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Kunming Dianchi Water Treatment Co., Ltd.

昆明滇池水务股份有限公司

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

(Stock Code: 3768)

**(1) RESIGNATION OF INDEPENDENT NON-EXECUTIVE DIRECTOR,
CHAIRPERSON OF AUDIT COMMITTEE, MEMBER OF REMUNERATION
AND APPRAISAL COMMITTEE AND MEMBER OF STRATEGY AND
INVESTMENT DECISION COMMITTEE;
(2) PROPOSED APPOINTMENT OF INDEPENDENT NON-EXECUTIVE
DIRECTOR; AND
(3) CLOSURE OF REGISTER OF MEMBERS FOR 2023 SECOND
EXTRAORDINARY GENERAL MEETING**

**(1) RESIGNATION OF INDEPENDENT NON-EXECUTIVE DIRECTOR, CHAIRPERSON OF
AUDIT COMMITTEE, MEMBER OF REMUNERATION AND APPRAISAL COMMITTEE
AND MEMBER OF STRATEGY AND INVESTMENT DECISION COMMITTEE**

The board (the “**Board**”) of Directors (the “**Director(s)**”) of Kunming Dianchi Water Treatment Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) announces that, Ms. Wang Dongfang (“**Ms. Wang**”), an independent non-executive Director of the Company, has tendered her resignation to the Board on 20 September 2023 to resign as an independent non-executive Director, the chairperson of the audit committee, a member of the remuneration and appraisal committee and a member of the strategy and investment decision committee of the Company due to her personal work arrangement and her wish to devote more time and effort to other matters, and her resignation became effective on the date of submission of her resignation letter to the Board (i.e. 20 September 2023).

Ms. Wang has confirmed that she has no disagreement with the Board and there are no matters with respect to her resignation that need to be brought to the attention of the shareholders of the Company (the “**Shareholders**”), creditors of the Company or The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”).

The Company would like to express its sincere gratitude to Ms. Wang for her contribution to the development of the Company during her tenure as an independent non-executive Director of the Company.

After the resignation of Ms. Wang becoming effective on 20 September 2023, the Company has two independent non-executive Directors and each of the audit committee (the “**Audit Committee**”) and the remuneration and appraisal committee (the “**Remuneration and Appraisal Committee**”) of the Company has only two members. As a result, the Company is not in compliance with (i) the requirements set out in Rule 3.10(1) of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the “**Listing Rules**”) that the Company must have at least three independent non-executive Directors; (ii) the requirements set out in Rule 3.10A of the Listing Rules that the independent non-executive Directors appointed by the Company must constitute at least one-third of the Board; (iii) the requirements set out in Rule 3.21 of the Listing Rules that the Audit Committee must comprise at least three members and a majority of the members must be independent non-executive Directors; and (iv) the requirements set out in Rule 3.25 of the Listing Rules that the Remuneration and Appraisal Committee must be chaired by an independent non-executive Director and a majority of the members must be independent non-executive Directors.

(2) **PROPOSED APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR**

As considered and approved by the Company at the 187th meeting of the first session of the Board held on 20 September 2023, Mr. Zha Guiliang (查貴良) (“**Mr. Zha**”) was proposed to be appointed as an independent non-executive Director on the first session of the Board, and a resolution in relation to the proposed appointment of Mr. Zha as an independent non-executive Director of the Company will be submitted at the 2023 second extraordinary general meeting (the “**EGM**”) for consideration and approval by the Shareholders. The aforementioned proposed appointment will be subject to approval by the Shareholders at the EGM by way of ordinary resolution.

Biographical details of Mr. Zha are as follows:

Zha Guiliang, aged 43, holds a master’s degree in management, and is a PRC certified public accountant, an accountant and a lecturer. He graduated from Yunnan University of Finance and Economics in July 2004 with a bachelor’s degree in accounting; and graduated from Yunnan University of Finance and Economics in July 2011 with a master’s degree in accounting.

Mr. Zha has been working in Southwest Forestry University since July 2004, engaging in financial management and teaching of accounting; during this period, he conducted research on corporate social responsibility and sustainable accounting (carbon accounting) at Western Sydney University, Australia as a visiting scholar under the Yunnan local public scholarship programme from November 2017 to November 2018; he has been working on a part-time basis at Yunnan Tianrui Accounting Firm Co., Ltd.* (雲南天瑞會計師事務所有限公司) since May 2014; and he has been serving as a director of Kunming Expressway Construction and Development Co., Ltd.* (昆明市高速公路建設開發股份有限公司) since August 2023.

The appointment of Mr. Zha as an independent non-executive Director of the Company will become effective after the resolution of his appointment is approved at the EGM. Thereafter, the Company will enter into a director service agreement with Mr. Zha for a term commencing from the day when the aforementioned resolution is considered and approved at the EGM till the day when the election of the next session of the Board is completed. Mr. Zha will receive a remuneration of RMB150,000 (before tax) per annum during his tenure as an independent non-executive Director of the first session of the Board of the Company.

To the best knowledge of the Board, save as disclosed above and as at the date of this announcement: (1) Mr. Zha did not hold any directorship in public companies whose securities are listed in Hong Kong or any overseas securities markets in the past three years; (2) Mr. Zha is not connected to any Director, supervisor, senior management, substantial shareholder or controlling shareholder of the Company; (3) before Mr. Zha's appointment as an independent non-executive Director of the Company comes into effect, he does not hold any other positions in the Company or any other member companies of the Group; and (4) Mr. Zha does not have any interests in the shares of the Company or its associated corporations (as defined in Part XV of the Securities and Futures Ordinance of Hong Kong). Save as disclosed above, there is no other information that needs to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, nor are there any other matters in relation to Mr. Zha that need to be brought to the attention of the Shareholders.

A circular containing details of the proposed appointment of Mr. Zha as an independent non-executive Director, together with a notice convening the EGM, will be dispatched to the Shareholders in due course.

(3) CLOSURE OF REGISTER OF MEMBERS FOR THE EGM

The EGM is expected to be convened and held by the Company at 2:30 p.m. on Monday, 30 October 2023 at the meeting room of the Company on the 1st floor at Wastewater Treatment Plant No.7, Kunming Dianchi Tourist Resort, Yunnan Province, the PRC for the purpose of considering and, if thought fit, passing, the ordinary resolution to approve, among other things, the appointment of Mr. Zha as an independent non-executive Director. Details of the proposed appointment and other relevant information will be contained in the circular to be issued on or before 13 October 2023.

For the purpose of ascertaining the Shareholders who are entitled to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, 10 October 2023 to Monday, 30 October 2023, both days inclusive, during which period no transfers of shares of the Company will be effected.

In order to qualify to attend and vote at the EGM, all transfer instruments accompanied by the relevant share certificates must be lodged by holders of H shares with the Company's H Share Registrar, namely, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Monday, 9 October 2023.

By order of the Board
Kunming Dianchi Water Treatment Co., Ltd.
Zeng Feng
Chairperson and executive Director

Kunming, the PRC, 20 September 2023

As of the date of this announcement, the Board comprises Mr. Zeng Feng and Mr. Chen Changyong, as executive Directors; Mr. Xu Jingdong, Mr. Zhou Jianbo and Mr. Zhang Yang, as non-executive Directors; and Ms. Zheng Dongyu and Mr. Ong King Keung, as independent non-executive Directors.

* *For identification purpose only*