosed form of proxy in accordance with the instructions printed thereon not less than 24 hours before the time fixed for holding the meeting (i.e. at or before 10:30 a.m. on Wednesday, 1 December 2021 (Hong Kong time)) or any adjournment thereof (as the case may be). Completion, signing and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof.

References to time and dates in this circular are to Hong Kong time and dates.

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DEFINITIONS

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

“Articles of Association”	the articles of association of the Company as amended, supplemented or otherwise modified from time to time
“Board of Directors”	the board of Directors
“Board of Supervisors”	the board of Supervisors
“Chairman”	the chairman of the Board of Directors
“Company”	Hebei Yichen Industrial Group Corporation Limited* (河北翼辰實業集團股份有限公司), a joint stock limited liability company incorporated in the PRC whose issued H Shares are listed on the Main Board of the Stock Exchange
“Controlling Shareholders”	has the meaning ascribed to it under the Listing Rules, and in the context of this circular, refer to the controlling shareholders of the Company as at the Latest Practicable Date, being Mr. Zhang Haijun (張海軍), Ms. Zhang Junxia (張軍霞), Mr. Zhang Xiaogeng (張小更), Mr. Zhang Xiaosuo (張小鎖), Mr. Zhang Ligang (張立剛), Mr. Wu Jinyu (吳金玉), Mr. Zhang Chao (張超), Mr. Zhang Lijie (張力杰), Mr. Zhang Lifeng (張力峰), Ms. Zhang Yanfeng (張艷峰), Mr. Zhang Libin (張力斌), Mr. Zhang Lihuan (張力歡), Mr. Zhang Ning (張寧), Ms. Zhang Hong (張宏) and Mr. Zhang Ruiqiu (張瑞秋), who are acting in concert in terms of their exercise of voting rights at general meetings of the Company and had entered into a concert party agreement to confirm their acting-in-concert agreement on 17 December 2020, and who in aggregate controlled and were each deemed under Part XV of the SFO to be interested in approximately 63.80% of the total issued share capital of the Company as at the Latest Practicable Date
“Director(s)”	the director(s) of the Company

* For identification purpose only

DEFINITIONS

“Domestic Share(s)”	domestic invested ordinary share(s) in the capital of the Company, with a nominal value of RMB0.5 each, which are subscribed for and paid up in RMB and are unlisted Shares which are currently not listed or traded on any stock exchange
“EGM”	the extraordinary general meeting of the Company to be convened and held at the meeting room of the Company, No. 1 Yichen North Street, Gaocheng District, Shijiazhuang City, Hebei Province, the PRC at 10:30 a.m. on Thursday, 2 December 2021, the notice of which is set out on pages 23 to 25 of this circular, for the purpose of considering and, if thought fit, approving the re-election or (as the case may be) election of the Directors and the shareholder representative Supervisors, and the service agreements or appointment letters of the members of the third session of the Board of Directors and the third session of the Board of Supervisors, and any adjournment thereof
“Group”	collectively, the Company and its subsidiaries for the time being
“H Shares”	overseas listed foreign invested ordinary share(s) in the ordinary share capital of the Company, with a nominal value of RMB0.5 each, which are listed on the Stock Exchange and traded in Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	11 October 2021, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nomination Committee”	the nomination committee of the Second Session of the Board of Directors
“PRC”	the People’s Republic of China, which for the purpose of this circular, shall exclude Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan

DEFINITIONS

“RMB”	Renminbi, the lawful currency of the PRC
“Second Session of the Board of Directors”	the second session of the Board of Directors, comprising, as at the Latest Practicable Date, Mr. Zhang Haijun (張海軍), Mr. Wu Jinyu (吳金玉), Mr. Zhang Lihuan (張力歡), Mr. Zhang Chao (張超) and Ms. Fan Xiulan (樊秀蘭), who were elected as executive Directors pursuant to the resolutions of the Shareholders passed on 6 December 2018, Ms. Gu Xiaohui (顧曉慧) who was elected as an executive Director pursuant to the resolution of the Shareholders passed on 18 March 2020 and re-designated as a non-executive Director with effect from 25 March 2020, and Mr. Jip Ki Chi (葉奇志), Mr. Wang Qi (王琦) and Mr. Zhang Ligu (張立國), who were elected as independent non-executive Directors pursuant to the resolutions of the Shareholders passed on 6 December 2018
“Second Session of the Board of Supervisors”	the second session of the Board of Supervisors, comprising, as at the Latest Practicable Date, Mr. Hu Hebin (胡合斌), being the staff representative Supervisor elected at the staff representative meeting (職工代表大會) of the Company held on 15 November 2018, and Mr. Guan En (管恩) and Mr. Liu Jianbin (劉建賓), being the shareholder representative Supervisors elected pursuant to the resolutions of the Shareholders passed on 29 July 2019
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary shares of RMB0.5 each in the capital of the Company comprising Domestic Shares and H Shares
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Company

LETTER FROM THE BOARD



Hebei Yichen Industrial Group Corporation Limited* 河北翼辰實業集團股份有限公司

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

(Stock Code: 1596)

Executive Directors:

Mr. Zhang Haijun (*Chairman*)

Mr. Wu Jinyu

Mr. Zhang Lihuan

Mr. Zhang Chao

Ms. Fan Xiulan

Registered office:

No. 1 Yichen North Street

Gaocheng District

Shijiazhuang City

Hebei Province

PRC

Non-executive Director:

Ms. Gu Xiaohui

Principal place of business in Hong Kong:

Level 54, Hopewell Centre

183 Queen's Road East

Hong Kong

Independent non-executive Directors:

Mr. Jip Ki Chi

Mr. Wang Qi

Mr. Zhang Liguó

18 October 2021

To the Shareholders

Dear Sir or Madam

PROPOSED RE-ELECTION AND ELECTION OF DIRECTORS, PROPOSED RE-ELECTION OF SHAREHOLDER REPRESENTATIVE SUPERVISORS AND NOTICE OF EXTRAORDINARY GENERAL MEETING

1. INTRODUCTION

Reference is made to the announcement of the Company dated 16 September 2021 in relation to the proposed re-election and election of Directors and the proposed re-election of the shareholder representative Supervisors. The purpose of this circular is to provide you with further details of the foregoing matters and a notice convening the EGM.

* For identification purpose only

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION AND ELECTION OF DIRECTORS

The term of office of the Second Session of the Board of Directors will expire on 5 December 2021. Pursuant to Article 10.2 of the Articles of Association, Directors shall be elected at general meetings of the Shareholders and upon the expiration of their respective terms of office, Directors shall be eligible to offer themselves for re-election.

As such, the Nomination Committee and the Board of Directors have resolved to nominate Mr. Zhang Haijun (張海軍), Mr. Wu Jinyu (吳金玉), Mr. Zhang Lihuan (張力歡), Mr. Zhang Chao (張超), and Ms. Ma Xuehui (馬學輝) (“**Ms. Ma**”) as candidates for the positions as executive Directors of the third session of the Board of Directors, Ms. Gu Xiaohui (顧曉慧) as candidate for the position of non-executive Director of the third session of the Board of Directors, and Mr. Jip Ki Chi (葉奇志) (“**Mr. Jip**”), Mr. Wang Qi (王琦) (“**Mr. Wang**”) and Mr. Zhang Liguó (張立國) (“**Mr. Zhang Liguó**”) as candidates for the positions as independent non-executive Directors of the third session of the Board of Directors. All of the above candidates, except for Ms. Ma, are members of the Second Session of the Board of Directors and will stand for re-election or (in respect of Ms. Ma) election at the EGM.

As disclosed in the announcement of the Company dated 16 September 2021, in order to fill the vacancy following the retirement of Ms. Fan Xiulan (樊秀蘭) as an executive Director, Ms. Ma has been nominated by the Nomination Committee and the Board of Directors as candidate for the position of executive Director of the third session of the Board of Directors.

The Nomination Committee has reviewed the structure, size and composition of the Board, the qualifications, skills, experience, time commitment, contribution and the independence of Mr. Jip, Mr. Wang and Mr. Zhang Liguó as independent non-executive Directors with reference to the nomination principles and criteria set out in the Company’s diversity policy of the Board of Directors and nomination policy for Directors as well as the Company’s corporate strategy.

By following the criteria set out in the nomination policy for Directors and measurable objectives set out in the Company’s diversity policy of the Board of Directors, and taking into account the contribution and time commitment by each of Mr. Jip, Mr. Wang and Mr. Zhang Liguó to the Company, the Nomination Committee has assessed and is satisfied with their respective suitability for continued holding of directorship in the Company, and has recommended to the Board of Directors to propose the re-election of each of Mr. Jip, Mr. Wang and Mr. Zhang Liguó as an independent non-executive Director by the Shareholders at the EGM.

Mr. Jip possesses appropriate professional qualification in accounting and financial management, company secretarial and corporate administrative matters and has extensive experience in relation to corporate governance matters of Hong Kong-listed companies. Each of Mr. Wang and Mr. Zhang Liguó has extensive experience in design and operations in the urban rail transit industry, within which the Group operates its business. As such, the Board of Directors believes that the directorships of Mr. Jip, Mr. Wang and Mr.

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Zhang Liguó in the Company can keep bringing valuable contributions to the Board of Directors and its diversity. Each of Mr. Jip, Mr. Wang and Mr. Zhang Liguó has confirmed his independence with reference to the independence guidelines set out in Rule 3.13 of the Listing Rules.

On 16 September 2021, the Board of Directors considered each of Mr. Jip, Mr. Wang and Mr. Zhang Liguó was still independent in accordance with the independence guidelines as set out in the Listing Rules and will continue to bring valuable business experience, knowledge and professionalism to the Board of Directors for its efficient and effective functioning. In this regard, the Nomination Committee has proposed the re-appointment of Mr. Jip, Mr. Wang and Mr. Zhang Liguó as independent non-executive Directors to the Board of Directors and made recommendations to the Shareholders for the re-election of each of Mr. Jip, Mr. Wang and Mr. Zhang Liguó at the EGM.

In accordance with Article 10.2 of the Articles of Association, the term of office of the third session of the Board of Directors shall be three years commencing on the date on which the ordinary resolutions approving the re-election or (as the case may be) election of the Directors are passed by the Shareholders. Upon re-election or (as the case may be) election, the executive Directors will each enter into a separate service agreement with the Company, and the Company will issue to each of the non-executive Director and the independent non-executive Directors a separate appointment letter, subject to approval by the Shareholders of the service agreements and the appointment letters at the EGM.

In accordance with Article 10.3 of the Articles of Association, after expiration of its term of office, the Second Session of the Board of Directors shall continue to perform duties as Directors pursuant to the requirements under the laws, administrative regulations, departmental rules and the Articles of Association until the re-election of the Directors is approved by the Shareholders and the third session of the Board of Directors assumes office.

The biographical details of the candidates for the re-election or (as the case may be) election of Directors are set out in the Appendix to this circular.

3. PROPOSED RE-ELECTION OF SHAREHOLDER REPRESENTATIVE SUPERVISORS

The term of office of the shareholder representative Supervisors of the Second Session of the Board of Supervisors will expire on 5 December 2021. Pursuant to Article 14.3 of the Articles of Association, shareholder representative Supervisors shall be elected at general meetings of the Shareholders. Pursuant to Article 14.2 of the Articles of Association, upon the expiration of their respective term of office, Supervisors shall be eligible to offer themselves for re-election.

As such, the Board of Supervisors has resolved to nominate Mr. Guan En (管恩) and Mr. Liu Jianbin (劉建賓) as candidates for the positions of shareholder representative Supervisors of the third session of the Board of Supervisors. All of the above candidates are shareholder representative Supervisors of the Second Session of the Board of Supervisors and will stand for re-election at the EGM.

LETTER FROM THE BOARD

Pursuant to Article 14.3 of the Articles of Association, the staff representative Supervisor of the Board of Supervisors shall be elected through democratic election by the staff members of the Company at a staff representative meeting or a staff meeting or through other means. Under Article 14.2 of the Articles of Association, upon the expiration of their respective term of office, Supervisors shall be eligible to offer themselves for re-election. Mr. Hu Hebin (胡合斌), the staff representative Supervisor of the Second Session of the Board of Supervisors, has been nominated as the candidate for the position of staff representative Supervisor of the third session of the Board of Supervisors and will stand for re-election at the staff representative meeting (職工代表大會) of the Company to be held in November 2021 (the “**Staff Representative Meeting**”).

In accordance with Article 14.2 of the Articles of Association, the term of office of the third session of the Board of Supervisors shall be three years commencing on the date on which the ordinary resolutions approving the re-election of the shareholder representative Supervisors are passed by the Shareholders and the election of the staff representative Supervisor is approved by the staff members of the Company. Upon re-election, the Supervisors will each enter into a separate service agreement with the Company, subject to approval by the Shareholders of the service agreements at the EGM.

In accordance with Article 14.2 of the Articles of Association, after the expiration of its term of office, the Second Session of the Board of Supervisors shall continue to perform duties as Supervisors pursuant to the requirements under the laws, administrative regulations and the Articles of Association until the re-election of the shareholder representative Supervisors is approved by the Shareholders, the election of the staff representative Supervisor is approved by the staff members of the Company and the third session of the Board of Supervisors assumes office.

The biographical details of the candidates for the re-election of shareholder representative Supervisors are set out in the Appendix to this circular.

4. SERVICE AGREEMENTS OF EXECUTIVE DIRECTORS, APPOINTMENT LETTERS OF NON-EXECUTIVE DIRECTOR AND INDEPENDENT NON-EXECUTIVE DIRECTORS, AND SERVICE AGREEMENTS OF SUPERVISORS

Resolutions will be proposed at the EGM for the Shareholders to approve the service agreements which the Company shall enter into with the executive Directors of the third session of the Board of Directors, the appointment letters which the Company shall issue to the non-executive Director and the independent non-executive Directors of the third session of the Board of Directors, and the service agreements which the Company shall enter into with the Supervisors (including both the shareholder representative Supervisors and the staff representative Supervisor) of the third session of the Board of Supervisors, subject to approval of their respective re-election or (as the case may be) election by the Shareholders at the EGM or by the staff members of the Company at the Staff Representative Meeting.

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The service agreement to be entered into with each executive Director contains provisions setting out, among others, his/her duties as an executive Director, obligation to avoid holding equity interests in any business which may compete with the business of the Group, confidentiality obligation in respect of any information obtained as a result of handling the business affairs, financial affairs or transactions of the Group, and undertaking to refer any relevant disputes between him/her and the Company or holders of H Shares to arbitration. In addition, pursuant to the service agreements, each Director is entitled to a basic annual salary as set out below (subject to an annual increment at the discretion of the Board of Directors as authorised by a general meeting of the Company) and a discretionary management bonus in such sum as the Board of Directors may in its absolute discretion determine based on the financial performance of the Group in that financial year, provided that the amount of bonuses payable by the Company to the Director for any financial year shall not exceed 10% of the audited consolidated net profit of the Group (after taxation, minority interests and payment of such bonuses but before extraordinary items) in respect of that financial year.

The appointment letter to be issued to each non-executive Director and independent non-executive Director sets out, among others, his/her duties as a non-executive Director or an independent non-executive Director, and undertaking to refer any relevant disputes between him/her and the Company or holders of H Shares to arbitration. In addition, pursuant to their respective appointment letters, each independent non-executive Director is entitled to a fixed Director's fee per annum as set out below. Pursuant to her appointment letter, the non-executive Director is not entitled to any remuneration unless otherwise specified by the Shareholders in a general meeting of the Company.

The service agreement to be entered into with each Supervisor contains provisions setting out, among others, his duties as a Supervisor, obligation to avoid holding equity interests in any business which may compete with the business of the Group, confidentiality obligation in respect of any information obtained as a result of handling the business affairs, financial affairs or transactions of the Group, and undertaking to refer any relevant disputes between him and the Company or holders of H Shares to arbitration. In addition, pursuant to the service agreements, each Supervisor is entitled to a fixed fee per annum as set out below (subject to an annual increment at the discretion of the Board of Supervisors as authorised by a general meeting of the Company).

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The table below sets out the basic annual salary or fixed fee per annum (as the case may be) of the Directors and the Supervisors under the above service agreements and appointment letters:

Name	Basic annual salary/ Director's fee per annum/ Fee per annum
<i>Executive Directors</i>	
Mr. Zhang Haijun (張海軍)	RMB375,840
Mr. Wu Jinyu (吳金玉)	RMB245,560
Mr. Zhang Lihuan (張力歡)	RMB245,560
Mr. Zhang Chao (張超)	RMB235,660
Ms. Ma Xuehui (馬學輝)	RMB117,200
<i>Non-executive Director</i>	
Ms. Gu Xiaohui (顧曉慧)	Nil
<i>Independent non-executive Directors</i>	
Mr. Jip Ki Chi (葉奇志)	HK\$166,560
Mr. Wang Qi (王琦)	RMB40,000
Mr. Zhang Liguó (張立國)	RMB40,000
<i>Supervisors</i>	
Mr. Guan En (管恩)	RMB100,000
Mr. Liu Jianbin (劉建賓)	RMB100,000
Mr. Hu Hebin (胡合斌)	RMB242,240

5. EGM AND PROXY ARRANGEMENT

A notice of the EGM to be held at the meeting room of the Company, No. 1 Yichen North Street, Gaocheng District, Shijiazhuang City, Hebei Province, the PRC on Thursday, 2 December 2021 at 10:30 a.m., is set out on pages 23 to 25 of this circular.

In order to determine the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, 2 November 2021 to Thursday, 2 December 2021, 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, holders of the H shares whose transfers have not been registered shall deposit all transfer documents accompanied by the relevant share certificates at the Company's H 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 Monday, 1 November 2021 (Hong Kong time).

LETTER FROM THE BOARD

A form of proxy for use at the EGM is enclosed herewith and also published on both the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.hbyc.com.cn>). If you intend to appoint a proxy to attend the EGM, you are requested to complete, sign and return the enclosed form of proxy in accordance with the instructions printed thereon not less than 24 hours before the time fixed for holding the EGM (i.e. not later than 10:30 a.m. on Wednesday, 1 December 2021 (Hong Kong time)) or any adjournment thereof (as the case may be).

6. RECOMMENDATIONS

The Board of Directors considers that the re-election or (as the case may be) election of the Directors and the re-election of the shareholder representative Supervisors are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board of Directors recommends the Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM.

7. RESPONSIBILITY STATEMENT

This circular, for which the 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. 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.

8. MISCELLANEOUS

The Chinese text of this circular shall prevail over the English text for the purpose of interpretation in case of any inconsistency.

Yours faithfully,
For and on behalf of the Board of Directors
Hebei Yichen Industrial Group Corporation Limited*
Zhang Haijun
Chairman

* For identification purpose only

APPENDIX INFORMATION OF CANDIDATES FOR THE RE-ELECTION AND ELECTION OF DIRECTORS AND THE RE-ELECTION OF SHAREHOLDER REPRESENTATIVE SUPERVISORS
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EXECUTIVE DIRECTORS

Mr. Zhang Haijun (張海軍), aged 69, the founder of the Group, currently serves as an executive Director and the chairman of the of the Second Session of the Board of Directors and is responsible for the overall business development strategies of the Group. Mr. Zhang has been a Director, the chairman of the Board and the legal representative of the Company since the Company's establishment on 9 April 2001. Mr. Zhang had also been the general manager of the Company since the Company's establishment until July 2015. He is a qualified senior economist and engineer in the PRC. He graduated from Hebei Province Agriculture Broadcasting Television School* (河北省農業廣播電視學校) of the PRC with a diploma in agriculture in October 1993. He then graduated from Shijiazhuang City Technology Cadre Education Institute* (石家莊市科技幹部教育學院) of the PRC with a diploma in corporate management in July 1995.

Mr. Zhang had been engaged in the management of manufacturing enterprises in the PRC prior to founding the Group. In March 1990, Mr. Zhang, together with Mr. Zhang Xiaosuo (張小鎖) and other individuals, established Hebei Province Gaocheng City Lianzhou Rolling Mill* (河北省藁城市廉州軋鋼廠), a collectively owned enterprise in the PRC engaged in the manufacture of rolling steel products, in which Mr. Zhang served as the legal representative and factory director with overall business and factory management responsibilities. From May 1993 to July 1998, he had been the chairman and general manager of Gaocheng City Yichen Industrial Trading Co., Ltd.* (藁城市翼辰工貿公司), which was principally engaged in manufacturing of different metal products and trading of industrial goods, and he had been responsible for its overall business and corporate management.

From May 1989 to March 2001, Mr. Zhang had been the deputy supervisor of Nanshangzhuang Village Committee of Lianzhou, Gaocheng City* (藁城市廉州鎮南尚莊村委會) of the PRC. He was a representative of the Gaocheng City People's Congress (藁城市人民代表大會) of the PRC, the Hebei Province People's Congress (河北省人民代表大會) of the PRC and the 12th and 13th Shijiazhuang City People's Congress (石家莊市第十二屆及第十三屆人民代表大會) of the PRC. He had also been the deputy chairman of Shijiazhuang City Private Enterprises Association* (石家莊市私營企業協會) from 2006 to 2015, the chairman of Gaocheng District Private Enterprises Association* (藁城區私營企業協會) from 2006 to 2015 and a standing member and the deputy chairman of the third council of Hebei Province Private Enterprises Association* (河北省私營企業協會第三屆理事會). He was a standing committee member of the General Affairs Committee of the Gaocheng People's Congress (藁城區人民代表大會常務委員會).

Pursuant to the existing service agreement entered into between the Company and Mr. Zhang, Mr. Zhang is entitled to a basic annual salary of RMB375,840 (subject to an annual increment at the discretion of the Board of Directors as authorised by a general meeting of the Company) and a discretionary management bonus in such sum as the

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APPENDIX INFORMATION OF CANDIDATES FOR THE RE-ELECTION AND ELECTION OF DIRECTORS AND THE RE-ELECTION OF SHAREHOLDER REPRESENTATIVE SUPERVISORS
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Board of Directors may in its absolute discretion determine based on the financial performance of the Group in that financial year, provided that the amount of bonuses payable by the Company to Mr. Zhang for any financial year shall not exceed 10% of the audited consolidated net profit of the Group (after taxation, minority interests and payment of such bonuses but before extraordinary items) in respect of that financial year. Mr. Zhang may not vote on any resolution of the Directors regarding the annual increment in the basic annual salary or the amount of management bonus payable to him. Upon re-election at the EGM, the Company will enter into a service agreement with Mr. Zhang containing the same terms regarding his emoluments as set out above, subject to approval by the Shareholders of the service agreement at the EGM. The emoluments of Mr. Zhang have been determined with reference to his duties and responsibilities as an executive Director.

Mr. Zhang is one of the Controlling Shareholders who controlled the voting rights of a total of 572,852,774 Domestic Shares, representing approximately 63.80% of the total issued share capital of the Company as at the Latest Practicable Date.

For details of Mr. Zhang's relationships with certain other Directors, Supervisors, senior management of the Group and other Controlling Shareholders, please refer to the paragraph headed "Relationship of the Candidates with the Directors, Supervisors, Senior Management of the Group and the Controlling Shareholders" in this Appendix.

Mr. Wu Jinyu (吳金玉), aged 52, currently serves as an executive Director of the Second Session of the Board of Directors and the chief financial officer of the Group who is responsible for the overall day-to-day financial management of the Group. Mr. Wu has been a Director since the Company's establishment on 9 April 2001. He is a qualified senior accountant in the PRC. He graduated from Shijiazhuang City Technology Cadre Education Institute* (石家莊市科技幹部教育學院) in the PRC with a diploma in accounting in July 1999. He then graduated from Hebei Province Chinese Accounting School* (河北省中華會計函授學校) in the PRC with a part time diploma in accounting in June 2002.

From March 1995 to April 2001, Mr. Wu had been an accountant of Gaocheng City Yichen Industrial Trading Co., Ltd.* (藁城市翼辰工貿公司) and was responsible for handling accounting matters. He had served as the head of finance responsible for the overall financial management and reporting matters of the Company since April 2001 and was appointed the chief financial officer in January 2012.

Pursuant to the existing service agreement entered into between the Company and Mr. Wu, Mr. Wu is entitled to a basic annual salary of RMB245,560 (subject to an annual increment at the discretion of the Board of Directors as authorised by a general meeting of the Company) and a discretionary management bonus in such sum as the Board of Directors may in its absolute discretion determine based on the financial performance of the Group in that financial year, provided that the amount of bonuses payable by the

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APPENDIX INFORMATION OF CANDIDATES FOR THE RE-ELECTION AND ELECTION OF DIRECTORS AND THE RE-ELECTION OF SHAREHOLDER REPRESENTATIVE SUPERVISORS
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Company to Mr. Wu for any financial year shall not exceed 10% of the audited consolidated net profit of the Group (after taxation, minority interests and payment of such bonuses but before extraordinary items) in respect of that financial year. Mr. Wu may not vote on any resolution of the Directors regarding the annual increment in the basic annual salary or the amount of management bonus payable to him. Upon re-election at the EGM, the Company will enter into a service agreement with Mr. Wu containing the same terms regarding his emoluments as set out above, subject to approval by the Shareholders of the service agreement at the EGM. The emoluments of Mr. Wu have been determined with reference to his duties and responsibilities as an executive Director.

Mr. Wu is one of the Controlling Shareholders who controlled the voting rights of a total of 572,852,774 Domestic Shares, representing approximately 63.80% of the total issued share capital of the Company as at the Latest Practicable Date.

For details of Mr. Wu's relationships with certain other Directors, Supervisors, senior management of the Group and other Controlling Shareholders, please refer to the paragraph headed "Relationship of the Candidates with the Directors, Supervisors, Senior Management of the Group and the Controlling Shareholders" in this Appendix.

Mr. Zhang Lihuan (張力歡), aged 39, currently serves as an executive Director of the Second Session of the Board of Directors and the manager of the welding business division of the Group who is responsible for the overall day-to-day management of the welding business division of the Group. Mr. Zhang joined the Group in August 2009 as manager of the welding business division and was appointed a Director on 27 July 2015. He became a representative of the Gaocheng District, Shijiazhuang City, Hebei Province People's Congress* (河北省石家莊市藁城區人民代表大會) in July 2021. He has been the sole director and legal representative of Hebei Yichen Trading Co., Ltd.* (河北翼辰貿易有限公司), a limited liability company established under the laws of the PRC and a wholly-owned subsidiary of the Company, since its establishment. He completed an online diploma course in business management at Central China Normal University* (華中師範大學) in the PRC in July 2015.

Pursuant to the existing service agreement entered into between the Company and Mr. Zhang, Mr. Zhang is entitled to a basic annual salary of RMB245,560 (subject to an annual increment at the discretion of the Board of Directors as authorised by a general meeting of the Company) and a discretionary management bonus in such sum as the Board of Directors may in its absolute discretion determine based on the financial performance of the Group in that financial year, provided that the amount of bonuses payable by the Company to Mr. Zhang for any financial year shall not exceed 10% of the audited consolidated net profit of the Group (after taxation, minority interests and payment of such bonuses but before extraordinary items) in respect of that financial year. Mr. Zhang may not vote on any resolution of the Directors regarding the annual increment in the basic annual salary or the amount of management bonus payable to him. Upon re-election at the EGM, the Company will enter into a service agreement with Mr. Zhang

* For identification purpose only

APPENDIX INFORMATION OF CANDIDATES FOR THE RE-ELECTION AND ELECTION OF DIRECTORS AND THE RE-ELECTION OF SHAREHOLDER REPRESENTATIVE SUPERVISORS
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containing the same terms regarding his emoluments as set out above, subject to approval by the Shareholders of the service agreement at the EGM. The emoluments of Mr. Zhang have been determined with reference to his duties and responsibilities as an executive Director.

Mr. Zhang is one of the Controlling Shareholders who controlled the voting rights of a total of 572,852,774 Domestic Shares, representing approximately 63.80% of the total issued share capital of the Company as at the Latest Practicable Date.

For details of Mr. Zhang's relationships with certain other Directors, Supervisors, senior management of the Group and other Controlling Shareholders, please refer to the paragraph headed "Relationship of the Candidates with the Directors, Supervisors, Senior Management of the Group and the Controlling Shareholders" in this Appendix.

Mr. Zhang Chao (張超), aged 36, currently serves as an executive Director of the Second Session of the Board of Directors, the secretary to the Board of Directors and the joint company secretary of the Company who is responsible for overseeing the overall business operation and company secretarial work of the Group. Mr. Zhang joined the Group in January 2012 as the secretary to the Board of Directors and was appointed a Director on 27 July 2015. Mr. Zhang was appointed a joint company secretary of the Company on 10 December 2015. He graduated from University of Shanghai for Science and Technology* (上海理工大學) in the PRC with a bachelor's degree in thermal energy and power engineering in July 2009.

Pursuant to the existing service agreement entered into between the Company and Mr. Zhang, Mr. Zhang is entitled to a basic annual salary of RMB235,660 (subject to an annual increment at the discretion of the Board of Directors as authorised by a general meeting of the Company) and a discretionary management bonus in such sum as the Board of Directors may in its absolute discretion determine based on the financial performance of the Group in that financial year, provided that the amount of bonuses payable by the Company to Mr. Zhang for any financial year shall not exceed 10% of the audited consolidated net profit of the Group (after taxation, minority interests and payment of such bonuses but before extraordinary items) in respect of that financial year. Mr. Zhang may not vote on any resolution of the Directors regarding the annual increment in the basic annual salary or the amount of management bonus payable to him. Upon re-election at the EGM, the Company will enter into a service agreement with Mr. Zhang containing the same terms regarding his emoluments as set out above, subject to approval by the Shareholders of the service agreement at the EGM. The emoluments of Mr. Zhang have been determined with reference to his duties and responsibilities as an executive Director.

Mr. Zhang is one of the Controlling Shareholders who controlled the voting rights of a total of 572,852,774 Domestic Shares, representing approximately 63.80% of the total issued share capital of the Company as at the Latest Practicable Date.

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For details of Mr. Zhang's relationships with certain other Directors, Supervisors, senior management of the Group and other Controlling Shareholders, please refer to the paragraph headed "Relationship of the Candidates with the Directors, Supervisors, Senior Management of the Group and the Controlling Shareholders" in this Appendix.

Ms. Ma Xuehui (馬學輝), aged 39, is responsible for the day-to-day management of the Group's quality management department and quality inspection centre. Ms. Ma joined the Company in May 2002 and has served successively as a quality management staff, and deputy chief and chief of quality management department. She has been the chief of quality inspection centre and deputy chief engineer of the Group since December 2015 and January 2018, respectively. Ms. Ma graduated from Hebei University of Engineering (河北工程大學) in June 2020 with a bachelor's degree in mechanical design, manufacturing and automation. She has been a qualified engineer in the PRC specialising in machinery since December 2020.

Ms. Ma, if elected at the EGM, will enter into a service agreement with the Company, subject to approval by the Shareholders of the service agreement at the EGM. Pursuant to the service agreement, Ms. Ma shall be entitled to a basic annual salary of RMB117,200 (subject to an annual increment at the discretion of the Board of Directors as authorised by a general meeting of the Company) and a discretionary management bonus in such sum as the Board of Directors may in its absolute discretion determine based on the financial performance of the Group in that financial year, provided that the amount of bonuses payable by the Company to Ms. Ma for any financial year shall not exceed 10% of the audited consolidated net profit of the Group (after taxation, minority interests and payment of such bonuses but before extraordinary items) in respect of that financial year. Ms. Ma may not vote on any resolution of the Directors regarding the annual increment in the basic annual salary or the amount of management bonus payable to her. The proposed emoluments of Ms. Ma have been determined with reference to her expected duties and responsibilities as an executive Director.

Ms. Ma did not have any interest in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

For details of Ms. Ma's relationships with certain Directors, Supervisors, senior management of the Group and Controlling Shareholders, please refer to the paragraph headed "Relationship of the Candidates with the Directors, Supervisors, Senior Management of the Group and the Controlling Shareholders" in this Appendix.

NON-EXECUTIVE DIRECTOR

Ms. Gu Xiaohui (顧曉慧), aged 37, currently serves as a non-executive Director of the Second Session of the Board of Directors. She was appointed an executive Director of the Company on 18 March 2020 and was re-designated as a non-executive Director on 25 March 2020. She graduated from the China University of Political Science and Law (中國政法大學) with a master's degree in economic law in 2010. From July 2010 to early 2015, Ms. Gu worked at Beijing Tian Yuan Law Firm. Joining Beijing Infrastructure Investment

APPENDIX INFORMATION OF CANDIDATES FOR THE RE-ELECTION AND ELECTION OF DIRECTORS AND THE RE-ELECTION OF SHAREHOLDER REPRESENTATIVE SUPERVISORS
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Company Limited* (北京市基礎設施投資有限公司) in early 2015, Ms. Gu worked at the investment and development department as an assistant to the department general manager and a director of Beijing Cornerstone Fund Management Company Limited* (北京基石基金管理有限公司). From March 2020 to April 2021, Ms. Gu served as a director of Shougang Jingtang United Iron & Steel Co., Ltd.* (首鋼京唐鋼鐵聯合有限責任公司). She has been a manager of Beijing Jingtou Fund Management Co., Ltd.* (北京京投基金管理有限公司) since October 2020, a director of Shanghai Oriental Maritime Engineering Technology Co., Ltd.* (上海東方海事工程技術有限公司) since January 2021, and a director of Beijing Zhongguancun Microcredit Co., Ltd.* (北京市中關村小額貸款股份有限公司) since June 2021. Ms. Gu was appointed a non-executive director of BII Railway Transportation Technology Holdings Company Limited, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1522), on 5 July 2021.

Pursuant to the existing appointment letter issued by the Company to Ms. Gu, Ms. Gu is not entitled to any remuneration for holding her office as a non-executive Director of the Second Session of the Board of Directors. Upon re-election at the EGM, the Company will issue an appointment letter to Ms. Gu containing the same terms regarding her emoluments as set out above, subject to approval by the Shareholders of the appointment letter at the EGM. The emoluments of Ms. Gu have been determined with reference to her duties and responsibilities as a non-executive Director.

Ms. Gu did not have any relationship with any Directors, Supervisors, senior management of the Group or substantial or controlling shareholders of the Company, nor did she have any interest in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Jip Ki Chi (葉奇志), aged 51, currently serves as an independent non-executive Director of the Second Session of the Board of Directors. Mr. Jip was appointed as an independent non-executive Director on 30 November 2015. He was admitted as a Certified Practicing Accountant of the Australian Society of Certified Practicing Accountants (currently known as CPA Australia) in October 1997. He obtained his qualification as a fellow member of Hong Kong Institute of Certified Public Accountants in October 2007. Mr. Jip graduated from Queensland University of Technology, Australia with a bachelor's degree of business in accountancy in March 1994. He then graduated from University of Adelaide, Australia with a master degree in business administration in August 2008.

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APPENDIX	INFORMATION OF CANDIDATES FOR THE RE-ELECTION AND ELECTION OF DIRECTORS AND THE RE-ELECTION OF SHAREHOLDER REPRESENTATIVE SUPERVISORS
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The table below summarises Mr. Jip's working experience in the past years:

Period of time	Name of employer	Principal business activities of employer	Office	Principal functions
October 2005 to April 2007	Total Sino Limited	Design, engineering and manufacturing of a wide range of children entertainment products	Financial controller	Preparation of monthly consolidated financial and management accounts and budgets, control and updating of financial and accounting systems
June 2007 to November 2010	Aceso Life Science Group Limited (stock code: 474; then known as Haotian Resources Group Limited and Winbox International (Holdings) Limited)	Money lending business, trading of securities investment, trading of futures and trading of commodities business	Financial controller, company secretary, qualified accountant and authorised representative	Liaison and communication with the Stock Exchange and Securities and Futures Commission, liaison with internal and external auditors and legal advisors, preparation of monthly consolidated financial and management accounts and budgets, control and update financial and accounting systems
November 2010 to August 2012	Zhong Da Mining Limited	Mining of iron ore in the PRC	Chief financial officer and company secretary	Preparation of financial reporting and internal control and compliance with applicable laws of Hong Kong
September 2012 to November 2013	Hui Xiang Group	Mining and financial services	Chief financial officer and company secretary	Preparation of financial reporting and internal control and compliance with applicable laws of Hong Kong

Since November 2013, Mr. Jip has been serving as an independent non-executive director of China MeiDong Auto Holdings Limited (stock code: 1268), a company listed on the Main Board of the Stock Exchange. Since September 2014, Mr. Jip has been serving as the chief financial officer and the company secretary of Sun Entertainment Group Limited (formerly known as Sage International Group Limited) (stock code: 8082), the shares of which are listed on GEM of the Stock Exchange.

APPENDIX INFORMATION OF CANDIDATES FOR THE RE-ELECTION AND ELECTION OF DIRECTORS AND THE RE-ELECTION OF SHAREHOLDER REPRESENTATIVE SUPERVISORS
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Pursuant to the existing appointment letter issued by the Company to Mr. Jip, Mr. Jip is entitled to a Director's fee of HK\$166,560 per annum. Save for the Director's fees, Mr. Jip is not expected to receive any other remuneration for holding his office as an independent non-executive Director of the Second Session of the Board of Directors. Upon re-election at the EGM, the Company will issue an appointment letter to Mr. Jip containing the same terms regarding his emoluments as set out above, subject to approval by the Shareholders of the appointment letter at the EGM. The emoluments of Mr. Jip have been determined with reference to his duties and responsibilities as an independent non-executive Director.

Mr. Jip did not have any relationship with any Directors, Supervisors, senior management of the Group or substantial or controlling shareholders of the Company, nor did he have any interest in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Wang Qi (王琦), aged 48, currently serves as an independent non-executive Director of the Second Session of the Board of Directors. Mr. Wang was appointed as an independent non-executive Director on 30 November 2015. He is a qualified engineer in the PRC. He graduated from Harbin Institute of Architecture* (哈爾濱建築大學) (currently known as Harbin Institute of Technology (哈爾濱工業大學)) with a bachelor's degree in architecture in July 1997.

Since January 1999, Mr. Wang has successively been a designer, person in charge of projects, head of the first design institute, deputy chief engineer and deputy head of rail transport institute and head of Shijiazhuang branch institute of Beijing Urban Construction Design & Development Group Co., Limited (北京城建設計發展集團股份有限公司) (stock code: 1599), the shares of which are listed on the Main Board of the Stock Exchange and is principally engaged in design, survey and consultancy services for urban rail transit and urban rail transit related industrial and civil construction and municipal engineering projects, and construction contracting services for urban rail transit, and is responsible for overall organisation of the institute and management of subway line design. In 2018, he was appointed as the head of Xiongan branch institute of Beijing Urban Construction Design & Development Group Co., Limited.

Pursuant to the existing appointment letter issued by the Company to Mr. Wang, Mr. Wang is entitled to a Director's fee of RMB40,000 per annum. Save for the Director's fees, Mr. Wang is not expected to receive any other remuneration for holding his office as an independent non-executive Director of the Second Session of the Board of Directors. Upon re-election at the EGM, the Company will issue an appointment letter to Mr. Wang containing the same terms regarding his emoluments as set out above, subject to approval by the Shareholders of the appointment letter at the EGM. The emoluments of Mr. Wang have been determined with reference to his duties and responsibilities as an independent non-executive Director.

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APPENDIX INFORMATION OF CANDIDATES FOR THE RE-ELECTION AND ELECTION OF DIRECTORS AND THE RE-ELECTION OF SHAREHOLDER REPRESENTATIVE SUPERVISORS
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Mr. Wang did not have any relationship with any Directors, Supervisors, senior management of the Group or substantial or controlling shareholders of the Company, nor did he have any interest in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Zhang Ligu (張立國), aged 63, currently serves as an independent non-executive Director of the Second Session of the Board of Directors. Mr. Zhang was appointed as an independent non-executive Director on 30 November 2015. He is a senior engineer in the PRC. He graduated from Northern Jiaotong University* (北方交通大學) (currently known as Beijing Jiaotong University (北京交通大學)) with a bachelor's degree in railway architecture in January 1982.

From February 1982 to June 2004, Mr. Zhang had successively been an engineer, senior engineer and head of the railway division of the Professional Design Institute of the Ministry of Railways (鐵道部專業設計院). From July 2004 to June 2006, Mr. Zhang had successively headed the railway academy and technology section of Railway Engineering Consulting Group Co., Ltd. (中鐵工程設計諮詢集團有限公司). From July 2006 to March 2018, Mr. Zhang had been a deputy chief engineer of Railway Engineering Consulting Group Co., Ltd. (mainly engaged in major integrated survey and design consultation), taking charge of railway design and overall business operation.

Since December 2017, Mr. Zhang has been the independent director of Zhejiang Tiantie Industry Co., Ltd. (浙江天鐵實業股份有限公司) (the shares of which are listed on ChiNext of the Shenzhen Stock Exchange, stock code: 300587). Since April 2018, Mr. Zhang has been a special expert of CCCC Railway Consultants Group Co., Ltd.* (中交鐵道設計研究總院有限公司).

Pursuant to the existing appointment letter issued by the Company to Mr. Zhang, Mr. Zhang is entitled to a Director's fee of RMB40,000 per annum. Save for the Director's fees, Mr. Zhang is not expected to receive any other remuneration for holding his office as an independent non-executive Director of the Second Session of the Board of Directors. Upon re-election at the EGM, the Company will issue an appointment letter to Mr. Zhang containing the same terms regarding his emoluments as set out above, subject to approval by the Shareholders of the appointment letter at the EGM. The emoluments of Mr. Zhang have been determined with reference to his duties and responsibilities as an independent non-executive Director.

Mr. Zhang did not have any relationship with any Directors, Supervisors, senior management of the Group or substantial or controlling shareholders of the Company, nor did he have any interest in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

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APPENDIX INFORMATION OF CANDIDATES FOR THE RE-ELECTION AND ELECTION OF DIRECTORS AND THE RE-ELECTION OF SHAREHOLDER REPRESENTATIVE SUPERVISORS
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SHAREHOLDER REPRESENTATIVE SUPERVISORS

Mr. Guan En (管恩), aged 34, currently serves as a Supervisor and the chairman of the Second Session of the Board of Supervisors. Mr. Guan was appointed a Supervisor on 29 July 2019. He graduated from Hebei University of Science and Technology* (河北科技大學) with a bachelor's degree in automation in 2013. From July 2013 to May 2015, Mr. Guan worked as a technician at Shijiazhuang Kelin Electric Company Limited* (石家莊科林電氣股份有限公司). Mr. Guan joined the Group in June 2015 as an electronics engineer. Mr. Guan is experienced in electronic engineering practices.

Pursuant to the existing service agreement entered into between the Company and Mr. Guan, Mr. Guan is entitled to a fee of RMB76,000 per annum (subject to an annual increment at the discretion of the Board of Supervisors as authorised by a general meeting of the Company). Save for the Supervisor's fee, Mr. Guan is not expected to receive any other remuneration for holding his office as a Supervisor of the Second Session of the Board of Supervisors. Upon re-election at the EGM, Mr. Guan will enter into a service agreement with the Company containing the same terms regarding his emoluments as set out above (save for the amount of Supervisor's fees), subject to approval by the Shareholders of the service agreement at the EGM. The emoluments of Mr. Guan have been determined with reference to his duties and responsibilities as a Supervisor.

Mr. Guan did not have any relationship with any Directors, Supervisors, senior management of the Group or substantial or controlling shareholders of the Company, nor did he have any interest in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Liu Jianbin (劉建賓), aged 43, currently serves as a Supervisor of the Second Session of the Board of Supervisors. Mr. Liu was appointed a Supervisor on 29 July 2019. He graduated from Hebei Institute of Technology* (河北理工學院) in year 2000, majoring in thermal engineering. From June 2000 to March 2008, Mr. Liu worked as a production technician and technical professional of Gaocheng Electric Components Factory* (藁城市電工構件廠). Mr. Liu joined the Group in March 2008 as a deputy manager for machine repair workshop and is currently the director of the technical department. Mr. Liu has extensive experience in corporate management.

Pursuant to the existing service agreement entered into between the Company and Mr. Liu, Mr. Liu is entitled to a fee of RMB63,000 per annum (subject to an annual increment at the discretion of the Board of Supervisors as authorised by a general meeting of the Company). Save for the Supervisor's fee, Mr. Liu is not expected to receive any other remuneration for holding his office as a Supervisor of the Second Session of the Board of Supervisors. Upon re-election at the EGM, Mr. Liu will enter into a service agreement with the Company containing the same terms regarding his emoluments as set out above (save for the amount of Supervisor's fees), subject to approval by the Shareholders of the service agreement at the EGM. The emoluments of Mr. Liu have been determined with reference to his duties and responsibilities as a Supervisor.

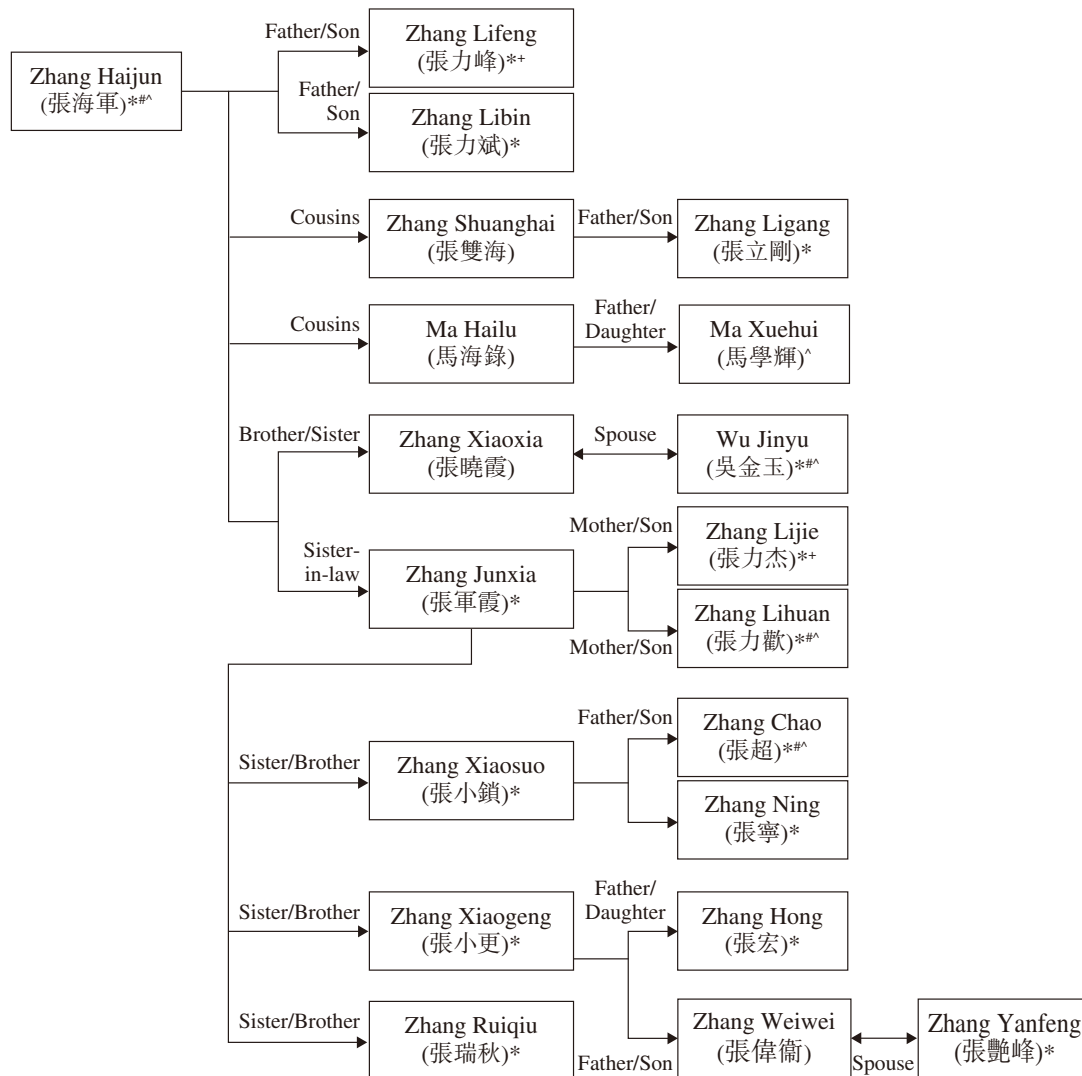
Mr. Liu did not have any relationship with any Directors, Supervisors, senior management of the Group or substantial or controlling shareholders of the Company, nor did he have any interest in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

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**APPENDIX INFORMATION OF CANDIDATES FOR THE RE-ELECTION AND
ELECTION OF DIRECTORS AND THE RE-ELECTION OF
SHAREHOLDER REPRESENTATIVE SUPERVISORS**

**RELATIONSHIP OF THE CANDIDATES WITH THE DIRECTORS, SUPERVISORS
AND SENIOR MANAGEMENT OF THE GROUP AND THE CONTROLLING
SHAREHOLDERS**

Some of the candidates for the re-election or (as the case may be) election of Directors at the EGM have family relationships with the Directors, senior management of the Group and Controlling Shareholders as set out in the graph below:



APPENDIX INFORMATION OF CANDIDATES FOR THE RE-ELECTION AND ELECTION OF DIRECTORS AND THE RE-ELECTION OF SHAREHOLDER REPRESENTATIVE SUPERVISORS
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Notes:

In the graph above:

“#” denotes a member of the Second Session of the Board of Directors;

“^” denotes a candidate for the re-election or (as the case may be) election of Directors at the EGM;

“+” denotes a member of the senior management of the Group as at the Latest Practicable Date; and

“*” denotes a Controlling Shareholder.

Save as disclosed above, there was no information to be disclosed in relation to the above candidates for the re-election or (as the case may be) election of Directors or the re-election of shareholder representative Supervisors at the EGM pursuant to any of the requirements under Rule 13.51(2) of the Listing Rules as at the Latest Practicable Date.

NOTICE OF THE EGM



Hebei Yichen Industrial Group Corporation Limited* 河北翼辰實業集團股份有限公司

(A joint stock limited liability company incorporated in the People's Republic of China)
(Stock Code: 1596)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of Hebei Yichen Industrial Group Corporation Limited* (河北翼辰實業集團股份有限公司) (the "Company") will be held at the meeting room of the Company, No. 1 Yichen North Street, Gaocheng District, Shijiazhuang City, Hebei Province, the People's Republic of China ("the PRC") on Thursday, 2 December 2021 at 10:30 a.m. to consider, and if thought fit, pass (with or without amendments or supplements) the following resolutions (unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the circular of the Company dated 18 October 2021):

ORDINARY RESOLUTIONS

1. To consider and approve the resolutions in respect of the election of the third session of the Board of Directors:
 - 1.1 the re-election of Mr. Zhang Haijun (張海軍) as an executive Director;
 - 1.2 the re-election of Mr. Wu Jinyu (吳金玉) as an executive Director;
 - 1.3 the re-election of Mr. Zhang Lihuan (張力歡) as an executive Director;
 - 1.4 the re-election of Mr. Zhang Chao (張超) as an executive Director;
 - 1.5 the election of Ms. Ma Xuehui (馬學輝) as an executive Director;
 - 1.6 the re-election of Ms. Gu Xiaohui (顧曉慧) as a non-executive Director;
 - 1.7 the re-election of Mr. Jip Ki Chi (葉奇志) as an independent non-executive Director;
 - 1.8 the re-election of Mr. Wang Qi (王琦) as an independent non-executive Director; and
 - 1.9 the re-election of Mr. Zhang Liguó (張立國) as an independent non-executive Director.

* For identification purpose only

NOTICE OF THE EGM

2. To consider and approve the resolutions in respect of the election of the third session of the Board of Supervisors (excluding staff representative Supervisor):
 - 2.1 the re-election of Mr. Guan En (管恩) as a shareholder representative Supervisor; and
 - 2.2 the re-election of Mr. Liu Jianbin (劉建賓) as a shareholder representative Supervisor.
3. Conditional upon resolutions 1 and 2 above being passed, to consider and approve the service agreement to be entered into between the Company and each of the executive Directors of the third session of the Board of Directors, the appointment letter to be issued by the Company to each of the non-executive Director and the independent non-executive Directors of the third session of the Board of Directors, and the service agreement to be entered into between the Company and each of the Supervisors of the third session of the Board of Supervisors (including both shareholder representative Supervisors and staff representative Supervisor) and the remuneration arrangements set out therein, and the granting of the authority to the legal representative of the Company to execute the foregoing service agreements and appointment letters on behalf of the Company as and when appropriate after the passing of this resolution at a general meeting of the Company.

By order of the Board of Directors
Hebei Yichen Industrial Group Corporation Limited*
Zhang Haijun
Chairman

Shijiazhuang, the PRC, 18 October 2021

Notes:

All resolutions at the meeting will be taken by poll pursuant to the Listing Rules. The Chairman of the Board of Directors of the Company may demand poll for voting pursuant to the Articles of Association.

1. For determining the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, 2 November 2021 to Thursday, 2 December 2021, 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, holders of the H Shares whose transfers have not been registered shall deposit all transfer documents accompanied by the relevant share certificates at the Company's H share registrar, Computershare Hong Kong Investor Services Limited not later than 4:30 p.m. on Monday, 1 November 2021 (Hong Kong time) for registration.
2. A shareholder entitled to attend and vote at the EGM may appoint one or more proxies to attend and vote on his behalf. A proxy need not be a shareholder of the Company. Where a shareholder appoints more than one proxy, his proxies can only vote on a poll.

* For identification purpose only

NOTICE OF THE EGM

3. The instrument appointing a proxy must be in writing under the hand of a shareholder or his attorney duly authorised. If the shareholder is a corporation, that instrument must be either under its common seal or under the hand of its director(s) or duly authorised executive officer(s) or duly authorised attorney(ies). If that instrument is signed by an attorney of a shareholder, the power of attorney or other document authorising that attorney to sign must be notarised.
4. In order to be valid, the form of proxy together with the notarised power of attorney or other authorisation document (if any) must be deposited at the Secretariat of the Board at the Company's principal place of business in the PRC (for holders of the Domestic Shares) or at the H share registrar of the Company, Computershare Hong Kong Investor Services Limited (for holders of the H Shares) not less than 24 hours before the time fixed for the meeting (i.e. not later than 10:30 a.m. on Wednesday, 1 December 2021 (Hong Kong time)).
5. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or loss of capacity of the appointer, or the revocation of the proxy or of the authority under which the form of proxy was executed, or the transfer of shares in respect of which the proxy is given, provided that no notice in writing of these matters shall have been received by the Company prior to the commencement of the EGM.
6. The address and contact details of the Company's H share registrar, Computershare Hong Kong Investor Services Limited, are as follows:

As to the transfer documents:
Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong

As to the form of proxy:
17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong
Telephone No.: (+852) 2862 8555
Facsimile No.: (+852) 2865 0990
7. The address and contact details of the Company's principal place of business in the PRC are as follows:

No. 1 Yichen North Street, Gaocheng District, Shijiazhuang City, Hebei Province, the PRC
Telephone No.: (+86) 311 88929020
E-mail: yichenshiye@hbyc.com.cn
8. In accordance with the Company's articles of association, where two or more persons are registered as the joint holders of any share, only the person whose name appears first in the register of members shall be entitled to receive this notice, and this notice, when served on such person, shall be deemed to have been given to all joint holders of such share.
9. The EGM is expected to be concluded within half a day. Shareholders (in person or by proxy) attending the EGM are responsible for their own transportation and accommodation expenses.
10. Shareholders or their proxies shall produce their identification documents for inspection when attending the EGM.

As at the date of this notice, the Board of Directors comprises Mr. Zhang Haijun, Mr. Wu Jinyu, Mr. Zhang Lihuan, Mr. Zhang Chao and Ms. Fan Xiulan as executive Directors; Ms. Gu Xiaohui as a non-executive Director; and Mr. Jip Ki Chi, Mr. Wang Qi and Mr. Zhang Liguao as independent non-executive Directors.