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Tianjin Capital Environmental Protection Group Company Limited
天津創業環保集團股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1065)

ADJUSTMENTS TO THE LIST OF PARTICIPANTS AND NUMBER OF SHARE OPTIONS TO BE GRANTED AND CANCELLATION OF PART OF THE SHARE OPTIONS

References are made to (i) the announcement of the Company dated 27 November 2020 in relation to the proposed adoption of the A Share Option Incentive Scheme; (ii) the circular of the Company dated 8 December 2020 in relation to, among other things, the proposed adoption of the A Share Option Incentive Scheme (the “**Circular**”); (iii) the announcement of the Company in relation to the resolutions passed at the 2020 second extraordinary general meeting, the 2020 second H shareholders’ class meeting and the 2020 second A shareholders’ class meeting dated 23 December 2020; (iv) the announcement of the Company dated 21 January 2021 in relation to the first grant of Share Options under the A Share Option Incentive Scheme; (v) the overseas regulatory announcement of the Company dated 29 January 2021 in relation to the completion of the registration of the first grant of Share Options under the A Share Option Incentive Scheme; and (vi) the announcement of the Company in relation to the grant of Reserved Share Options under the A Share Option Incentive Scheme and the relevant overseas regulatory announcement, both dated 21 December 2021. Unless otherwise indicated, capitalised terms used herein shall have the same meanings as those defined in the Circular.

On 22 February 2023, the Board considered and approved the Resolution in Relation to the Adjustments to the List of Participants and Number of Share Options to be Granted under the 2020 Share Option Incentive Scheme and the Cancellation of Part of the Options, pursuant to which the Company proposed to cancel a total of 2,165,500 Share Options.

REASONS FOR ADJUSTMENTS AND CANCELLATION AND NUMBER OF SHARE OPTIONS SUBJECT THERETO

In view of the fact that the 15 original Participants under the A Share Option Incentive Scheme have terminated their labour relations with the Company, had their positions adjusted or are not working in the Company system due to normal designations, and therefore no longer meet the grant conditions, the 2,165,500 Share Options that were granted to them but have not yet been exercised will be cancelled by the Company.

Therefore, the number of Participants of the A Share Option Incentive Scheme was adjusted from 155 to 140; and the number of the Share Options Granted for the First Time was adjusted from 12,170,000 to 10,004,500. The total number of Share Options that shall be cancelled by the Company would be 2,165,500.

IMPACT OF THE ADJUSTMENTS AND CANCELLATION ON THE COMPANY

The adjustments to the list of Participants and number of Share Options to be granted and cancellation of part of the Options will not have any material impact on the financial position and operating results of the Company.

OPINION OF THE INDEPENDENT DIRECTORS

The Independent Directors are of the opinions that the 15 original Participants under the A Share Option Incentive Scheme have terminated their labour relations with the Company, had their positions adjusted or are not working in the Company system due to normal designations, and therefore no longer meet the grant conditions. According to the authorization granted to the Board at the 2020 second extraordinary general meeting, the 2020 second H shareholders' class meeting and the 2020 second A shareholders' class meeting of the Company, the Company intended to cancel the 2,165,500 Share Options that were granted to the above Participants but have not yet been exercised. The cancellation is in compliance with the relevant requirements under the Administrative Measures on Share Incentives of Listed Companies (the "**Administrative Measures**") and the relevant provisions under the A Share Option Incentive Scheme, and has been authorized by the general meeting and necessary procedures have been performed. The cancellation will not have any material impact on the financial position and operating results of the Company and will not prejudice the interests of the Company and all Shareholders, especially minority Shareholders. Therefore, we unanimously agreed with the Company on the Resolution in Relation to the Adjustments to the List of Participants and Number of Share Options to be Granted under the 2020 Share Option Incentive Scheme and the Cancellation of Part of the Options.

OPINION OF THE SUPERVISORY COMMITTEE

The Supervisory Committee is of the opinion that, the 15 original Participants under the A Share Option Incentive Scheme have terminated their labour relations with the Company, had their positions adjusted or are not working in the Company system due to normal designations, and therefore no longer meet the grant conditions. The cancellation is in compliance with the relevant requirements under the Administrative Measures and the relevant provisions under the A Share Option Incentive Scheme, and necessary procedures have been performed. The cancellation will not have any material impact on the financial position and operating results of the Company and will not prejudice the interests of the Company and all Shareholders, especially minority Shareholders. The related Directors abstained from voting in accordance with the requirements when the relevant matters were considered by the Board, the Independent Directors also expressed their specific opinions, and the consideration and voting procedures have complied with the relevant requirements. Therefore, the Supervisory Committee agreed to cancel the 2,165,500 Share Options that were granted to the above Participants but have not yet been exercised.

LEGAL OPINION FROM THE COMPANY'S PRC LEGAL ADVISER

The PRC legal adviser of the Company, Grandall Law Firm, Tianjin Office, is of the opinion that, according to the authorization granted to the Board at the 2020 second extraordinary general meeting, the 2020 second H shareholders' class meeting and the 2020 second A shareholders' class meeting of the Company, as at the date of issuance of the legal opinion, necessary approvals and authorizations have been obtained for the adjustments and cancellation and corresponding procedures have been performed. The reasons for the cancellation and the number of Share Options subject to the cancellation are in compliance with the relevant requirements under the Administrative Measures, the Trial Measures for Implementation of with the relevant requirements Equity Incentives in State-controlled (Domestic) Listed Companies (《國有控股上市公司(境內)實施股權激勵試行辦法》), the Notice on Several Issues on Regulating the Stock Incentive Program of the State-owned and Controlled Listed Companies (《關於規範國有控股上市公司實施股權激勵制度有關問題的通知》), and other laws, regulations, regulatory documents and the provisions under the Articles of the Company and the A Share Option Incentive Scheme. The cancellation will not have any material impact on the financial position and operating results of the and will not prejudice the interests of the Company and all Shareholders.

By order of the Board
Ji Guanglin
Chairman

Tianjin, the PRC
22 February 2023

As at the date of this announcement, the Board comprises three executive Directors: Mr. Ji Guanglin, Mr. Li Yang and Ms. Jing Wanying; three non-executive Directors: Ms. Peng Yilin, Mr. An Pindong and Mr. Liu Tao; and three independent non-executive Directors: Mr. Xue Tao, Mr. Wang Shanggan and Mr. Tian Liang.