		公告
上接 Party of	A17)	
commit- ment	commitment Commit-	Particulars
	ment of the Controlling Share-	The company commits not to improperly interfere with Hiris operations and management activities, nor appropriate Hirisun's
Hang- zhou Capital	holders Regarding Remedial Measures to Offset Dilution of Potential Immediate Returns in This Trans- action	ests; 2. After the issuance of this commitment, if regulatory autho impose ad-ditional requirements regarding remdial measures related commitments, and such commitments cannot meet the a regulatory requirements, the Company commits to promptly issue plementary commitments in accordance with the relevant provis 3. The Company commits to strictly fulfill the commitments set herein. Any violation of such commitments or refusal to perform causing losses to Hirisun or its investors shall shall render the te pany liable for corresponding compensation under applicable law
Hang- zhou Capital	under specific cir-	1. If the stock trading price of Hirisun on any trading day with trading days from the date of completion of the implementation trading days from the date of completion of the implementation share exchange is lower than the exchange price of 9.56 per share (hereinafter referred to as the 'trigger price for increholdings') of the merger of Hirisun in this share exchange absorpt Hangzhou Capital will invest a total of no more than RMB 1.5 to not the premise of complying with laws, regulations, normative or ments and the listing rules of the listing place of Hirisun to increit sholdings of Hirisun shares through the stock trading system of Shenzhen Stock Exchange, and until the earliest occurrence in Collowing four circumstances: (1) the aforesaid funds are use (2) On the day of the increase, the stock price of Hirisun shall nower than the trigger price of the increase; (3) continued increaholdings will result in the equily distribution of Hirisun not meetin listing conditions; (4) 15 trading days expire from the date of contion of the implementation of the share exchange. 2. The above-mentioned increased shares by the company will a sold within 36 months from the date of completion of the implementation of the share exchange will be such as cash dividends, apital reserve conversion to share capital, and allof occur from the pricing base date to the implementation date of share exchange (both dates inclusive) by Hirisun, the trigger price increase shall change accordingly. 4. If the above commitment is violated, the company will bear the responding legal responsibilities in accordance with the law.
	information provided	provided to all intermediaries are authentic, accurate and in original written materials or duplicates and information; such cates or photocopies are consistent with relevant original mals or original copies, with legal procedures performed and authorization obtained for signing or sealing the documents; adocuments bear authentic signature or sealing the documents; adocuments bear authentic signature or seal and contain no records, misleading statements or major omissions whatso. 2. The Company gives a pledge: the statement and confirm issued for the transaction is authentic, accurate and intact, contains no false records, misleading statements or major omissions of alse records, misleading statements or major omissinatory and relevant information are further needed, the Company ensthat such documents and information be provided in time, with antee on the authenticity, accuracy and integrity of such information at further needed, the Company ensthat such documents and information in the transaction relates the authenticity, accuracy and integrity of such information scauses losses to HTC or investors, the Company will bear liabil compensation by law. 5. If the information disclosed or given by the Company in the taction relates to any false records, misleading statements or major omissions, as a result of which, the Company is investigated put on file by the judiciary or inquired and put on file by the case investigation, suspended stock accounts and revenue to a sea investigation, suspended stock accounts and relevant wrequest shall be handed over to the boards of HTC and Hirisun, will then, on my behalf, apply for locking to the stock exchange securities depository and clearing agency; if no application for locking to the stock exchange and securities depository clearing agency in application for locking to the stock exchange and securities depository clearing agency in application for locking to the stock exchange and securities depository clearing agency in application for locking to the stock exchange an
	reduction of shares from	In principle, the Company approves the transact 2. From the date of resumption of trading till the completion of transaction, the Company shall not reduce HTC's shares held, not have any plans for reduction of HTC's shares. In violation of the commitment, the Company will bear relevant liability.
	in Article 12 of Guide to Regulation of Listed Companies No.7 - Regulation of Suspi- cious Stock Transactions Regarding Mate-	
	Statement on law	1. In the latest five years, the Company and all directors, sug-sors and senior executives thereof were put under no crimin administrative penalty (except for those apparently irrelevant with securities market); they involved no major civil lawsuit or arbitr in connection with any economic disputes; and they were not in gated and put on file by the Judiciary on suspicion of crime or ing and put on file by the CSRC on suspicion of breach against lav regulations. 2. In the latest five years, the Company and all directors, supervand senior executives thereof encountered no administrative re iton measures of the CSRC or disciplinary sanctions of the sexchange for failing to repay large debt or to honor promises. 3. In the latest twelve months, the Company and all directors, supervand senior executives thereof were not denounced in public the stock exchange or committed other dishonest acts, nor did have other records of bad conduct.

IL Upon the completion of the transaction, pledge is given that Hirisun will keep human resources, assets, financial affairs, agencies and businesses separate from those of the Company and other companies under control of the Company, thus retaining the independence of a listed company in terms of human resources, assets, financial affairs, agencies and businesses, specifically as follows:

(I) HR independence

general manager, financial director, board secretary and other senior executives do not take up posts other than directorship and supervisorship in the Company and other companies under control of the Company, or get paid in the Company and other companies under control of the Company, Hirisun's financial staff do not take up concurrent posts and get paid in the Company and other companies under control of the Company.

2. The Company gives a pledge: Hirisun has its own sound labor, HR and compensation management systems, which are entirely independent of those of the Company and other companies under control of

the Company.

(II) Asset independence and integrity

1. Pledge is given that Hirisun boasts facilities and supporting facilities in connection with production and operation, owns land, plant, equipment, as well as ownership and right to use trademarks, patents and non-patented technologies in relation to production and operation, and has its own purchasing and marketing system.

2. Pledge is given that Hirisun has its own assets in entirety, and all such assets are wholly under control of Hirisun and solely owned and run by Hirisun.

n by Hirisun.
Pledge is given that the Company and other companies unde ontrol of the Company illegally appropriate Hirisun's funds or assett any manners; guarantee is not given to the Company and othe impanies under control of the Company, using Hirisun's assets.

companies under control of the Company, using Hirisun's assets.
(III) Financial independence

1. Pledge is given that Hirisun has set up an independent financial department and financial accounting system. Pledge is given that Hirisun has its own standardized financial accounting system and financial management system for affiliates and subsidiaries thereof. Pledge is given that Hirisun opens its own bank account, and does not share a bank account with the Company and other companies under control of the Company.

2. Pledge is given that Hirisun is capable of making independent financial decisions, and the Company does not illegally intervene in Hirisun's use and allocation of funds, or Hirisun's tax payment by law.
IVIV Organizational independence

Pledge is given that Hirisun has its own sound organization and

1. Pledge is given that Hirisun has its own sound organization and is capable of independently running the organization.

2. Pledge is given that Hirisun's workplace and premises are separate from the Company's.

3. Pledge is given that Hirisun's board of directors, board of supervisors and all functional departments are independently functioning and not affiliated to the Company's functional departments.

(V) Business independence

1. Pledge is given that Hirisun's businesses are independent of those of the Company and other companies under control of the Company.

Pledge is given that Hirisun boasts assets, human resources, qualifications and capabilities for carrying out possetions and capabilities for carrying out possetions.

cations and capabilities for carrying out operating activities on its own as well as abilities of making independent and sustainable marke

as well as abilities of making independent and sustainable marketoriented operation.

2. Pledge is given that the Company does not intervene in Hirisun's
business activities, except for exercising rights as a shareholder.
The commitment retains binding to the Company or its actual controller till they lose power of control over Hirisun. If the Company causes
any losses to Hirisun for failure of honoring the commitment, the
Company will bear relevant liability of compensation by law.

I. The Company pledges not to grant Hirisun and affiliates thereof the
priority over any third party on market in terms of business cooperation, by taking advantage of its own status as the dominant shareholder of Hirisun.

1. The Company and other companies under control of the Company.

II. The Company and other companies under control of the Company will avoid engaging in related party transaction with Hirisun and affili-

will avoid engaging in related party transaction with Hirisun and affiliates thereof as practical as possible.

III. Where related party transaction is inevitable or happens for reason, the Company and other companies under control of the Company will handle the transaction with Hirisun and affiliates thereof on principles of fairness, justice and compensation of equal value, and not engage in any acts that jeopardize the rights or interests of Hirisun and other shareholders taking advantage of the transaction. U. Besides, the Company pledges that Hirisun will take precautions below against any related party transaction with the Company:

1. In accordance with relevant laws, regulations and other normative documents, as well as Hirisun's articles of association, and related party transaction decision procedures, for information disclosure in time.

party transaction decision system, carry our related party transaction decision procedures, for information disclosure in time.

2. On the principle of market economy, resort to market pricing for setting trading price.

The commitment retains binding to the Company or its actual controller till they lose power of control over Hirisun. If the Company causes any losses to Hirisun for failure of honoring the commitment, the

ompany will bear relevant liability of compensation by law.

 With respect to the shares of Hirisun held by the Company ob-ained due to this transaction, the Company shall not transfer or en-rust others to manage such shares in any manner, nor shall Hirisun repurchase such shares for a period of thirty-six months commencing from the completion date of the issuance of the newly issued share Commitmentol Hirisun on the Shenzhen Stock Exchange, on the Lock-2. Any Hirisun shares acquired by the Company through corporate up Period actions by Hirisun (including but not limited to borus share issues an for Hirisun's capital reserve conversions) shall likewise be subject to the afore

capital reserve conversions) shall likewise be subject to the afore-mentioned lock-up arrangements. If the Company's lock-up period commitments conflict with the latest regulatory requirements of securi-ties authorities, the Company will make corresponding adjustments in accordance with the relevant regulatory opinions. Upon expiration of the aforementioned lock-up period, the Company will comply with the relevant rules of the CSRC and the Shenzhen Stock Exchange.

Party of commit- ment	Matter of commitment	Particulars
		1. As of the date of this commitment, neither the Company nor any other enterprise controlled by the Company competes with the listed company in the same industry, and it is undertaked that the Company will not engage in, or cause any enterprise controlled by it to engage in, any business or activity that would, commercially, constitute direct or indirect competition with the listed company or any enterprise con- trolled by it.
		2. If the listed company further expand its business scope, neither the Company nor any other enterprise controlled by the Company will compete with the expanded business of the listed company; if any po- tential competition with the expanded business of the listed company part price; the Company and any other parteries expected by the

may arise, the Company and any other enterprise controlled by the Company will withdraw from such competition in the following manner: (1) Ceasing the business that competes or may compete with the listed company; (2) Incorporating the competing business into the listed company for operation; or (3) Transferring the competing business to an unrelated third party.

3. If the Company or any other enterprise controlled by the Company identifies any business comportunity to a company or any other enterprise controlled by the Company of the Company o

3. If the Company or any other enterprise controlled by the Company identifies any business opportunity to engage in activities that may compete with the operation of the listed company, they shall promptly notify the listed company of such opportunity. If the listed company provides a definitive response within the reasonable period specified in the notice expressing its willingness to pursue the opportunity, the Company shall make best efforts to grant the business opportunity to the listed company.
4. In the event of any breach of the above commitments, the Company shall bear all resulting liabilities and shall fully indemnify or compensate the listed company for all direct or indirect losses incurred thereby.

The course of the commitment shall remain in full force and effect and shall not be modified or revoked during the period in which the Company controls the listed company.

X. Necessity of This Transaction

(I) This transaction has a clear and feasible development strategy

Upon completion of this transaction, the surviving company will establish a "one core, one auxiliary" business structure, primarily focusing on Industrial turbine machinery with power information system integration as a supplementary business. In the future, the surviving company will implement a development strategy centered on Industrial turbine machinery, guided by green and intelligence and technological progress, and driven by dual engines of technological innovation and deepened transformation to accelerate business transformation and upgrading, with the goal of establishing the surviving company as a "worldclass industrial drive service provider". Therefore, this transaction is supported by a clear and feasible development strategy.

(II) No improper market capitalization management practices in this transaction

The merger and absorption parties and their directors, supervisors, or senior management personnel have made any commitments or guarantees regarding the company performance or market capitalization that exceed relevant regulations. This transaction involves no improper market capitalization management practices.

(III) Share reduction of relevant parties to this transaction As of the date of signing this summary report, the controlling shareholders and their merger and absorption parties, directors, supervisors, and senior management personnel of both transacting parties have submitted statements regarding share reduction plans. The aforementioned relevant parties will not reduce their direct or indirect shareholdings in Hirisun or HTC from the date of resumption of this transaction until its completion, nor do they have any plans to do so.

(IV) This transaction has commercial substance

Upon completion of this transaction, the surviving company will achieve comprehensive improvements in production scale, product variety, technological capabilities, and management operations. Through market-oriented approaches, it will deepen reforms of both the merging party and the merged party, enhance the corporate governance structure of the surviving company, and realize integrated development and mutual reinforcement of industrial operations and capital management, thereby promoting highquality development of the surviving company. For the background and objectives of this transaction, please refer to this summary report "Chapter I Overview of this Transaction" - "I. Background and Objectives of this Transaction" in this report. Therefore, this transaction demonstrates rationality and commercial substance, with no occurrence of improper benefit transfers.

(V) Compliance with national industrial policies

According to the Industrial Classification for National Economic Activities (GB/T4754-2017) issued by the National Bureau of Statistics of the People's Republic of China, Hirisun falls under Software and Information Technology Services Industry (I65), while HTC falls under General Equipment Manufacturing (C34). According to the NDRC's Guidance Catalog for Industrial Restructuring (2024 Edition), both the information technology services industry and machinery industry are classified as encouraged categories under national industrial policy. Therefore, this transaction does not violate any relevant national industrial

China Securities Co., Ltd. Hangzhou Hirisun Technology Incorporated Stock-for-stock Merger of Hangzhou Turbine Power Group Co., Ltd. & Related Party Transaction Report **Valuation Report**



April 2025 Statement

I. The subjects of analysis in this report are Hangzhou Hirisun Technology Incorporated (hereinafter referred to as "Hirisun") and Hangzhou Turbine Power Group Co., Ltd. (hereinafter referred to as "HTC"). The relevant data is sourced from publicly available information.

II. This report is issued by China Securities Co., Ltd. (hereinafter referred to as "China Securities") in accordance with the requirements of the Administrative Measures for Major Asset Restructuring of Listed Companies (hereinafter referred to as the "Administrative Measures on Restructuring"), the Content and Format Standards for Information Disclosure of Companies Offering Securities to the Public No. 26 - Major Asset Restructuring of Listed Companies, and other relevant laws, regulations, and normative documents on major asset restructuring of listed companies, for reference by the Board of Directors of HTC. This report does not constitute any advice, recommendation, or compensation to any third party.

III. The analysis, judgments, and conclusions in this report are subject to the assumptions and limitations stated herein. Users shall fully consider the assumptions, limitations, and their impact on the conclusions as set forth in the report.

IV. Although this report is prepared based on and relies on the accuracy and completeness of the publicly available information involved herein, China Securities' use of any such information does not imply that it has independently verified or endorsed such information. This report does not provide any guarantee as to the accuracy, completeness, or appropriateness of such information.

V. This report does not conduct a comprehensive analysis of the business, operations, or financial conditions of the parties involved in the merger, nor does it express any opinion, prediction, or assurance regarding any future strategic, commercial decisions, or development prospects of such parties. It also does not express any opinion on any other matters. This report is based on the financial conditions, economic situation, market conditions, and other circumstances as of the date stated herein, which may change at any time. China Securities shall not be liable for any risks or losses arising from any investment decisions (including but not limited to buying, selling, or holding) made by investors based on this report.

VI. In the preparation of this report, no consideration has been given to the specific investment objectives, financial situation, tax status, risk appetite, or individual circumstances of any particular investor. As different investors

have different investment goals and portfolios, investors shall consult their respective stockbrokers, lawyers, accountants, tax advisors, or other professional advisors for specific advice regarding their investment portfolios in a timely manner.

VII. China Securities has not commissioned or authorized any other institution or individual to provide information not contained in this report or to make any interpretation or explanation of this report. No one may reproduce, distribute, or excerpt this report or any part thereof at any time, for any purpose, or in any form without the prior written consent of China Securities; In case of any ambiguity in this report, only China Securities has the right to provide

VIII. This report is solely for the use of Hirisun's share swap merger of HTC and its related-party transaction (hereinafter referred to as the "this share swap merger" or the "this transaction"). It shall not be used for any other purpose. The conclusions of this report shall be considered in conjunction with the entirety of this report and other disclosure documents related to this transaction. China Securities specifically reminds investors to carefully read the relevant announcements and review the related documents disclosed in connection with this transaction.

IX. Unless otherwise defined in this report, the abbreviated terms used herein shall have the meanings ascribed to them in the Report on the Share Swap Merger of Hangzhou Turbine Power Group Co., Ltd. by Hangzhou Hirisun Technology Incorporated and Its Related-Party Transac-

X. If any discrepancies arise between the total sum and the direct addition of individual figures in mantissa in this report, such differences are the result of rounding adjustments; Unless otherwise specified, the financial data and financial indicators cited in this report refer to the financial data in the consolidated statements and the financial indicators calculated based on such financial data.

Chapter 1 Background Information I. Overview of the transaction parties

Hirisun, an A-share listed company, is a national high-tech enterprise engaged in power information system integration. It primarily serves power enterprises by providing comprehensive turnkey solutions for power enterprise informatization construction, along with related technical and consulting services. Its power informatization solutions are widely applicable across various segments of the industrial chain in power sector, including power generation, transmission, transformation, distribution, consumption, and dispatching. As of the date of this report, Hirisun has a total share capital of 335 million shares. Its controlling shareholder, Hangzhou Capital, holds 99.83 million shares, accounting for 29.80% of Hirisun's total share capital; The actual controller, the State-owned Assets Supervision and Administration Commission of Hangzhou, indirectly controls 99.83 million shares, accounting for 29.80% of Hirisun's total share capital.

HTC, a B-share listed company, is a leading domestic provider of industrial turbine equipment and services. It primarily designs and manufactures rotating industrial turbomachinery, including industrial steam turbines and gas turbines. Industrial steam turbines consist of industrial drive steam turbines and industrial power-generation steam turbines. Industrial drive steam turbines are mainly used to drive rotating machinery such as compressors, blowers, pumps, and crushers, serving as critical power equipment in various large-scale industrial installations. They are widely applied in industries such as petroleum refining, chemicals, fertilizers, building materials, metallurgy, power generation, light industry, and environmental protection; Industrial power-generation steam turbines are primarily used to drive generators while simultaneously providing thermal energy, mainly deployed in self-contained power stations for industrial enterprises, regional cogeneration projects, industrial waste heat recovery power generation, municipal waste-to-energy plants, and gassteam combined cycle power plants. For its gas turbine business, HTC has entered the distributed natural gas energy sector through collaboration with internationally renowned companies on the advanced SGT-800 natural gas turbine model, which features high efficiency, good reliability, and low emissions. As of the date of this report, HTC has a total share capital of 1,174.9469 million shares. Its controlling shareholder, Turbine Holdings, holds 689.7159 million shares, accounting for 58.70% of HTC's total share capital; The actual controller, the State-owned Assets Supervision and Administration Commission of Hangzhou, ndirectly controls 689.7159 million shares, accounting for 58.70% of HTC's total share capital.

For detailed information on the business, financials, and other aspects of the merging party and the merged party, please refer to the Report on the Share Swap Merger of Hangzhou Turbine Power Group Co., Ltd. by Hangzhou Hirisun Technology Incorporated and Its Related-Party Transaction related to this transaction.

II. Transaction plan (I) Plan summary

This transaction is the restructuring and integration of Hirisun and HTC through share swap merger, which is an important measure to thoroughly implement President Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era and the spirit of the Third Plenary Session of the 20th CPC Central Committee, and to implement the guiding ideology of the CPC Central Committee and the State Council to deepen the reform of state-owned enterprises, facilitating to improve the industrial layout of state-owned listed companies, improve asset quality and operational efficiency, and realize the preservation and appreciation of state-owned assets. This transaction is a proactive response to the State Council and the China Securities Regulatory Commission's (CSRC) encouragement of mergers and restructuring as well as absorption mergers among listed companies. It will help the surviving company strengthen its intrinsic quality and external image, enhance the asset quality and operational efficiency of the listed company, thereby improving its sustainable profitability and increasing its investment value. This transaction will facilitate the resolution of long-standing historical issues at HTC, improve HTC's financing capacity, and leverage the capital market to transform HTC into a more profitable and higher-quality listed company. Following this transaction, the surviving company will continue to strengthen the independent R&D and application of gas turbines with the support of the capital market, driving the independent innovation and development of China's gas turbine industry and contributing to the implementation of the national "Two Engine Project" strategy.

The specific method of this transaction is as follows: Hirisun will conduct share swap merger on HTC by issuing A-shares to all HTC shareholders in exchange for their HTC shares. Hirisun will act as the merging party, while HTC will be the merged party. Specifically, Hirisun will issue A-shares to all HTC shareholders for share swap in exchange for their HTC shares.

Upon completion of this merger, HTC will delist and terminate its legal entity status, and Hirisun will succeed to and assume all assets, liabilities, businesses, personnel, contracts, and all other rights and obligations of HTC. The A-shares issued by Hirisun in connection with this share swap merger will apply for listing and trading on the ChiNext Market of the Shenzhen Stock Exchange. (II) Share swap price and ratio

The pricing benchmark date for this share swap merger is the announcement date of the first board resolution of both parties regarding this merger. Taking into account historical stock prices, operating performance, market capitalization, and other factors, and in accordance with the relevant provisions of the Administrative Measures on Restructuring, the share swap price for Hirisun in this share swap merger is determined as RMB 9.56 per share, based on the average trading price of its shares over the 20 trading days preceding the pricing benchmark date. The average

trading price of HTC's shares over the 20 trading days preceding the pricing benchmark date was HKD 7.77 per share. Using the RMB/HKD central parity rate published by the People's Bank of China on the last trading day before HTC's trading suspension (i.e. on October 25, 2024, 1 HKD = RMB 0.91496), this converts to RMB 7.11 per share

The final share swap price for HTC is determined by applying a 34.46% premium to this price. Thus, the share swap price for HTC = HTC's average trading price x (1 + premium rate) = RMB 9.56 per share. The number of Hirisun shares that can be obtained per HTC share = HTC's share swap price / Hirisun's share swap price. Based on the above formula, the share swap ratio between HTC and Hirisun is 1:1, meaning that each 1 share of HTC can be exchanged for 1 share of Hirisun.

From the pricing benchmark date to the share swap merger implementation date (both dates inclusive), the swap ratio shall not be adjusted under any circumstances, except in cases where either party distributes cash dividends, stock dividends, capital reserve converted into share capital, rights issues, or other events requiring ex-rights/exdividend, or adjustments as mandated by relevant laws, regulations, or regulatory requirements.

If either party distributes cash dividends, stock dividends, capital reserve converted into share capital, rights issues, or other events requiring ex-rights/ex-dividend, or if HTC conducts share repurchases and cancellations between the pricing benchmark date and the share swap date (both dates inclusive), the number of shares to be issued by swap shall be adjusted accordingly.

The number of Hirisun A-shares received by HTC shareholders through share swap shall be an integer. If the products of HTC shareholders' shares multiplied by the swap ratio result in fractions, such fractions shall be allocated in sequence according to the size of the decimal portion, with each shareholder receiving one additional share until the total number of shares for swap matches the planned issuance quantity. In cases where multiple shareholders have identical fractional portions exceeding the remaining shares available for allocation, a computerized random allocation system shall be used until the actual number of shares for share swap matches the planned issuance quantity.

(III) The interest protection mechanism of Hirisun dissenting shareholders

In order to protect the interests of Hirisun shareholders and reduce the impact of Hirisun 's stock price fluctuations on investors after the merger, in accordance with the relevant provisions of "The Company Law" and the "Articles of Association of Hangzhou Hirisun Technology Co., Ltd.", Hirisun 's dissenting shareholders will be given the appraisal rights in this merger.

The dissenting shareholders of Hirisun who have the right to exercise appraisal rights refer to the shareholders of HTC who have voted valid against at the shareholders" meeting to all the relevant proposals on the merger plan and the sub-proposals voted on one by one and on the relevant proposals on the merger agreement signed by the two parties to the merger, and have continued to hold the shares representing the objection rights until the implementation date of the appraisal rights request of the dissenting shareholders of Hirisun, and meanwhile have performed the relevant reporting procedures within the specified time.

The price of the appraisal rights request of the dissenting shareholders of Hirisun is the average trading price of the A-shares in the 20 trading days before the suspension of the Hirisun A-shares (i.e., the 20 trading days before the pricing benchmark date), that is, 9.56 yuan per share.If the distribution of cash dividends, stock dividends, capital reserve to share capital, allotment and other ex-rights and dividends occurs from the pricing benchmark date to the implementation date of the appraisal rights request (both dates inclusive), the appraisal rights price shall be adjusted accordingly.

Hangzhou State-owned Capital Investment and Operation Co., Ltd. (hereinafter referred to as "Hangzhou Capital"), as the provider of the appraisal rights, provides the appraisal rights to the dissenting shareholders of Hirisun. Dissenting shareholders of Hirisun shall no longer assert the right to claim the appraisal rights from Hirisun or any shareholder of Hirisun who agrees to the merger. After the Transaction is registered by the China Securities Regulatory Commission, the provider of the appraisal rights promised to unconditionally accept the shares held by the dissenting shareholders of Hirisun who had successfully declared the exercise of the appraisal rights on the implementation date of the appraisal rights claim, and pay the corresponding cash consideration to the dissenting shareholders of Hirisun according to the price of the appraisal rights claim.

(IV) Mechanism for protecting the interests of dissenting shareholders of HTC

In order to protect the interests of the shareholders of HTC and reduce the impact of the fluctuation of the stock price of HTC on investors after the merger, in accordance with the relevant provisions of The Company Law and the Articles of Association of Hangzhou Turbine Power Group Co., Ltd., the dissenting shareholders of HTC will be given the cash option right in this merger.

The dissenting shareholders of HTC who have the right to exercise the cash option refer to the shareholders who participated in the general shareholders' meeting held by HTC and voted valid against to all the merger plan and the sub-proposals voted on one by one and to the relevant proposals on the merger agreement signed by the two parties in the merger, and have continued to hold the shares representing the objection right until the implementation date of the cash option of the dissenting shareholders of HTC, and at the same time perform the relevant declaration procedures within the specified time.

The cash option price of the dissenting shareholders of HTC is the average trading price of B-shares for the 20 trading days before the suspension of trading of HTC's Bshares (i.e. 20 trading days before the pricing benchmark date), that's HK\$7.77 per share, which is equivalent to RMB 7.11 per share by converted according to the median price of RMB to Hong Kong dollar announced by the People's Bank of China on October 25, 2024 (HK\$1 =RMB 0.91496) that is the trading day before HTC share suspension. If there are ex-rights and dividends such as cash dividends, stock dividends, conversion of capital reserve to share capital, and allotment from the pricing benchmark date to the implementation date of the cash option (both dates inclusive), the cash option price will be adjusted ac-

Hangzhou Capital, as the provider of the cash option, provides the cash option to the dissenting shareholders of HTC. The dissenting shareholders of HTC shall no longer claim the cash option from HTC or any shareholder of HTC who agrees to the merger. After the Transaction is registered with the China Securities Regulatory Commission, the provider of the cash option shall undertake unconditionally to accept the shares held by the dissenting shareholders of HTC who successfully declared the exercise of the cash option on the implementation date of the cash option, and pay the corresponding cash consideration to the dissenting shareholders of HTC according to the cash option price.

III. Background and objective of transaction

(I) Background of transaction

1. Comprehensively promote the deepening of the reform of state-owned enterprises and encourage the improvement of the quality of listed companies

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