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□ Applicable √ Not applicable

(II) Total shareholders with preferred stock held and shares held by top ten shareholders with preferred stock held

□ Applicable √ Not applicable

III. Other significant events

□ Applicable √ Not applicable

IV. Quarterly financial statements

(i) Financial statement

1. Consolidated balance sheet

Prepared by: Hangzhou Turbine Power Group Co., Ltd.

September 30, 2024

In RMB

Table with 3 columns: Item, September 30, 2024, January 1, 2024. Rows include Current asset, Outgoing call loan, Transactional financial assets, etc.

Legal Representative: Ye Zhong

Person in charge of accounting: Zhao Jiamao

Accounting Dept Leader: Lv Lin

2. Consolidated Income statement between the beginning of the year and end of the report period

In RMB

Table with 3 columns: Item, Amount in this period, Amount in last period. Rows include Turnover, Operating income, Total operating costs, etc.

Legal Representative: Ye Zhong

Person in charge of accounting: Zhao Jiamao

Accounting Dept Leader: Lv Lin

3. Consolidated Cash Flow Statement Between the Beginning of the Year and End of the Report Period

In RMB

Table with 3 columns: Item, Amount in this period, Amount in last period. Rows include Cash flows from operating activities, Net increase of loans from central bank, etc.

Table with 3 columns: Item, Amount in this period, Amount in last period. Rows include Net increase of client deposit and investment, Cash received from interest, commission charge and commission, etc.

Legal Representative: Ye Zhong

Person in charge of accounting: Zhao Jiamao

Accounting Dept Leader: Lv Lin

(ii) The Company started implementing the updated accounting standards commencing from 2024 and adjusted the relevant items in the financial statements at the beginning of the very year involved in the initial implementation of the said standards

□ Applicable √ Not applicable

(iii) Audit report

Whether the First quarterly report has been audited or not

□ Yes √ No

The Third quarterly report of the Company has not been audited.

The Board of Directors of Hangzhou Turbine Power Group Co., Ltd.

October 29, 2024

Stock Code: 200771 Stock ID: Hangqilun B Announcement No.: 2024-63

Hangzhou Turbine Power Group Co., Ltd. Announcement on Repurchase Cancellation of Some Restricted Stocks

The members of the Board and the Company acknowledge being responsible for the truthfulness, accuracy, and completeness of the announcement. Not any false record, misleading statement or significant omission carried in this announcement.

On October 28, 2024, Hangzhou Turbine Power Group Co., Ltd (hereinafter referred to as the Company) held the 9th meeting of the 9th term of the board of directors and the 8th Meeting of the 9th term of the board of supervisors, in which it deliberated and passed the " Proposal on Repurchase and Cancellation of Some Restricted Shares".

Herby the relevant matters are explained as follows:

I. Relevant approval procedures and information disclosure that have been performed

1. On July 11, 2021, the 14th meeting of the Eighth Board of Directors reviewed and approved the Proposal on the Company's Restricted Stock Incentive Plan (Draft) in 2021 and its Summary, the Proposal on the Company's Implementation Assessment Management Measures for the Restricted Stock Incentive Plan in 2021, and the Proposal on Requesting the General Meeting of Shareholders to Authorize the Board of Directors to Handle Matters Related to the Restricted Stock Incentive Plan in 2021, and the 9th Meeting of the Eighth Supervisors of the Company reviewed and approved the above related proposals.

2. On August 12, 2021, the Company disclosed the Announcement on the Approval of Equity Incentive Plan by Hangzhou SASAC. The Company received the Reply of Hangzhou Turbine Co., Ltd. on Implementing the Restricted Stock Incentive Plan in 2021 (HGZK [2021] No.45), and Hangzhou SASAC agreed in principle that the Company should implement the restricted stock incentive plan in 2021.

3. From July 12, 2021 to July 21, 2021, the Company publicized the names and positions of the incentive objects by posting the Publicity of the Company's Restricted Stock Incentive Objects in 2021 on the Company's business premises, specifying the circumstances that forbids to be equity incentive objects, and the ways and means of feedback during the publicity period.

As of the expiration of the publicity period, the Company has not received any objection from any organization or individual to the incentive object of this incentive plan. On August 23, 2021, the Company disclosed the Publicity and Verification Opinions of the Board of Supervisors of the Company on the List of Incentive Objects of Restricted Stock Incentive Plan. The Board of Supervisors of the Company believes that the incentive objects listed in this incentive plan comply with the Administrative Measures, Trial Measures, Notice and other laws, regulations, normative documents and the scope and conditions of incentive objects stipulated in the Incentive Plan (Draft), and there is no circumstances that forbids to be incentive objects, and its qualification as the incentive objects of this incentive plan is legal and effective.

On August 23, 2021, the Company disclosed the Independent Financial Advisor's Report of CITIC Securities Co., Ltd. on the Restricted Stock Incentive Plan (Draft) in 2021 of Hangzhou Turbine Co., Ltd. On August 27, 2021, the Company held the Second Provisional General Meeting of Shareholders in 2021, which reviewed and approved the Proposal on the Company's Restricted Stock Incentive Plan in 2021 and its Summary, the Proposal on the Company's Implementation Assessment Management Measures for the Restricted Stock Incentive Plan in 2021, and the Proposal on Requesting the General Meeting of Shareholders to Authorize the Board of Directors to Handle Matters Related to the Restricted Stock Incentive Plan in 2021.

Meanwhile, the Company disclosed the Self-inspection Report on Insider Information of Restricted Stock Incentive Plan in 2021 and Stock Trading of Incentive Objects. On August 30, 2021, the Company convened the 16th Meeting of the Eighth Board of Directors and the 11th Meeting of the Eighth Board of Supervisors, and respectively reviewed and approved the Proposal on Granting Restricted Stocks to Incentive Objects for the First Time. The Board of Directors of the Company considered that the granting conditions of restricted stocks stipulated in this incentive plan had been fulfilled, and agreed to grant 18.17 million restricted stocks to 457 incentive objects who meet the granting conditions on September 1, 2021 for the first time, at a price of HKD 6.825 per share. The Board of Supervisors of the Company verified the list of incentive objectives again and issued a clear consent opinion. Independent directors of the Company expressed their agreed independent opinions on this.

6. On October 22, 2021, the Company completed the registration of granting restricted shares for the first time, with 455 people registered for the first time and 18,060,000 shares registered. On October 26, 2021, the 20th Meeting of the 8th Board of Directors and the 13th Meeting of 8th Board of Supervisors of the Company reviewed and approved the Proposal on Granting Reserved Restricted Shares to Incentive Objects. It's agreed to grant 1,380,000 restricted shares to 37 incentive objects who meet granting conditions on December 16, 2021-which is the pre-reserved stock grant date, with a grant price of HKD 6.825 per share. The Supervisory Committee of the Company verified the list of incentive objects and issued a clear consent opinion. Independent directors of the Company expressed in dependent opinions on relevant proposal of the Board of Directors.

8. On January 14, 2022, the Company completed the registration of the reserved restricted shares for the grant of 37 persons and the number of registered shares of 1,380,000. On December 21, 2022, the Company held the 30th meeting of the Eighth Board of Directors and the 19th meeting of the Eighth Board of Supervisors, and deliberated and passed the Proposal on Repurchase Cancellation of Some Restricted Stocks and the Proposal on Adjusting the Repurchase Quantity and Repurchase Price of the Restricted Stock Incentive Plan in 2021, agreeing to repurchase and cancel a total of 531,180 restricted stocks held by 9 retirees

and 1 resigned employee, which have been granted but have not been lifted for sales restriction. Meanwhile, because the Company has completed the profit distribution plan for 2021, according to the provisions of the Restricted Stock Incentive Plan (Draft) in 2021, the repurchase price of restricted stocks was adjusted from RMB 5.6764 per share (HK\$ 6.825 per share) to RMB 4.06 per share. On March 27, 2023, the Company completed the repurchase and cancellation of 531,180 shares of restricted incentive shares of 10 incentive objects, and issued the announcement "Announcement on the Completion of Partial Restricted Shares Repurchase and Cancellation".

10. On October 30, 2023, the Company convened the Third Session of the Ninth Board of Directors and the Third Session of the Ninth Board of Supervisors, and reviewed and approved the Proposal on Adjusting the Repurchase Quantity and Repurchase Price of the Restricted Stock Incentive Plan in 2021 and the Proposal on Repurchase and Cancellation of Some Restricted Stocks. In view of the fact that 14 of the incentive objects are no longer qualified for the incentive objects due to retirement and 3 of them are no longer qualified due to personal reasons, according to the Incentive Plan, it is agreed to repurchase and cancel 422,448 restricted stocks held by them which have been granted but have not been lifted for sales restriction. As two people failed to achieve good or above performance assessment results, according to the Incentive Plan, it is agreed to repurchase and cancel their 12,355 restricted stocks that fail to meet the conditions for lifting the restricted sales in the first lifting period, in the meantime, as the Company has implemented the profit distribution plan for 2021, according to the provisions of the Incentive Plan, the repurchase price and repurchase quantity of restricted stocks will be adjusted accordingly.

At the same time, the Third Session of the Ninth Board of Directors and the Third Session of the Ninth Board of Supervisors of the Company reviewed and approved the Proposal on Achievement of Partial First-phase Lifting of Restricted Sale of the First Grant Part of the Restricted Stock Incentive Plan in 2021, and the Board of Directors of the Company agreed to handle the lifting of the restricted sales for 451 incentive objects who met the conditions for lifting the restricted sales in the first lifting period of the first grant. The total number of restricted stocks lifted this time was 9,254,045. The independent directors of the Company expressed their independent opinions on this matter, and the Board of Supervisors expressed their opinions on this matter.

11. On January 16, 2024, the Fourth Session of the Ninth Board of Directors and the Fourth Session of the Ninth Board of Supervisors of the Company reviewed and approved the Proposal on Achievement of Partial First-phase Lifting of Restricted Sale of the Reserved Grant Part of Restricted Stock Incentive Plan in 2021, and the Board of Directors of the Company agreed to handle the lifting of the restricted sales for 36 incentive objects who met the conditions for lifting the restricted sales in the first lifting period of the reserved grant part. The total number of restricted stocks lifted this time was 700,128. The Board of Supervisors issued a clearly agreed opinion on this matter.

II. Reasons, quantity, price and sources of funds for the repurchase cancellation of some restricted stocks

1. Repurchase cancellation reason

According to the Company's Restricted Stock Incentive Plan (Draft) in 2021 (hereinafter referred to as the Incentive Plan and this Incentive Plan), "If the incentive object retires, or cancels or terminates the labor relationship with the Company due to objective reasons such as job transfer beyond personal control, the incentive object can still lift the restricted sales according to its specific years of service during the performance assessment period. In addition to the foregoing, the remaining restricted stocks whose restricted sale have not been released may not be released from the restricted sale, and the Company shall repurchase them at the granted price plus the interest of bank deposits in the same period. If the incentive object leaves the Company due to personal reasons such as resignation, layoffs, expiration of the contract, etc., and the negative impact mentioned in Article 2 (4) of Chapter 13 of this plan has not been caused, the restricted stocks of the incentive object that have been granted according to this plan but have not been released from the restricted sale will be repurchased by the Company at the granted price."

Among the incentive objects of the Company's incentive plan, 3 no longer has the incentive object qualification due to personal reasons. The board considered and decided that, The above-mentioned restricted stocks that have been granted but have not been released from the restricted sale of the former employees shall be subject to repurchase cancellation by the Company according to the granted price.

2. Repurchase quantity and price

According to the provisions of Chapter 14 of the Incentive Plan, after the restricted stock granted to the incentive object has completed the share registration, if the Company has any matters that affect the total share capital or the share price of the Company, such as capital reserve conversion to share capital, share dividend distribution, share allotment or share reduction, and dividend payment, the Company shall make corresponding adjustments to the repurchase quantity and price of the restricted stock whose restricted sale has not been lifted.

For details of the quantity and price adjustment of this repurchase of restricted stock, please refer to the Company's Announcement on Adjusting the Quantity and Price of the Restricted Stock Incentive Plan in 2021.(2024-62)

The quantity, price and funds of restricted stock repurchase involving incentive objects are as follows:

In RMB

Table with 10 columns: Name of incentive object, Number of restricted stocks granted, Adjusted Number of restricted stocks granted, Repurchase reason, Proportion of repurchase, Repurchase quantity (after adjustment), Repurchase price (after adjustment), Interest, Repurchase funds. Rows include Mao Guogui, Yang Junli, Jiang Lei, Total quantity.

3. Total funds and sources

The repurchase price payable by the Company for this restricted stock repurchase is RMB 164,932.56, all of which are the Company's own funds.

III. Changes of share capital structure after this repurchase cancellation After the repurchase cancellation is completed, the total number of shares of the Company will be changed from 1,175,009,597 shares to 1,174,946,885 shares. The changes of the Company's share capital structure are as follows:

Table with 5 columns: Nature of shares, Before the changes, Proportion, Increase or decrease in quantity (shares) or decrease in quantity (shares) in the changes, After the changes. Rows include I. Unlisted tradable shares, II. Listed tradable shares, III. Total share capital.

After the repurchase cancellation is completed, the controlling shareholder and actual controller of the Company will not change, and the Company's equity distribution still meets the listing conditions. Meanwhile, this Incentive Plan will continue to be implemented in accordance with the requirements of laws and regulations.

IV. Impact of this repurchase cancellation of some restricted stocks on the Company

The repurchase cancellation of some restricted stocks will not have a substantial impact on the Company's financial status and operating results, and will not lead to the change of the Company's control rights, nor will it change the Company's status as a listed company, and there will be no harm to the interests of shareholders, especially minority shareholders.

V. Opinions of the Board of Supervisors

The Board of Supervisors believes that this repurchase cancellation of some restricted stocks by the Company complies with the Administrative Measures and other laws and regulations as well as the relevant provisions of the Incentive Plan, and conforms to the unanimous interests of all shareholders and incentive objects of the Company. The deliberation procedure of the Board of Directors on the repurchase cancellation of restricted stocks is in compliance with relevant regulations and is legal and effective. The Company's share repurchase funds are all its own funds, which will not have a substantial impact on the Company's financial position and operating results, nor will it affect the diligence of the Company's management team and core backbone, nor will it harm the interests of the Company and all of its shareholders. To sum up, the Board of Supervisors agreed to repurchase cancellation of some restricted stocks.

VI. Conclusive comments of legal opinions

The Company's repurchase and cancellation matter has fulfilled the necessary approvals and authorizations at this stage, and complies with the relevant laws, regulations, and normative documents such as the Administrative Measures and complies with relevant provisions of the "Incentive Plan". The reason, number, price and source of funds for the repurchase and cancellation of some restricted shares comply with the relevant laws, regulations, normative documents such as the Administrative Measures and relevant provisions of the Incentive Plan, which is legal and valid. The Company still needs to handle the procedures such as reducing the registered capital and deregistering the shares in accordance with the provisions of The Company Law and other laws and regulations, and perform the corresponding information disclosure obligations in accordance with the law.

VII. Verification opinion of independent financial consultant

After verification, the independent financial adviser considered that the necessary approvals and authorizations have been obtained for the repurchase and cancellation of some restricted shares by the Company, which complies with the provisions of The Company Law, The Securities Law, the Administrative Measures and this incentive plan. The above matter is still subject to the relevant procedures for the repurchase and cancellation of restricted stock in accordance with relevant regulations, and it shall fulfill information disclosure obligations in accordance with relevant regulations.

VIII. Documents for reference

- 1. Resolution of the 9th meeting of the 9th term Board of Directors; 2. Resolution of the 3rd meeting of the 9th term Board of Supervisors;

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