
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares of China Technology Industry Group Limited, you should at once hand this circular together with the accompanying 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 the transferee.

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中国科技产业集团有限公司 CHINA TECHNOLOGY INDUSTRY GROUP LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8111)

CONTINUING CONNECTED TRANSACTIONS IN RESPECT OF THE OPERATION AND MAINTENANCE SERVICES CONTRACT AND NOTICE OF EXTRAORDINARY GENERAL MEETING

Independent Financial Adviser to
the Independent Board Committee and the Independent Shareholders



Capital 9 Limited

Capitalised terms used in this cover page shall have the same meanings as defined in this circular unless otherwise specified.

A letter from the Board is set out on pages 5 to 25 of this circular.

A notice convening the EGM of the Company to be held on Friday, 31 October 2025 at 11:00 a.m. at Room 2603, Huixin Apartment, No. 8 Beichen East Road, Chaoyang District, Beijing, the PRC is set out on pages EGM-1 to EGM-2 of this circular and a form of proxy for the EGM is despatched together with this circular. Whether or not you are able to attend the EGM, you are requested to complete, sign and return the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible by 11:00 a.m. (Hong Kong time) on Wednesday, 29 October 2025 but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment meeting (as the case may be). The completion of a form of proxy will not preclude you from attending and voting at the EGM in person should you so wish, and in such case, the authority of your proxy will be revoked.

This circular will remain on the "Latest Listed Company Information" page of the Stock Exchange website at www.hkexnews.hk and the Company at www.chinatechindgroup.com for at least 7 days from the date of its posting.

10 October 2025

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

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

“Announcement”	the announcement of the Company dated 25 June 2025, as supplemented by the clarification announcement dated 26 June 2025
“Annual Caps”	the proposed annual caps for the continuing connected transactions under the Operation and Maintenance Services Contract
“associates”	has the meaning ascribed thereto under the GEM Listing Rules
“Board”	the board of Directors
“Company”	China Technology Industry Group Limited, an exempted company incorporated in the Cayman Islands with limited liabilities, the Shares of which are listed on GEM of the Stock Exchange (Stock Code: 8111)
“connected persons”	has meaning ascribed thereto under the GEM Listing Rules
“continuing connected transactions”	the continuing connected transactions as contemplated under the Operation and Maintenance Services Contract
“controlling shareholder(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held on Friday, 31 October 2025 at 11:00 a.m. at Room 2603, Huixin Apartment, No. 8 Beichen East Road, Chaoyang District, Beijing, the PRC to consider and, if appropriate, to approve the resolution contained in the notice of meeting which is set out on pages EGM-1 to EGM-2 of this circular, or any adjournment thereof
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“Group”	the Company and its subsidiaries from time to time

DEFINITIONS

“Hebei Fengbei”	河北豐北新能源有限公司 (Hebei Fengbei New Energy Co., Ltd.*), a company with limited liability established in the PRC, and a connected person of the Company
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent committee of the Board, comprising Mr. Cheung Ting Kin, Ms. Ma Xingqin and Mr. Qiao Wencai all of whom are independent non-executive Directors, formed to advise the Independent Shareholders as to (i) the Operation and Maintenance Services Contract; (ii) the continuing connected transactions contemplated thereunder; and (iii) the related Annual Caps
“Independent Financial Adviser”	Capital 9 Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), which has been appointed to advise the Independent Board Committee and the Independent Shareholders in respect of (i) the Operation and Maintenance Services Contract; (ii) the continuing connected transactions contemplated thereunder; and (iii) the related Annual Caps
“Independent Shareholders”	Shareholders other than Mr. Huang Bo, Mr. Huang Yuanming, Ms. Zhang Jinhua and their respective associates and any other Shareholder who has a material interest in the transactions contemplated under the Operation and Maintenance Services Contract, as the case may be
“Independent Third Party(ies)”	any person or company and their respective ultimate beneficial owners(s), to the best knowledge, information and belief of the Directors and having made all reasonable enquiries, third party(ies) who is/are independent of, and not connected with the Company and its connected persons
“Latest Practicable Date”	6 October 2025, being the latest practicable date prior to the dissemination of this circular, for ascertaining certain information for inclusion in this circular

DEFINITIONS

“MW”	megawatts
“Operation and Maintenance Services”	all daily management, operation and maintenance services of the Photovoltaic Power Station including safety management, operation management, maintenance and repair, marketing, regular inspection and repair of all production and operation equipment and facilities within the location of the Photovoltaic Power Station, and the household equipment and facilities in the station, and the operation, testing, troubleshooting, regular inspection and repair of all equipment and facilities at the grid demarcation point, and complete electricity settlement, insurance claims and coordination with external parties relating to production in accordance with Hebei Fengbei’s requirements
“Operation and Maintenance Services Contract”	the contract dated 25 June 2025 entered into between Shaanxi Baike and Hebei Fengbei in relation to the provision of the Operation and Maintenance Services by Shaanxi Baike to Hebei Fengbei
“Photovoltaic Power Station”	the photovoltaic power station of Hebei Fengbei at Xiaotangtaigou, Wanshengyong Township, Fengning County, Chengde City, Hebei Province
“PRC”	the People’s Republic of China, for the purpose of this circular only, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shaanxi Baike”	陝西百科新能源科技發展有限公司 (Shaanxi Baike New Energy Technology Development Co., Ltd.*), a company with limited liability established in the PRC, and an indirect wholly-owned subsidiary of the Company
“Share(s)”	ordinary share(s) with nominal value of HK\$0.001 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)

DEFINITIONS

“Stock Exchange” The Stock Exchange of Hong Kong Limited

“%” per cent.

The English transliteration of the Chinese name(s) in this circular, where indicated with “”, is included for information purpose only, and should not be regarded as the official English name(s) of such Chinese names.*

LETTER FROM THE BOARD



中国科技产业集团有限公司 CHINA TECHNOLOGY INDUSTRY GROUP LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8111)

Executive Directors:

Mr. Huang Bo (*Chairman*)

Mr. Huang Yuanming

Ms. Zhang Jinhua

Mr. Tse Man Kit, Keith

Ms. Hu Xin

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Independent non-executive Directors:

Mr. Cheung Ting Kin

Ms. Ma Xingqin

Mr. Qiao Wencai

*Head office and Principal place of
business in Hong Kong:*

Suite 704, 7th Floor

Ocean Centre, Harbour City

Kowloon, Hong Kong

10 October 2025

To the Shareholders,

Dear Sirs/Madams,

**CONTINUING CONNECTED TRANSACTIONS
IN RESPECT OF
THE OPERATION AND MAINTENANCE SERVICES CONTRACT
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the Announcement in relation to the Operation and Maintenance Services Contract and the Annual Caps, which are subject to the reporting, announcement, circular, annual review and Independent Shareholders' approval under Chapter 20 of the GEM Listing Rules.

LETTER FROM THE BOARD

The purpose of this circular is to, among others, provide you with (i) further information on the details of the Operation and Maintenance Services Contract, the transactions contemplated thereunder and the Annual Caps; (ii) the letter from the Independent Board Committee which contains its recommendation to the Independent Shareholders; (iii) the letter of advice from the Independent Financial Adviser which contains its recommendation to the Independent Board Committee and the Independent Shareholders; (iv) other information as required under the GEM Listing Rules; and (v) the notice of the EGM to the Shareholders on convening the EGM.

CONTINUING CONNECTED TRANSACTIONS AND THE ANNUAL CAPS

Operation and Maintenance Services Contract

As stated in the Announcement, on 25 June 2025, Shaanxi Baike, an indirect wholly-owned subsidiary of the Company entered into the Operation and Maintenance Services Contract with Hebei Fengbei for the provision of the Operation and Maintenance Services by Shaanxi Baike at the Photovoltaic Power Station of Hebei Fengbei located at Xiaotangtaigou, Wanshengyong Township, Fengning County, Chengde City, Hebei Province for a term of three years from 1 July 2025 to 30 June 2028, subject to the approval of Independent Shareholders being obtained at the EGM.

A summary of the salient terms of the Operation and Maintenance Services Contract is set out below.

Date:	25 June 2025
Parties:	(i) Shaanxi Baike; and (ii) Hebei Fengbei
Term:	Subject to the condition precedent being satisfied, the Operation and Maintenance Services Contract shall be for a term of three years from 1 July 2025 to 30 June 2028
Nature of transactions:	Pursuant to the Operation and Maintenance Services Contract, Shaanxi Baike agreed to provide Hebei Fengbei with the Operation and Maintenance Services at the Photovoltaic Power Station of Hebei Fengbei located at Xiaotangtaigou, Wanshengyong Township, Fengning County, Chengde City, Hebei Province.

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Condition precedent:	The Operation and Maintenance Services Contract and the transactions contemplated thereunder shall be subject to the approval by the Independent Shareholders at the EGM.
Service fees:	The annual service fees payable by Hebei Fengbei under the Operation and Maintenance Services Contract of RMB6,400,000 were determined based on the scope of the Operation and Maintenance Services and normal commercial terms after arm's length negotiation between the parties. The fees to be paid by Hebei Fengbei will be billed by Shaanxi Baike to Hebei Fengbei on the 25th day of every month, and shall be paid by Hebei Fengbei no later than 5 days after the beginning of next month.
Annual Caps:	The parties have agreed that the aggregate annual transaction amount (after tax) for the continuing connected transactions under the Operation and Maintenance Services Contract shall not exceed the following annual caps:

Annual Caps
(RMB '000)

For the year ending 31 March

2026	4,800
2027	6,400
2028	6,400

From 1 April 2028 to 30 June 2028 1,600 (*note*)

Note: The Company noted the inadvertent typographical error of the annual cap for the period of 1 April 2028 to 30 June 2028 as stated the Announcement, which should be RMB1,600,000 instead of RMB1,800,000.

Historical transaction amounts

The Group has not previously rendered the Operation and Maintenance Services to Hebei Fengbei prior to entering into the Operation and Maintenance Services Contract. As such, the Group has no record of historical transaction amount for the provision of the Operation and Maintenance Services to Hebei Fengbei for the three years ended 31 March 2025.

LETTER FROM THE BOARD

After the Operation and Maintenance Services Contract comes into effect, the Group expects to generate a monthly revenue of approximately RMB533,555, being the annual fees of RMB6,400,000 under the Operation and Maintenance Services Contract divided by 12 months.

Basis for the Annual Caps for the Operation and Maintenance Services Contract

The above Annual Caps were determined based on the agreed service fee as set out in the Maintenance Services Contract after considering the pricing policy as elaborated below.

Pricing policy

The annual service fees for the Operation and Maintenance Services provided by Shaanxi Baike under the Operation and Maintenance Services Contract of RMB6,400,000 were determined by the parties based on the scope of the Operation and Maintenance Services upon normal commercial terms after arm's length negotiation. The annual service fees were determined based on a cost-plus methodology, (being Shaanxi Baike's estimated total annual costs plus profit margin of around 20%), and the factors as follows:

1. the relevant labour costs to be incurred for the provision of the Operation and Maintenance Services. Shaanxi Baike estimated 10 to 15 personnel to render the Operation and Maintenance Services, with roles ranging from unskilled staff, duty officers to production managers. The annual labour costs (mainly comprising wage expenditure of these personnel) are in the range of approximately RMB1,200,000 to RMB1,700,000;
2. all repair and maintenance costs and costs of spare products, spare parts, materials and consumables for the operation as follows:
 - (a) estimated fixed regular maintenance costs include the costs for fire system inspection, lightning protection detection, weeding at the plant, component cleaning, road maintenance, safety protection and security testing, network fees, vehicle costs based on agreed number of vehicles to be used, security guard, scheduled inspections and pre-testing costs. Prior to entering into the Operation and Maintenance Services Contract, the Group performed cost analysis for these costs based on its collection of cost and other data which included quotations from service providers or related market information retrieved from public source (such as tender results available on major bidding websites indicating costs of certain goods or services required in the provision of maintenance services for a solar power plant) for such services, if relevant, and the estimated usage or frequency of engaging such services to determine the estimated fixed regular maintenance costs. Related market information, such as price trend, if any, may also be retrieved from public source for reference. The Group expects the annual expenditure for around 15 items of the above mentioned maintenance costs based on the agreed frequency of usage ranges from approximately RMB30,000 to RMB450,000, which the Group does not anticipate to have a material fluctuation in the coming three years; and

LETTER FROM THE BOARD

- (b) estimated annual total variable costs such as the costs of spare products, spare parts, materials and consumables relating to maintenance and repair of various systems will not exceed RMB400,000, which Shaanxi Baike agreed to bear such costs for each incident of an amount not exceeding RMB5,000 if such cost cannot be claimed against relevant suppliers of those procured products within warranty period. Any such cost exceeding RMB5,000 and cannot be claimed against relevant suppliers shall be claimed against relevant insurance regarding the facilities in the Photovoltaic Power Station taken out by Hebei Fengbei or borne by Hebei Fengbei. Prior to entering into the Operation and Maintenance Services Contract, the Group performed cost analysis for different types of materials and consumables required such as ironmongery, tiles, rebar, etc., the collection of cost and other data which includes quotations from suppliers for spare products, spare parts, materials and consumables, related market information retrieved from public source (such as online procurement websites) for such materials and the estimated usage of different types of materials to determine the estimated annual total variable costs. Related market information, such as material price trend, if any, may also be retrieved from public source for reference;
3. the reasonable profit margin (being around 20%) for the provision of the Operation and Maintenance Services by Shaanxi Baike to Hebei Fengbei and taxes;
4. the annual capacity of the Photovoltaic Power Station of 200MW; and
5. the prevailing service fee range of similar services offered in the market by other service providers based on tender results available on major bidding websites identified in the first half of 2025 which covered 10 photovoltaic power stations located at various provinces in the PRC with an annual capacity ranging from approximately 20MW to 1,200MW, as well as service fee charged by the Group's related company which provides similar services. The Group derived a unit fee rate by dividing the annual service fee with the capacity of the photovoltaic power station to derive a market range of approximately RMB0.008 per watt to approximately RMB0.05 per watt annually based on such data. The Board has included and considered tender results of photovoltaic power stations of any annual capacity available in the first half of 2025 as these were the available samples during this period on these major bidding websites which the Group could identify. As there were 10 samples during the first half of 2025, the Board considered such samples obtained during this period to be sufficient and representative and given that the Board was not aware of a standard market unit fee rate or range, or direct co-relation between unit fee rate with annual capacity of photovoltaic power station, the Board considered that the inclusion of a wide range of annual capacity as stated above to be fair and reasonable. The Group consistently, on a quarterly basis, cross-refer its pricing model with rates and profits margin offered to other customers by its related company or the service fee ranges available in public domain such as tender results available on major bidding websites of operation and management services of photovoltaic power stations in the PRC, which most of such information include annual service fee, annual capacity of

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the photovoltaic power stations with some of them include details of scope of services (such as daily management, operation and maintenance services of photovoltaic power station including safety management, operation management, maintenance and repairs, inspection, testing and asset management, etc., which scope of services is similar to the Operation and Maintenance Services) and duration of services, to ensure the Group's pricing strategy aligns with industry standards which the Group is aware and expectations, and maintain transparency and justifiability in pricing decisions.

The Group has also made reference to the pricing model and existing contracts entered into by its related company, namely, 河北漢能售電有限公司(Hebei Hanneng Power Sales Co., Ltd.*) (which is also an entity controlled by Mr. Huang Yuanming and is also a service provider of similar operation and maintenance services for photovoltaic power stations in the PRC) to its other customers for assessing the pricing and payment terms under the Operation and Maintenance Services Contract so as to ensure the annual service fees to be charged to Hebei Fengbei are within the prevailing service fee range charged by the related company of approximately RMB0.028 per watt to RMB0.036 per watt and that the terms are in ordinary course of business and on normal commercial terms. The Group noted that, based on historical information, the related company adopts similar pricing model, being cost-plus methodology and similar profit margin as the Group as stated above.

For comparison purposes, (i) the Group derived an average unit fee rate based on annual capacity of the photovoltaic power stations of the customers of the related company stated in their contracts, and compared them against the average unit fee rate as calculated based on tender results available in the public domain as stated above; (ii) the Group, having performed its own cost analysis, fixed the annual service fee range for negotiation with Hebei Fengbei, which if translated into unit fee rate would fall within the range of fees offered by the related company and is comparable to the market range of average unit fee rate based on those public information as elaborated above of approximately RMB0.008 to approximately RMB0.05 per watt; and (iii) the Group also compared the key terms such as scope of services, duration of services and payment terms against the contracts of the related company and the public information. As the Group was comparing the pricing and commercial terms of the contracts of both the related company and against public information to ensure the terms were determined in the ordinary course of business and on normal commercial terms, the Board considered such comparison is meaningful.

LETTER FROM THE BOARD

The Group, having completed the above comparison, found that the annual service fees to be charged to Hebei Fengbei are within the prevailing service fee range and that the terms are in the ordinary course of business and on normal commercial terms. Shaanxi Baike promises to apply the same pricing policy as stated above to its other Independent Third Party customers in the future, and hence, the fees for the provision of the Operation and Maintenance Services are charged at the rate that is no less favourable to the Group than those to be offered to other Independent Third Party customers for the provision of same types of services. The same method of comparison and pricing policy will apply to the Group's customers in future to ensure the price charged to Hebei Fengbei is no less favourable to the Group than those offered to other third party.

Reasons and benefits of entering into the Operation and Maintenance Services Contract

The Group is principally engaged in (i) sales of renewable energy products; and (ii) new energy power system integration business. Since the fourth quarter of 2024, the Group completed the acquisitions of rooftop photovoltaic projects located in the western region of the New Territories, Hong Kong, and successfully generated electricity and be synchronized with the grid, with a cumulative power generation of approximately 201,000 kWh, contributing stable revenue streams for the Group. The Group started to recognise revenue only in late 2024 and hence such revenue for the financial year ended 31 March 2025 represented revenue of the Group for slightly over one quarter. For the year ending 31 March 2026, the Group will be able to recognise full year of revenue from the sales of electricity business, thus, the Group anticipates a substantial increase in annual power generation for the entire financial year ending 31 March 2026, with corresponding growth in associated revenue.

To ensure optimal resources deployment and maximise shareholders value, the Group decided to expand its new energy power system integration business segment in the new financial year ending 31 March 2026 by rendering the Operation and Maintenance Services, which are related to the Group's existing business. The provision of the Operation and Maintenance Services by the Group not only enables the Group to redeploy its existing manpower comprising three project managers as at the Latest Practicable Date who have the experience of managing engineering procurement construction projects (and the subsequent operations and maintenance of) the distributed photovoltaic power plant, but also represents a source of stable revenue for the Group in the coming years. One of these project managers will assist and will be supervised by our executive Directors (whose experiences are elaborated below) to manage the daily operations of the Photovoltaic Power Station and is supported by other unskilled staff and duty officers who may be newly hired for the purpose of the Operation and Maintenance Services for non-technical aspects of the Operation and Maintenance Services. The Group has in the past, between 2018 to 2023 rendered, and recognised revenue from the provision of new energy power system integration services to two customers, one of which involved the Group acting as the contractor for the construction of a 800MW photovoltaic power station in Zhangbei county in the Hebei province for an Independent Third Party customer and the other being sale and installation of 25MW solar modules on a 100MW solar power plant in Hebei for a related party customer, being also an entity majority owned by Mr. Huang Yuanming. In these projects, after completion of the

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construction or installation, as the case may be, the Group also assisted in operation trials, subsequent system management services, providing technical support, conducting tests, as well as ancillary value-added services, such as technical guidance, technical cooperation and technical training in relation to inspection and acceptance, performance testing, operation and maintenance, of these photovoltaic power stations, which scopes of services were similar to the Operation and Maintenance Services. The Directors considered the Operation and Maintenance Services Contract as an opportunity for the Group to expand its business and establish a track record in the Operation and Maintenance Services industry, which will enable the Group to better market itself to other Independent Third Party customers for the provision of such services in the future. Accordingly, the continuing connected transactions contemplated under the Operation and Maintenance Services Contract is of a revenue nature and form part of its ordinary and usual course of business commencing from the new financial year ending 31 March 2026.

The Group's management team is headed by Mr. Huang Bo, an executive Director, Chairman of the Board and a substantial shareholders of the Company, who has over 10 years of experiences working at various companies that specialise in renewable energy and has accumulated extensive experience in the construction, development, operation and maintenance of renewable energy-related businesses prior to joining our Group. Each of the executive Directors, Mr. Huang Yuanming and Ms. Zhang Jinhua, has over 9 and 10 years of experience in renewable energy industry, respective. Both of them are also the majority shareholders of a related company of the Group which is primarily engaged in the construction and operation of solar power plants, power engineering design and construction, power equipment maintenance, and sales, installation and leasing of power equipment. Thus, the executive Directors have relevant experience (which they gained prior to joining the Group) in managing such business for the provision of Operation and Maintenance Services. They will be assisted by experienced project managers as well as other skilled and unskilled labour for rendering the Operation and Maintenance Services from the Group's existing workforce or the Group may hire from time to time. As such, the Directors believe that the Group has the relevant experiences in providing the Operation and Maintenance Services.

LETTER FROM THE BOARD

Being an associated company, the Group shares the common business culture and value which emphasise on service quality and efficiency, together with the knowledge of the executive Directors who own a majority stake in Hebei Fengbei, and hence, is familiar with the physical site environment of the Photovoltaic Power Station in Hebei, as well as the specific standards and requests of Hebei Fengbei relating to the daily operation of relevant equipment and facilities of the Photovoltaic Power Station as the Group has prior experience in the construction, development, installation, operation, repair and maintenance services of photovoltaic power stations and related equipment in Hebei province as elaborated above. Since the operation of the Photovoltaic Power Station is highly dependent on the steady and continuous operation of various types of equipment and facilities around the clock, which requires high stability of operation, safety of management and extremely quick emergency responses to repair and maintenance services in respect of equipment and facilities, as such, the relevant operation, repair and maintenance services provided by the Group are conducive to ensuring the stability of the daily operation and service quality of the Photovoltaic Power Station of Hebei Fengbei, which helps to maintain the continuity of operation, repair and maintenance business while ensuring the rapid responsiveness and the specialty and high efficiency required for the operation of the Photovoltaic Power Station of Hebei Fengbei.

Although the Annual Caps in relation to the service fees receivable by the Group from Hebei Fengbei under the Operation and Maintenance Services Contract are significantly higher than the revenue of the Group for the year ended 31 March 2025 of approximately RMB0.8 million, the Directors are of the view that there was no material reliance on Hebei Fengbei, Mr. Huang Yuanming, Mr. Huang Ming and Ms. Zhang Jinhua as at the Latest Practicable Date because Shaanxi Baike went through the usual procurement selection process of Hebei Fengbei (which involved the obtaining of at least two quotations from service providers) to pitch for the Operation and Maintenance Services Contract, and the determination of price and terms for the Operation and Maintenance Services under the Operation and Maintenance Services Contract complied with the principles of fairness and reasonableness and shall not deviate from the pricing policy of the Group and are on normal commercial terms. The Group was given to understand that Shaanxi Baike was not the only interested service provider that pitched for the Operation and Maintenance Services Contract, and that the terms and pricing offered by Shaanxi Baike are more favourable than the terms offered by the related company of the Group as the annual service fees offered by Shaanxi Baike are more competitive than that offered by the related company of the Group. Considering its prior hands-on experience as elaborated above and being the only customer of Shaanxi Baike for the Operation and Maintenance Services, it is able to give full attention to Hebei Fengbei for the Operation and Maintenance Services, Shaanxi Baike successfully won the Operation and Maintenance Services Contract in the ordinary course of business without seeking any favouritism from any of Hebei Fengbei, Mr. Huang Yuanming, Mr. Huang Ming and/or Ms. Zhang Jinhua. Even if there was a reliance on Hebei Fengbei after the commencement of the Operation and Maintenance Services Contract, such reliance will gradually reduce over time for the following reasons:

LETTER FROM THE BOARD

- (i) **Historical revenue is not reflective of the full year results for the next three years:** The revenue for the year ended 31 March 2025 of approximately RMB0.8 million was derived from the sales of electricity to CLP Power Hong Kong Ltd., being an electricity company in Hong Kong and an Independent Third Party, after the Group completed the acquisitions of rooftop photovoltaic projects located in the western region of the New Territories, Hong Kong in the fourth quarter of 2024. The Group started to recognise revenue only in late 2024 and hence, such revenue represented revenue of the Group for slightly over one quarter. For the year ending 31 March 2026, the Group will be able to recognise full year of revenue from the sales of electricity business, and despite a substantial increase in the total revenue of the Company for that year having the revenue contribution from the Operation and Maintenance Services, the revenue contribution from the sale of electricity business towards the total revenue of the Group would remain substantial as the Board estimated that it will still account for around 30% of the total revenue of the Group. Further, as stated in “(iv) Expansion strategy of the Group” below, the Group will continue to look for potential opportunities for similar projects to expand its sales of electricity business as well as potential new renewable energy projects, the Company therefore does not consider that it has a material reliance on Hebei Fengbei, Mr. Huang Yuanming, Mr. Huang Ming and Ms. Zhang Jinhua.
- (ii) **Business relationship unlikely to materially adversely change:** Given Mr. Huang Bo and Mr. Huang Yuanming’s substantial shareholding in the Company and Ms. Zhang Jinhua’s direct shareholding in the Company as well as the majority shareholding of Mr. Huang Yuanming and Ms. Zhang Jinhua in Hebei Fengbei, the Board believes that it is in the mutual interests of Hebei Fengbei and the Group (via Shaanxi Baike) to establish and nurture a long term business relationship while it is beneficial to Hebei Fengbei to ensure the Group’s provision of uninterrupted services at agreed pricing for stable daily operation of, with quality services to the Photovoltaic Power Station and for the Group to have a sustainable business in the longer run, and accordingly such business relationship is unlikely to materially adversely change or terminate or significantly deteriorate.

LETTER FROM THE BOARD

Further, the expansion of its new energy power system integrated business segment by rendering the Operation and Maintenance Services will expand and diversify the revenue of the Group for the year ending 31 March 2026 onwards. As the Group has not previously commenced any business relationship with Hebei Fengbei prior to the commencement of the Operation and Maintenance Services Contract, even if there is any change in the business relationship with Hebei Fengbei in the future, there will not have a material adverse impact on the Group's existing business as at the Latest Practicable Date when considering the Group's existing scale of operation for the year ended 31 March 2025 and up to the Latest Practicable Date which sole revenue source was the sales of electricity. The Board considered the Group will not be worse off than its current state of operations and any expansion of business of any kind that will generate stable revenue to the Group is a welcoming strategy for business sustainability of the Group and is in the interest of the Company and its Shareholders as a whole.

In addition, in order to mitigate its risk exposure of potential change of business relationship or termination of Operation and Maintenance Services Contract by Hebei Fengbei, the Group is committed to render the Operation and Maintenance Services with professionalism and efficiency, save for force majeure, the Group will continuously ensure the stability of the provision of such services at the agreed pricing at the expected service quality, and there will not be circumstances in which such services become suspended or materially adversely affected, while at the same time maintaining close cooperation and communication with Hebei Fengbei.

- (iii) **Continue to expand customer base:** The Group intends to continue to grow this new energy power system integrated business segment by rendering the Operation and Maintenance Services to Independent Third Party customers in the financial year ending 31 March 2026. The Operation and Maintenance Services Contract provides an opportunity for the Group to establish its track record and present its service quality to attract Independent Third Party customers in the longer run. Representatives from the sales and marketing departments of the Group make regular customer visits to collect their feedbacks and understand their needs and concerns, with the aim of expanding customer base and increasing the volume of business especially in the Operation and Maintenance Services industry. It is expected that after establishing a track record by rendering the Operation and Maintenance Services to Hebei Fengbei, the Group will be able to attract other Independent Third Party customers to engage the Group for such services, and reduce the portion of the Group's revenue from connected parties gradually in the longer run.

LETTER FROM THE BOARD

- (iv) **Expansion strategy of the Group:** As in the past, the Group continues to take steps aiming at expanding its business streams and expanding its customer base by pursuing acquisition and/or joint ventures in order to diversify its revenue stream from Independent Third Parties to reduce the portion of the Group's revenue from connected parties gradually in the longer run. As at the Latest Practicable Date, the Group had 29 employees in Hong Kong and the PRC, of which 11 are in charge of acquisition and project sourcing. They proactively explore, identify and conduct feasibility studies on potential new renewable energy projects to be acquired or invested (including but not limited to photovoltaic or biomass projects) whether in Hong Kong, the PRC, or overseas such as Suriname, Georgia, Thailand, Indonesia, Malaysia, Papua New Guinea, Australia and Japan. The Directors believe the region exhibits robust demand for renewable energy and strong policy support, providing expansive growth opportunities for the Group's operations. As at the Latest Practicable Date, the Group was actively looking for potential acquisition opportunities for rooftop photovoltaic projects with similar capacity with its existing rooftop photovoltaic assets in Hong Kong with a payback period of around 5 years and was in active discussions with local partners on renewable energy projects. The Group was also keen in collaborating with local partners in Hong Kong and/or the PRC to establish joint ventures to carry on the business of main contractor to provide new energy power system integration, engineering procurement construction ("EPC") and design and consultancy services to its customers. The Group was confident that such local and overseas market expansion will bring new revenue streams and growth momentum for the Group.

Overall, the Board considered that the Group's business is properly delineated from that of its substantial shareholders. The Group is independently managed and operated without material reliance on its connected persons. The Group's management rests with its Board and senior management. The Board comprises 5 executive Directors and 3 independent non-executive Directors. The Group makes its business decision independently from its substantial Shareholders and their respective associates (including Hebei Fengbei, Mr. Huang Yuanming, Mr. Huang Ming and Ms. Zhang Jinhua). The management, operation and affairs of the Group are headed, managed and supervised by the Board as a whole and not by any individual Directors. According to the Articles, the Board must act collectively by a majority decision, and no individual Director is allowed to transact or make any decision for and on behalf of the Company alone unless he is authorised by the Board or in accordance with the provisions of the Articles. Any view of a Director will be checked and balanced by the view of other Board member. As such, the Directors consider that the Group will continue to be operationally independent and managed independently from its substantial Shareholders and their respective associates (including Hebei Fengbei, Mr. Huang Yuanming, Mr. Huang Ming and Ms. Zhang Jinhua) and no material reliance on them due to the following reasons:

LETTER FROM THE BOARD

- (a) the Group has its own operational and administrative resources and does not share such resources with the substantial Shareholders and their respective associates or other companies controlled by its substantial Shareholders and their respective associates;
- (b) the Group has its own organisational and corporate governance structure and has established its own accounting and human resources departments;
- (c) the Group has established a set of internal control measures to facilitate the effective operation of its business as well as to identify related party transactions and/or connected transactions that are subject to the requirements under the GEM Listing Rules, including the requirements of reporting, announcement, circular and independent Shareholders' approval (where appropriate) as set out in the paragraph headed "Internal Control Measures" below;
- (d) the Group has independent access to customers and suppliers;
- (e) save for the Operation and Maintenance Services Contract, each of Hebei Fengbei, Mr. Huang Yuanming, Mr. Huang Ming and Ms. Zhang Jinhua and their respective associates has no relationship with our other customers and major suppliers of our Group during the three years ended 31 March 2025;
- (f) each Director, including the interested Directors in the Operation and Maintenance Services Contract, namely, Mr. Huang Bo, Mr. Huang Yuanming and Ms. Zhang Jinhua, is aware of his/her fiduciary duties as a Director which require, among other things, that he/she acts for the benefit and in the best interest of the Company and does not allow any conflict between his/her duties as a Director and his/her personal interests);
- (g) in the event that there is a potential conflict arising out of any transaction to be entered into between the Group and the Directors or their respective associates ("**Conflicting Transaction**"), the interested Director(s) shall abstain from voting at the relevant board meetings of the Company in respect of such transactions, and shall not be counted in forming quorum, unless otherwise permitted under the Articles and/or the GEM Listing Rules. The interested Director(s) shall not attend any independent board committee meetings comprising our independent non-executive Directors only. In the event that there is a Conflicting Transaction which shall be submitted to the independent non-executive Directors for their consideration and approval, they would have sufficient experience and knowledge to oversee such Conflicting Transaction from different aspects, and there will be sufficiently robust and independent voice within our Board to counter-balance any situation involving conflict of interest and protect the interests of our independent Shareholders; and

LETTER FROM THE BOARD

- (h) in order to allow the non-conflicting members of our Board to function properly and make informed decision with the necessary professional advice, the Company will engage third party professional advisor(s) to advise the Board when necessary, depending on the nature and significance of the Conflicting Transaction.

Having taken into account the above reasons and benefits, the Directors (including independent non-executive Directors) who are not required to abstain from voting in the relevant Board resolution are of the opinion that, the Operation and Maintenance Services Contract is entered into during the usual and ordinary course of business of the Group on normal commercial terms, the terms of which are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

INTERNAL CONTROL MEASURES

Internal Control on Pricing

The Company has implemented the following management system prior to entering into the Operation and Maintenance Services Contract to ensure that the pricing and terms are on normal commercial terms:

1. Prior to the entering into of the Operation and Maintenance Services Contract, the principal officers in the sales department or the project team of the Group who handle the relevant matters were responsible for preparing the contract, together with price and cost estimation (including conducting the comparison as stated above), in accordance with the Group's management systems on connected transaction.
2. Such sales department or the project team of the Group then submitted (i) their written report to the Company Secretary setting out the basic details of connected person, details the continuing connected transactions and transaction value, price and cost estimation, basis of pricing and such other information relevant to the transaction; and (ii) assessment of the transaction terms and pricing terms (including conducting the comparison as stated above), together with the relevant supporting documents (including but not limited to information available from the public domain such as tender results, contracts from other service providers (including related companies of the Group who are service providers of similar services), cost estimation and quotes from suppliers for relevant costs listed in the cost estimation, etc.) to the finance department headed by the chief financial officer of the Company for review and cross-checking to ensure such service fees and profit margin for the relevant services are in line with the pricing policy of the Group and are comparable with the prevailing service fee range in the market charged by other service providers (including related companies of the Group) for similar services to their other customers (including Independent Third Party customers) as far as the Group is aware. The Company Secretary further monitored the compliance review and cross-checks conducted by the finance department.

LETTER FROM THE BOARD

3. The Company Secretary convened a management meeting within 5 days of receiving such written report to, together with the chief financial officer and at least one executive Director, reviewed the costs estimation, proposed profit margin and proposed price and assessed the necessity, the reasonableness and fairness of the pricing, transaction terms and payment terms, and the meeting was attended by the principal officers in the sales department or the project team of the Group to address any questions that were raised by the senior management. None of the senior management involved was an associate or staff of the connected person to avoid any possible conflict of interest. The senior management then determined in discussion with the sales department or project team whether or not the proposed price (including the pricing structure) should be modified having regard to various factors such as the scope of works, the possibility of material cost fluctuation and the perceived competitiveness of the proposed price, so as to ensure that the charging price conformed to the pricing policy of the Group, and comparable to prevailing service fee range in the market and industry practice as far as the Group is aware.
4. Upon completion of the above internal review procedures, the Operation and Maintenance Services Contract was considered and approved by the Board (excluding Directors who were interested in the transactions) within three business days. The Operation and Maintenance Services Contract was entered into prior to the provision of such services. The management of the Company determined the procedures for disclosure of such connected transaction in accordance with the GEM Listing Rules and immediately organised the implementation and the relevant department including finance department assisted in providing all the information required for disclosure.

During the term of the Operation and Maintenance Services Contract, the Company will continue to monitor the pricing terms of the Operation and Maintenance Services Contract as follows:

1. In the event that during the term of the Operation and Maintenance Services Contract there have been significant changes in the market conditions, the agreed service fees may be adjusted accordingly to reflect such changes in the market. Such pricing mechanism shall be reviewed by the Group's finance department headed by the chief financial officer a yearly basis to ensure that the prices are determined in accordance with the pricing policy adopted by the Group on normal commercial terms or better. The chief financial officer will report to the Board, the audit committee of the Board and the independent non-executive Directors at the end of each review period. In the event that material changes to the terms and/or the adjustment of Annual Caps, which are considered by the Board to be in the interest of the Group, are necessary, the Group shall enter into supplemental agreement with the relevant connected persons to agree on the revised terms and/or annual caps and comply with the relevant requirements of the GEM Listing Rules prior to the entering into further transactions with the connected persons in this regard.

LETTER FROM THE BOARD

2. The independent non-executive Directors will continue to review the transactions contemplated under the Operation and Maintenance Services Contract to ensure that such transactions are entered into on normal commercial terms, fair and reasonable, and carried out pursuant to its contractual terms.
3. The auditors of the Company will conduct annual review on the transactions contemplated under the Operation and Maintenance Services Contract in relation to the pricing policy and Annual Caps contemplated thereunder in accordance with the GEM Listing Rules.

Moving forward, the abovementioned internal control procedures on pricing will be adopted for other continuing connected transactions of the Group in the future.

Internal control on review of Annual Caps

The Company has implemented the following internal control measures to ensure that the Annual Caps for the transactions contemplated under the Operation and Maintenance Services Contract will not be exceeded:

1. The Group's finance department will monitor the monthly billing of the service fees under the Operation and Maintenance Service Contract to be in line with the terms of the Operation and Maintenance Services Contract and the Group's pricing policy. It is also responsible to review and monitor the total actual service fees billed or billable amount under the Operation and Maintenance Services Contract will not exceed the Annual Caps.
2. The finance department will be responsible to consistently record the transaction amounts under the Operation and Maintenance Services Contract every month and will report to the Company Secretary and the chief financial officer on a quarterly basis regarding the amounts conducted during the period to facilitate them to monitor the actual amount of transaction amount, assess whether the Annual Caps will be exceeded. In the event that the Annual Caps are exceeded, the Group shall enter into supplemental agreement with the relevant connected persons to agree on the revised annual caps and comply with the relevant requirements of the GEM Listing Rules prior to the entering into further transactions with the connected persons in this regard.
3. If such amount of transactions is estimated to exceed the relevant Annual Cap, the person-in-charge of the sales department or the project team of the Company will be notified so that the scale of transactions in the future may be re-estimated and arrangements may be made to issue announcements and/or to obtain the relevant approvals from the Board and the Independent Shareholders in accordance with the requirements of the GEM Listing Rules.

LETTER FROM THE BOARD

INFORMATION OF THE PARTIES INVOLVED

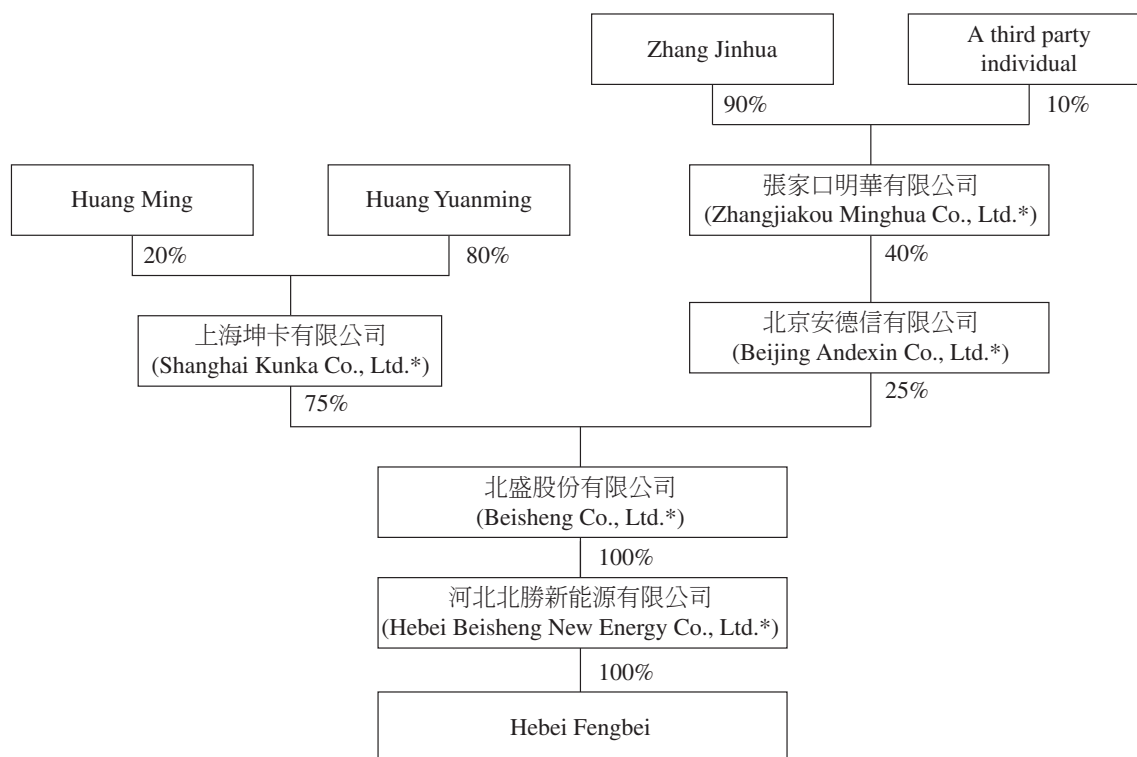
The Group

The Company is an investment holding company. The Group is principally engaged in (i) sales of renewable energy products; and (ii) new energy power system integration business. Shaanxi Beike is an indirect wholly-owned subsidiary of the Company established under the laws of the PRC and is principally engaged in the business of sales of renewable energy products and rendering new energy power system integration services.

Hebei Fengbei

Hebei Fengbei is a limited liability company established under the laws of the PRC. Hebei Fengbei is primarily engaged in the development, construction, operation and maintenance of new energy power generation projects; power production, operation and sales; power equipment maintenance and commissioning; power technology development and consulting services.

As at the Latest Practicable Date, the shareholding structure of Hebei Fengbei is as follows:



LETTER FROM THE BOARD

LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, Hebei Fengbei is indirectly owned as to 75% by Mr. Huang Yuanming (an executive Director) and the brother of Mr. Huang Bo, Mr. Huang Ming, through an entity which Huang Yuanming and Huang Ming ultimately own 80% and 20%, respectively, and is indirectly owned as to 25% by Ms. Zhang Jinhua (an executive Director) through an entity which she ultimately owns 90%. Mr. Huang Yuanming is the son of Mr. Huang Bo (who is a substantial Shareholder of the Company, and an executive Director and the Chairman of the Board), and hence, an associate of Mr. Huang Bo. Each of Mr. Huang Bo and Mr. Huang Yuanming is interested in approximately 18.84% and 7.71% of the total issued share capital of the Company, respectively. Accordingly, Hebei Fengbei is a connected person of the Company under the GEM Listing Rules, and the transactions under the Operation and Maintenance Services Contract constitute continuing connected transactions of the Company under Chapter 20 of the GEM Listing Rules.

As one or more of the applicable percentage ratios (after considering revenue ratio but excluding profits ratio) under Rule 19.07 of the GEM Listing Rules for the Annual Caps under the Operation and Maintenance Services Contract is over 25%, the transactions contemplated thereunder and the Annual Caps are subject to reporting, announcement, annual review requirements and the independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, save for Mr. Huang Bo, Mr. Huang Yuanming and Ms. Zhang Jinhua, who held 86,825,934 Shares, 35,548,238 Shares and 12,800,000 Shares, respectively, representing approximately 18.84%, 7.71% and 2.78%, respectively, as at the Latest Practicable Date, will be required to abstain from voting at the EGM, no other Shareholders had a material interest and would be required to abstain from voting at the EGM in respect of the resolutions in relation to the Operation and Maintenance Services Contract, the continuing connected transactions contemplated thereunder and the Annual Caps.

Each of Mr. Huang Bo, Mr. Huang Yuanming and Ms. Zhang Jinhua, being executive Directors who have direct or indirect equity interest in Hebei Fengbei, had abstained from voting on the Board resolutions in respect of the Operation and Maintenance Services Contract, the transactions contemplated thereunder and the Annual Caps.

The Board confirms that except for Mr. Huang Bo, Mr. Huang Yuanming and Ms. Zhang Jinhua, none of the other Directors have any material interest in the Operation and Maintenance Services Contract, the transactions contemplated thereunder and the Annual Caps. Accordingly, none of the Directors (except for Mr. Huang Bo, Mr. Huang Yuanming and Ms. Zhang Jinhua who abstained as mentioned above) was required to abstain from voting on the Board resolutions in relation to the Operation and Maintenance Services Contract, the transactions contemplated thereunder and the Annual Caps.

LETTER FROM THE BOARD

ESTABLISHMENT OF INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF THE INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising all the independent non-executive Directors has been established to advise the Independent Shareholders as to (i) whether the terms of the Operation and Maintenance Services Contract and the related Annual Caps of the underlying transactions contemplated thereunder, are fair and reasonable; (ii) whether the continuing connected transactions contemplated thereunder are on normal commercial terms or better and in the ordinary course of business of the Group; (iii) whether the continuing connected transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole; and (iv) how the Independent Shareholders should vote in respect of the relevant resolutions to be proposed at the EGM. No member of the Independent Board Committee has any material interest in the Operation and Maintenance Services Contract or the continuing connected transactions contemplated thereunder.

Capital 9 Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the continuing connected transactions as to whether the terms of the Operation and Maintenance Services Contract and the Annual Caps are fair and reasonable so far as the Independent Shareholders are concerned, whether the transactions contemplated under the Operation and Maintenance Services Contract are conducted on normal commercial terms or better, in the ordinary and usual course of businesses of the Group and in the interests of the Company and the Shareholders as a whole, as well as how to vote on the Operation and Maintenance Services Contract and the transactions contemplated thereunder.

EXTRAORDINARY GENERAL MEETING

The Company will convene the EGM or any adjourned meeting hereof at Room 2603, Huixin Apartment, No. 8 Beichen East Road, Chaoyang District, Beijing, the PRC on Friday, 31 October 2025 at 11:00 a.m. to approve matters referred to in this circular at which relevant resolutions will be proposed to the Shareholders to consider, and if thought fit, approve the Operation and Maintenance Services Contract, the continuing connected transactions as contemplated thereunder and the Annual Caps. The notice convening the EGM is set out on pages EGM-1 to EGM-2 of this circular.

LETTER FROM THE BOARD

A form of proxy for use in connection with the EGM is enclosed herewith. Whether or not you intend to be present and vote at the EGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible by 11:00 a.m. (Hong Kong time) on Wednesday, 29 October 2025 but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof (as the case may be). The completion and delivery of a form of proxy will not preclude you from attending and voting at the EGM (or any adjourned meeting thereof) in person should you so wish, and in such case, the authority of your proxy will be revoked.

Pursuant to Rule 20.34 of the GEM Listing Rules, any Shareholder with a material interest in the Operation and Maintenance Services Contract and the transactions contemplated thereunder is required to abstain from voting on the relevant resolution at the EGM. To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, save for Mr. Huang Bo, Mr. Huang Yuanming and Ms. Zhang Jinhua which held an aggregate of 135,174,172 Shares, representing 29.33% of the total number of issued shares of the Company as at the Latest Practicable Date, will be required to abstain from voting at the EGM, no other Shareholder has a material interest and will be required to abstain from voting at the EGM in respect of the resolutions in relation to the Operation and Maintenance Services Contract and the transactions contemplated thereunder.

Pursuant to the Rule 17.47(4) of the GEM Listing Rules and Article 72 of the Articles of Association, any votes of shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith and in compliance with the GEM Listing Rules, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll vote results will be published by the Company after the EGM in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

The register of members of the Company will be closed, for the purpose of determining the Shareholders' entitlement to attend and vote at the meeting, from Monday, 27 October 2025 to Friday, 31 October 2025 (both days inclusive), during this period no transfer of shares will be registered. In order to attend and vote at the meeting, unregistered Shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 24 October 2025.

LETTER FROM THE BOARD

RECOMMENDATION

The Board considers that the terms of the Operation and Maintenance Services Contract and the continuing connected transactions are entered into after arm's length negotiation in the ordinary course of businesses of the Group and on normal commercial terms or better, and the Annual Caps are fair and reasonable and are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Independent Shareholders to vote in favour of the ordinary resolution as set out in the notice of the EGM.

Your attention is drawn to the letter of recommendation from the Independent Board Committee set out on pages 26 to 27 of this circular and the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders set out on pages 28 to 40 of this circular in connection with the Operation and Maintenance Services Contract and the continuing connected transactions contemplated thereunder (including the Annual Caps) and the principal factors and reasons considered by the Independent Financial Adviser in arriving at such advice. The Independent Board Committee, having taken into account the advice of the Independent Financial Adviser, considers that the terms of the Operation and Maintenance Services Contract and the continuing connected transactions contemplated thereunder (including the proposed Annual Caps) are fair and reasonable so far as the Independent Shareholders are concerned and on normal commercial terms or better and in the ordinary and usual course of businesses of the Group and in the interests of the Company and the Shareholders as a whole.

ADDITIONAL INFORMATION

Your attention is drawn to additional information set out in the appendix to this circular.

By Order of the Board
China Technology Industry Group Limited
Huang Bo
Chairman

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



中国科技产业集团有限公司 CHINA TECHNOLOGY INDUSTRY GROUP LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8111)

10 October 2025

To the Independent Shareholders,

Dear Sir/Madam,

CONTINUING CONNECTED TRANSACTIONS IN RESPECT OF THE OPERATION AND MAINTENANCE SERVICES CONTRACT

We refer to the circular of the Company dated 10 October 2025 (the “**Circular**”) to the Shareholders, of which this letter forms part. Capitalised terms used in this letter have the same meanings as defined in the Circular unless the context otherwise requires.

We have been appointed by the Board as members to form the Independent Board Committee and to advise you (i) whether the terms of the Operation and Maintenance Services Contract and the related Annual Caps of the underlying transactions contemplated thereunder, are fair and reasonable; (ii) whether the transactions contemplated under the Operation and Maintenance Services Contract are on normal commercial terms or better and in the ordinary and usual course of business of the Group; (iii) whether the transactions contemplated under the Operation and Maintenance Services Contract are in the interests of the Company and the Shareholders as a whole; and (iv) how the Independent Shareholders should vote in respect of the relevant resolutions to be proposed at the EGM.

Capital 9 Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Operation and Maintenance Services Contract and the continuing connected transactions contemplated thereunder and the Annual Caps are fair and reasonable so far as the Independent Shareholders are concerned, whether such terms are in the interests of the Company and the Shareholders as a whole. Details of the Independent Financial Adviser’s advice, together with the principal factors taken into consideration in arriving at such advice, are set out on pages 28 to 40 of the Circular.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

We wish to draw your attention to the letter from the Board set out on pages 5 to 25 of the Circular and the additional information set out in the appendix of the Circular.

Having taken into account (i) the terms and conditions of the Operation and Maintenance Services Contract; and (ii) the advice and recommendations of the Independent Financial Adviser as set out from pages 28 to 30 of the Circular, we are of the opinion that the terms of the Operation and Maintenance Services Contract and the continuing connected transactions contemplated thereunder are entered into after arm's length negotiation in the ordinary course of businesses of the Group on normal commercial terms or better and the Annual Caps are fair and reasonable so far as the Independent Shareholders are concerned, and are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Operation and Maintenance Services Contract and the continuing connected transactions contemplated thereunder and the Annual Caps.

Yours faithfully,
Independent Board Committee
China Technology Industry Group Limited

Mr. Cheung Ting Kin
*Independent non-executive
Director*

Ms. Ma Xingqin
*Independent non-executive
Director*

Mr. Qiao Wencai
*Independent non-executive
Director*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the text of a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Operation and Maintenance Services Contract, the transactions contemplated thereunder and the Annual Caps for the purpose of incorporation into this circular.



Unit 1219, 12/F,
Bank of America Tower,
12 Harcourt Road,
Central,
Hong Kong

10 October 2025

*To the Independent Board Committee and the Independent Shareholders of
China Technology Industry Group Limited*

Dear Sir/Madam,

CONTINUING CONNECTED TRANSACTIONS IN RESPECT OF THE OPERATION AND MAINTENANCE SERVICES CONTRACT

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Operation and Maintenance Services Contract, the transactions contemplated thereunder and the Annual Caps, particulars of which are set out in the section headed “Letter from the Board” (the “**Letter from the Board**”) contained in the circular of the Company dated 10 October 2025 (the “**Circular**”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires otherwise.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Reference is made to the announcements of the Company dated 25 June 2025 and 26 June 2025. On 25 June 2025, Shaanxi Baike, an indirect wholly-owned subsidiary of the Company entered into the Operation and Maintenance Services Contract with Hebei Fengbei for the provision of the Operation and Maintenance Services by Shaanxi Baike at the Photovoltaic Power Station for a term of three years from 1 July 2025 to 30 June 2028, subject to the approval of the Independent Shareholders being obtained at the EGM.

As at the Latest Practicable Date, Hebei Fengbei is indirectly owned as to 75% by Mr. Huang Yuanming (an executive Director) and the brother of Mr. Huang Bo, Mr. Huang Ming, through an entity which Mr. Huang Yuanming and Mr. Huang Ming ultimately own 80% and 20%, respectively, and is indirectly owned as to 25% by Ms. Zhang Jinhua (an executive Director) through an entity which she ultimately owns 90%. Mr. Huang Yuanming is the son of Mr. Huang Bo (who is a substantial Shareholder of the Company, and an executive Director and the Chairman of the Board), and hence, an associate of Mr. Huang Bo. Each of Mr. Huang Bo and Mr. Huang Yuanming is interested in approximately 18.84% and 7.71% of the total issued share capital of the Company, respectively. Accordingly, Hebei Fengbei is a connected person of the Company under the GEM Listing Rules, and the transactions under the Operation and Maintenance Services Contract constitute continuing connected transactions of the Company under Chapter 20 of the GEM Listing Rules.

As one or more of the applicable percentage ratios (after considering revenue ratio but excluding profits ratio) under Rule 19.07 of the GEM Listing Rules for the Annual Caps under the Operation and Maintenance Services Contract is over 25%, the transactions contemplated thereunder and the Annual Caps are subject to reporting, announcement, annual review requirements and the independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, save for Mr. Huang Bo, Mr. Huang Yuanming and Ms. Zhang Jinhua who held 86,825,934 Shares, 35,548,238 Shares and 12,800,000 Shares, respectively, representing approximately 18.84%, 7.71% and 2.78% respectively of the total issue share capital of the Company as at the Latest Practicable Date will be required to abstain from voting at the EGM, no other Shareholders had a material interest and would be required to abstain from voting at the EGM in respect of the resolutions in relation to the Operation and Maintenance Services Contract, the transactions contemplated thereunder and the Annual Caps. Each of Mr. Huang Bo, Mr. Huang Yuanming and Ms. Zhang Jinhua, being executive Directors who have direct or indirect equity interest in Hebei Fengbei, had abstained from voting on the Board resolutions in respect of the Operation and Maintenance Services Contract, the transactions contemplated thereunder and the Annual Caps. None of the other Directors have any material interest and was required to abstain from voting on the Board resolutions in relation to the Operation and Maintenance Services Contract, the transactions contemplated thereunder and the Annual Caps.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, comprising all the independent non-executive Directors, has been established to advise the independent Shareholders as to (i) whether the terms of the Operation and Maintenance Services Contract and the related Annual Caps of the underlying transactions contemplated thereunder, are fair and reasonable; (ii) whether the continuing connected transactions contemplated thereunder are on normal commercial terms or better, in the ordinary course of business of the Group, and in the interests of the Company and the Shareholders as a whole; and (iii) how the Independent Shareholders should vote in respect of the relevant resolutions to be proposed at the EGM after taking into account the recommendation of the Independent Financial adviser. No member of the Independent Board Committee has any material interest in the Operation and Maintenance Services Contract or the transactions contemplated thereunder. As the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, our role is to give independent opinion to the Independent Board Committee for it to advise the Independent Shareholders in this regard.

BASIS OF OUR OPINION

In formulating our view and recommendation to the Independent Board Committee and the Independent Shareholders, we have reviewed, among others, (i) the Operation and Maintenance Services Contract; and (ii) the annual report of the Company for the year ended 31 March 2025 (the “**2025 Annual Report**”). We have also relied on (i) the information, facts and representations provided, and the opinions and views expressed, to us by the Company, the Directors and/or the management of the Group, and (ii) the information, facts, representations, opinions and views of the Company, the Directors and/or the management of the Group contained or referred to in the Circular, including but not limited to the Letter from the Board contained therein, all of which have been assumed to be true, accurate and complete at the time they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, view and intention made by the Company, the Directors and/or the management of the Group in the Circular, including but not limited to the Letter from the Board contained therein, were reasonably made after due and careful enquiry and the expectations and intentions made by the Company, the Directors and/or the management of the Group will be met or carried out as the case may be. We consider that we have received and reviewed sufficient information to reach an informed view and have no reason to believe that any material information has been omitted or withheld, or to doubt the truth, accuracy and completeness of the information and representations provided to us by the Company, the Directors and/or the management of the Group. We have been confirmed by the Company that no material facts have been withheld or omitted from the information provided to us, the opinion expressed to us, and/or information or opinion contained or referred to in the Circular.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We have not, however, carried out any independent verification of the information provided by the Company, the Directors and/or the management of the Group, nor have we conducted any independent investigation into the business, financial conditions and affairs of the Group, the counter-party to the Operation and Maintenance Services Contract, or any of its respective subsidiaries, controlled entities, jointly controlled entities or associates. We consider that we have performed our duties with impartiality and independence from the Company.

The Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM 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 the 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 in the Circular misleading.

As at the Latest Practicable Date, we were not aware of any relationships between us and, nor any interests held by us in, the Company or the counter-party to the Operation and Maintenance Services Contract that could reasonably be regarded as hindrance to our independence as defined under Rule 17.96 of the GEM Listing Rules to act as the Independent Financial Adviser. In the past two years preceding the Latest Practicable Date, there was no engagement between the Company and us. Apart from normal professional fees paid or payable to us in connection with this appointment as the Independent Financial Adviser, no arrangement exist whereby we had received any fees or benefits from the Company. Accordingly, we are qualified to give independent advice in respect of the Operation and Maintenance Services Contract, the transactions contemplated thereunder and the Annual Caps.

PRINCIPAL REASONS AND FACTORS CONSIDERED

In arriving at our recommendation to the Independent Board Committee and the Independent Shareholders in respect of the Operation and Maintenance Services Contract and the Annual Caps, we have taken into consideration the following principal reasons and factors:

(1) Background of and reasons for the Operation and Maintenance Services Contract

As stated in the Letter from the Board, the Group is principally engaged in (i) sales of renewable energy products; and (ii) new energy power system integration business and sales of electricity business, in the PRC.

As stated in the 2025 Annual Report, the Group recorded revenue of approximately RMB0.8 million for the year ended 31 March 2025 (“FY2025”), as compared with nil revenue recorded for the year ended 31 March 2024 (“FY2024”), which was contributed by the segment of new energy power system integration business and sales of electricity business. Nil revenue was recorded by the sales of renewable energy products. Loss attributable to owners of the Company for the year of approximately RMB22.8 million was recorded for FY2025, compared to that of approximately RMB47.2 million for FY2024.

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As announced by the Company on 21 June 2024, the Group entered into a contract (the “**EPC Contract**”) with a project partner in relation to, among other things, the construction of an energy storage power plant in Sanmenxia, Henan Province, the PRC. This EPC Contract was executed pursuant to a co-operation agreement signed between the Group and the project partner on 22 September 2023. However, as further announced by the Company on 26 June 2025, the construction of power plants, including the aforesaid power plant, was unable to commence as scheduled due to unexpected changes in key personnel of the project partner. After prudent evaluation, the Group has decided to suspend such co-operation agreement.

As stated in the Letter from the Board and further advised by the Company, the Directors considered the Operation and Maintenance Services Contract as an opportunity for the Group to expand its existing new energy power system integration business segment and establish a track record in the Operation and Maintenance Services industry, which will enable the Group to better market itself to other Independent Third Party customers for the provision of such services in the future. Taking into account (i) nil revenue was contributed by the Group’s existing principal business in FY2024 and FY2025 apart from the sales of electricity business commencing from the last quarter of FY2025; (ii) a new income instream shall be generated to the Group from the Operation and Maintenance Services business; (iii) it is considered reasonable to expect that third party customers of similar operation and management services may intend to engage a service provider with experience in providing relevant services, we concur with the Directors’ view that the Operation and Maintenance Services business is favourable to the Shareholders and may increase the competitiveness of the Group in winning contracts of similar services of independent customers in the future.

As further stated in the Letter from the Board, being an associated company, the Group is familiar with the operation of relevant equipment and facilities of Photovoltaic Power Station with experience in the development, installation, operation, repair and maintenance services of photovoltaic power stations and related equipment arising from the Group’s prior hands-on experience in constructing a photovoltaic power station in Hebei. The Group is also familiar with the physical site environment of a photovoltaic power station in Hebei and understands the culture and required service expectation of Hebei Fengbei being a related company. The operation of the Photovoltaic Power Station is highly dependent on the steady and continuous operation of various types of equipment and facilities around the clock, which requires high stability of operation, safety of management and extremely quick emergency responses to repair and maintenance services in respect of equipment and facilities. As such, the relevant operation, repair and maintenance services provided by the Group are conducive to ensuring the stability of the daily operation and service quality of the Photovoltaic Power Station, which helps to maintain the continuity of operation, repair and maintenance business while ensuring the rapid responsiveness and the specialty and high efficiency required for the operation of the Photovoltaic Power Station.

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Taking into account (i) the unsatisfactory financial performance of the Group given no revenue contribution by the Group's existing principal business in FY2024 and FY2025 apart from the sales of electricity business commencing from the last quarter of FY2025; (ii) the provision of the Operation and Maintenance Services by the Group represents a new source of revenue for the Group in the coming years; (iii) the potential future business opportunities with Hebei Fengbei or third party customers after the Group's establishing track record of provision of the Operation and Maintenance Services arising from the Operation and Maintenance Services Contract; and (iv) the suspension and uncertainty of business development relating to the EPC Contract and related co-operation agreement and thus no revenue contribution can be expected from it in the foreseeable future to enhance Shareholders value, we concur with the Director's view that the entering into of the Operation and Maintenance Services Contract and the transactions to be contemplated thereunder are in the ordinary and usual course of business of the Group and in the interests of the Company and its Shareholders as a whole.

(2) Principal terms of the Operation and Maintenance Services Contract

Service fee

As stated in the Letter from the Board, in accordance with the Group's pricing policy, the annual service fees payable by Hebei Fengbei under the Operation and Maintenance Services Contract (the "**Service Fee**") of RMB6,400,000 were determined based on the scope of the Operation and Maintenance Services, on normal commercial terms after arm's length negotiation between the parties, and a cost-plus methodology, representing the Group's estimated total annual costs plus profit margin of around 20%, and after taking into account the following factors:

- (a) the relevant labour costs to be incurred for the provision of various Operation and Maintenance Services. Shaanxi Baike estimated 10 to 15 personnel to render the Operation and Maintenance Services, with roles ranging from unskilled staff, duty officers to production managers. The annual labour costs (mainly comprising wage expenditure of these personnel) are in the range of approximately RMB1.2 million to RMB1.7 million;

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- (b) all repair and maintenance costs and costs of spare products, spare parts, materials and consumables for the operation as follows:
- (i) estimated fixed regular maintenance costs include the costs for fire system inspection, lightning protection detection, weeding at the plant, component cleaning, road maintenance, safety protection and security testing, network fees, vehicle costs based on agreed number of vehicles to be used, security guard, scheduled inspections and pre-testing costs. Prior to entering into the Operation and Maintenance Services Contract, the Group performed cost analysis for these costs based on its collection of cost and other data which included quotations from service providers or related market information retrieved from public source (such as tender results available on major bidding websites indicating costs of certain goods or services required in the provision of maintenance services for a solar power plant) for such services, if relevant, and the estimated usage or frequency of engaging such services to determine the estimated fixed regular maintenance costs. Related market information, such as price trend, if any, may also be retrieved from public source for reference. The Group expects the annual expenditure for around 15 items of the abovementioned maintenance costs based on the agreed frequency of usage ranges from approximately RMB30,000 to RMB450,000, which the Group does not anticipate to have a material fluctuation in the coming three years; and
- (ii) estimated annual total variable costs such as the costs of spare products, spare parts, materials and consumables relating to maintenance and repair of various systems will not exceed RMB400,000, which Shaanxi Baike agreed to bear such costs for each incident of an amount not exceeding RMB5,000 if such cost cannot be claimed against relevant suppliers of those procured products within warranty period. Any such cost exceeding RMB5,000 and cannot be claimed against relevant suppliers shall be claimed against relevant insurance regarding the facilities in the Photovoltaic Power Station taken out by Hebei Fengbei or borne by Hebei Fengbei ((a) to (b) above, the “**Operation Cost**”). Prior to entering into the Operation and Maintenance Services Contract, the Group performed cost analysis for different types of materials and consumables required such as ironmongery, tiles, rebar, etc., the collection of cost and other data which includes quotations from suppliers for spare products, spare parts, materials and consumables, related market information retrieved from public source (such as online procurement websites) for such materials and the estimated usage of different types of materials to determine the estimated annual total variable costs. Related market information, such as material price trend, if any, may also be retrieved from public source for reference;

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- (c) a profit margin (being around 20%) for the provision of the Operation and Maintenance Services by Shaanxi Baike to Hebei Fengbei and taxes;
- (d) the annual capacity of the Photovoltaic Power Station of 200MW; and
- (e) the prevailing service fee range of similar services offered in the market by other service providers based on tender results available on major bidding websites identified in the first half of 2025 which covered 10 photovoltaic power stations located at various provinces in the PRC with an annual capacity ranging from approximately 20MW to 1,200MW deriving a market range of approximately RMB0.008 per watt to approximately RMB0.05 per watt annually, as well as service fee charged by the Group's related company which provides similar services.

Based on the annual Service fee of RMB6.4 million and the annual capacity of the Photovoltaic Power Station of 200MW of electricity annually when it is operating at full capacity, the unit fee rate is RMB0.032 per watt annually (the “**Unit Fee Rate**”). To assess the fairness and reasonableness of the Unit Fee Rate,

- (i) we have discussed with and were advised by the Company that they understood from its management who has operation experience in providing similar operation and management services to photovoltaic power stations that they are not aware of any standard unit fee rate, standard profit margin or any regulatory requirements on those rates for such services, and they believe that such unit fee rate shall be agreed between the relevant service provider and receiver, and such profit margin shall depend on cost control effectiveness of the service provider;
- (ii) we have also attempted to find if there is any public information regarding standard or market range of unit fee rate, operation cost (regardless of breakdown of individual items or amount) or profit margin of similar operation and management services based on annual capacity of a photovoltaic power station in the PRC, but was unable to find any of such information;

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- (iii) given there is no standard unit fee rate as stated in (i) above and the annual Service Fee were determined based on a cost-plus methodology plus a profit margin, we have reviewed a budget (the “**Budget**”) prepared by the Company of the expected annual amount of Operation Cost to be incurred, with breakdown of cost listed in (a) and (b) above. Notwithstanding no public information regarding standard or market range of operation cost (regardless of breakdown of individual items or amount) based on annual capacity of a photovoltaic power station in the PRC can be found as stated in (ii) above, we understood from the Company that the items and amount of expected cost stated in the Budget is estimated by the Group taking into account (1) the annual capacity of the Photovoltaic Power Station and scope of work, (2) suppliers’ quotations of products etc. required by Shaanxi Baike in providing the Operation and Management Services, and based on its understanding of the operation cost incurred and profit margin achieved by its related company which has experience in providing similar services. Regarding the cost listed in (a) above, we have reviewed a website of recruitment for the recent range of wage level in Hebei province of the labours expected to be required to render the Operation and Maintenance Services, and noted that the wage level of the labours estimated by the Group falls with the aforesaid range generally. Regarding the cost listed in (b) above, we have understood the cost estimation basis and reviewed the market information to which the Group has made reference to (such as tender results available on bidding websites and supply agreements indicating the cost of certain goods or services required in the provision of maintenance services for a solar power plant) to derive the estimated amount of major items. Based on the above, the cost estimation by the Group is considered justifiable;
- (iv) we noted from the Budget that the annual Operation Cost can be well covered by the annual Service Fee and a profit margin of over 20% is expected to be generated by Shaanxi Baike, which is noted to be in line with the Group’s pricing policy as stated in the Letter from the Board. We noted from the circular of a listed company, namely, CGN New Energy Holdings Co., Ltd. (“**CGN**”), issued in November 2020 that it adopted a “cost-plus” method and charged a management fee representing a 5% profit margin (i.e. lower than the 20% profit margin under the Operation and Management Services Contract) from its connected party for its provision of operation and management services to solar energy power projects;

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- (v) we have also attempted to identify comparable information in public to see if there is any standard market unit fee rate or range of such services. We have identified ten tender results which were selected based on the criteria that the tender was related to the provision of operation and management services of photovoltaic power stations of any annual capacity in the PRC in recent years from bidding and photovoltaic power-related industry websites, such as Sunshine Procurement Service Platform (a trading platform of state-owned resources run by the PRC government authority), 國際太陽能光伏網, 電力能源招標網. Those tenders cover photovoltaic power stations located at various provinces in the PRC with an annual capacity ranging from approximately 100MW to 2,000MW and the annual service fee of them ranges from approximately RMB0.7 million to RMB6.5 million. We observed from those tender results that their unit fee rate vary. No standard market unit fee rate or range, or direct co-relation between unit fee rate and any specific factor (such as annual capacity of photovoltaic power station), can be identified. The unit fee rate among the aforesaid tender results ranged from approximately RMB0.003 to RMB0.05 per watt annually. We have further attempted to find companies (i) which are listed in Hong Kong and (ii) the business of which cover the provision of such operation and management services to photovoltaic power stations in the PRC to see if the unit fee rate charged by them for such services have been disclosed in their financial information released in public, and can be used for comparison to justify if the Unit Fee Rate is fair and reasonable. Five listed companies (including CGN) can be identified based on the aforesaid selection criteria. However, it is noted that only one of them, namely, GCL New Energy Holdings Limited (“GCL”), has disclosed information regarding annual capacity of photovoltaic power stations in the PRC to which it has provided relevant operation and management services and its revenue generated from such services. Based on the financial information published by GCL, it recorded a unit fee rate of approximately RMB0.022 per watt annually in 2024 in average. As stated in the Letter from the Board and further advised by the Company, the Group has made reference to the contracts entered into by its related company (the aforesaid tender results, GCL and the related company, together the “**Comparables**”), which is also a provider of similar operation and maintenance services for photovoltaic power stations in the PRC, with its other customers for assessing if the pricing and payment terms under the Operation and Maintenance Services Contract are no less favourable to the Group than those offered by other service provider. We have also reviewed the aforesaid contracts. We noted that, while the unit fee rate of the Comparables varied, the Unit Fee Rate falls within their range. Hence, we concur with the Directors’ view that the Unit Fee Rate is fair and reasonable.

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Payment terms

The monthly Service Fee shall be billed by Shaanxi Baike to Hebei Fengbei on the 25th day of every month, and shall be paid by Hebei Fengbei no later than 5 days after the beginning of next month.

Taking into account that (i) the Unit Fee Rate falls within the range of unit fee rate among the Comparables, including but not limited to those shown in recent tender results which can be found in public domain as mentioned above; (ii) the annual Service Fee shall be sufficient to cover the annual Operation Cost expected to be incurred by Shaanxi Baike in providing the Operation and Maintenance Services, and a profit is expected to be generated by Shaanxi Baike which is considered to be in the interest of the Company and the Shareholders as a whole given the Group's recent unsatisfactory financial performance, notwithstanding no public information regarding market range of profit margin can be found for comparison (except the 5% profit margin of CGN) to justify the fairness, reasonableness or favorableness with independent third parties, of the expected profit margin of around 20% under the Operation and Maintenance Services Contract; and (iii) the monthly Service Fee shall be settled monthly by Hebei Fengbei, we concur with the Directors' view that the Service Fee and payment terms under the Operation and Maintenance Services Contract are on normal commercial terms, no less favourable to the Group than those offered to Independent Third Party for the provision of the same types of services and thus are fair and reasonable.

(3) Annual Caps

The parties have agreed that the aggregate annual transaction amount (after tax) for the continuing connected transactions under the Operation and Maintenance Services Contract shall not exceed the following annual caps:

For the year ending 31 March	<i>RMB'000</i>
2026 (“ Nine-month Period in FY2026 ”)	4,800
2027 (“ FY2027 ”)	6,400
2028 (“ FY2028 ”)	6,400
From 1 April 2028 to 30 June 2028	1,600

As stated in the Letter from the Board, the above Annual Caps were determined based on the agreed service fee as set out in the Operation and Maintenance Services Contract after considering the Group's pricing policy, as stated in the paragraphs headed “(2) Principal terms of the Operation and Maintenance Services Contract – Service fee” above.

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The Group has not previously rendered the Operation and Maintenance Services to Hebei Fengbei prior to entering into the Operation and Maintenance Services Contract. As such, the Group has no record of historical transaction amount for the provision of the Operation and Maintenance Services to Hebei Fengbei.

We noted that the Annual Cap for each of FY2027 and FY2028 is the same as the annual Service Fee of RMB6.4 million receivable by the Group as stipulated in the Operation and Maintenance Services Contract. The Annual Cap for each of the Nine-month Period in FY2026 and the three months from April to June 2028 is proportionate to the aforesaid annual Service Fee.

Taking into account (i) the Annual Cap is the same as the annual Service Fee as stipulated in the Operation and Maintenance Services Contract; and (ii) the Annual Cap for each of the Nine-month Period in FY2026, FY2027, FY2028 and the 3-month period from April to June 2028 represents the annual or proportionate amount of the annual Service Fee respectively, we concur with the Directors' view that the determination bases and thus the Annual Caps are fair and reasonable so far as the Independent Shareholders are concerned.

(4) Internal control measures

As stated in the Letter from the Board, the Group has implemented internal control measures to monitor the pricing standards for the transactions under the Operation and Maintenance Services Contract to ensure that the terms are on normal commercial terms, and ensure that the Annual Caps for the transactions contemplated under the Operation and Maintenance Services Contract will not be exceeded. Those measures mainly include, among others, assessment on the fairness of the transaction terms and pricing terms to ensure they confirm with the Group's pricing policy and comparison of those terms with prevailing service fee range in the market and industry practice, recording of the actual transaction amount to access whether the Annual Caps will be exceeded, and relevant monitoring, reporting, approval and/or reviewing procedures conducted by the senior management of the Group, the Board, audit committee, independent non-executive Directors and/or auditors of the Company respectively.

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We have reviewed and noted from the aforesaid measures that the setting of terms (pricing and payment terms particularly) in the Operation and Maintenance Services Contract, the conducting of transactions under the contract and the Annual Caps are/shall be prepared, cross-checked, approved, executed, monitored and/or reviewed by different designated persons or departments of the Group, the Board, audit committee and/or auditors of the Company respectively. We have reviewed the set of documents showing implementation of the aforesaid measures by the Group prior to the entering into the Operation and Maintenance Services Contract as stated in the Letter from the Board, in particular, (i) written report prepared by the Group's project team to the Company Secretary setting out details of the proposed transaction, among others, transaction terms, price and cost estimation with supporting and Annual Caps, and (ii) document showing assessment and review of the proposed transaction terms by the chief financial officer and approval by the Director. Further, we have discussed and were confirmed by the Company that the Group will continue to strictly follow those measures in the future.

Taking into account the above, we concur with the Directors' view that there are adequate and effective measures in place to monitor the transactions contemplated under the Operation and Maintenance Services Contract are on normal commercial terms and in the interests of the Company and the Shareholders as a whole, and the Annual Caps will not be exceeded. As such, the Shareholders' interest shall be safeguarded.

RECOMMENDATION

Having considered the principal factors and reasons discussed above, we are of the view that the Operation and Maintenance Services Contract and the transactions contemplated thereunder are in the ordinary and usual course of business of the Group, on normal commercial terms or better, and together with the Annual Caps, are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend, and we recommend, the Independent Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM.

Yours faithfully,
For and on behalf of
Capital 9 Limited

Chan Man Yee
Director

Chan Man Yee is a licensed person and responsible officer of Capital 9 Limited registered with the Securities and Futures Commission to carry out Type 6 (advising on corporate finance) regulated activity under the SFO and has over 15 years of experience in the corporate finance industry.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM 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

2. DISCLOSURE OF INTERESTS OF DIRECTORS

(a) Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

As at the Latest Practicable Date, the interests and short positions held by the Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short position which they are taken or deemed to have taken under such provisions of the SFO), or which will be required to be entered into the register kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

Name of Shareholder	Capacity/Nature of interest	Number of shares held (Note 1)	Approximate percentage of the issued share capital of the Company (Note 2)
Huang Bo (Note 3 and 4)	Beneficial Owner	89,994,999 (L)	19.52%
Huang Yuanming (Note 3 and 5)	Beneficial Owner	38,717,302 (L)	8.40%
Zhang Jinhua (Executive Director) (Note 6)	Beneficial Owner	15,969,064 (L)	3.46%
Tse Man Kit Keith (Executive Director) (Note 7)	Beneficial Owner	15,658,533 (L)	3.40%

Notes:

- The Letter "L" represents long positions in the Shares or underlying Shares.

2. As at the Latest Practicable Date, the issued share capital of the Company was 460,976,684 ordinary shares of HK\$0.001 each.
3. Mr. Huang Yuanming is the son of Mr. Huang Bo, a substantial shareholder of the Company.
4. As at the Latest Practicable Date, among 89,994,999 Shares interested, 86,825,934 Shares were beneficially held by Mr. Huang Bo and Mr. Huang Bo was also granted an option to subscribe for 3,169,065 Shares under the Share Option Scheme.
5. As at the Latest Practicable Date, among 38,717,302 Shares interested, 35,548,238 Shares were beneficially held by Mr. Huang Yuanming and Mr. Huang Yuanming was also granted an option to subscribe for 3,169,064 Shares under the Share Option Scheme.
6. As at the Latest Practicable Date, among 15,969,064 Shares interested, 12,800,000 Shares were beneficially held by Ms. Zhang Jinhua and Ms. Zhang Jinhua was also granted an option to subscribe for 3,169,064 Shares under the Share Option Scheme.
7. As at the Latest Practicable Date, among 15,658,533 Shares interested, 12,489,469 Shares were beneficially held by Mr. Tse Man Kit Keith and Mr. Tse Man Kit Keith was also granted an option to subscribe for 3,169,064 Shares under the Share Option Scheme.

Saved as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executive of the Company and their respective associates had any interests and short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

(b) Substantial Shareholders' and Other Persons' Interests and Short Positions in the Shares and Underlying Shares

So far as was known to the Directors and the chief executive of the Company, as at the Latest Practicable Date, persons other than a Director or chief executive of the Company who had interests or short positions in the Shares and underlying Shares which were required to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or required to be recorded in the register of substantial shareholders maintained by the Company pursuant to section 336 of the SFO, or were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company, were as follows:

Name of Shareholder	Capacity/Nature of interest	Number of shares held (Note 1)	Approximate percentage of the issued share capital of the Company (Note 2)
Li Xiao Yan* (李曉豔)	Beneficial Owner	59,094,406 (L)	12.82%
Hou Hsiao Bing	Beneficial Owner	26,228,000 (L)	5.69%

* for identification purpose only

Notes:

- The Letter "L" represents long positions in the Shares or underlying Shares.
- As at the Latest Practicable Date, the issued share capital of the Company was 460,976,684 ordinary shares of HK\$0.001 each.

Save as disclosed above, so far as was known to the Directors or the chief executive of the Company, as at the Latest Practicable Date, no persons other than a Director or chief executive of the Company had any interests or short positions in the Shares or underlying Shares which were required to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or required to be recorded in the register of substantial shareholders maintained by the Company pursuant to section 336 of the SFO, or were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company.

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which would not expire or would not be determinable by such member of the Group within one year without payment of compensation (other than statutory compensation).

4. COMPETING INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

To the best knowledge of the Directors, as at the Latest Practicable Date, save as disclosed below, none of the Directors nor their respective close associates was interested in any business (apart from the Group's business) which competes or is likely to compete, either directly or indirectly, with the Group's businesses pursuant to the GEM Listing Rules or have or may have any other conflict of interest with the Group pursuant to the GEM Listing Rules. The Company did not have a controlling shareholder (as defined in the GEM Listing Rules) as at the Latest Practicable Date.

Name	Entity whose business is considered to compete or likely to compete with the business of the Group	Description of business of the entity which is considered to compete or likely to compete with the business of the Group	Nature of interest of the Director in the entity
Huang Yuanming	河北漢能售電有限公司 (Hebei Hanneng Power Sales Co., Ltd.*)	A company primarily engaging in the construction and operation of solar power plants, power engineering design and construction, power equipment maintenance, and sales, installation and leasing of power equipment	Shareholder
Zhang Jinhua	河北漢能售電有限公司 (Hebei Hanneng Power Sales Co., Ltd.*)	A company primarily engaging in the construction and operation of solar power plants, power engineering design and construction, power equipment maintenance, and sales, installation and leasing of power equipment	Shareholder

5. DIRECTORS' INTERESTS IN ASSETS

As at the Latest Practicable Date, none of the Directors has or had any interest, either directly or indirectly, in any assets which have since 31 March 2025 (being the date to which the latest published audited consolidated financial statements of the Group were made up), been acquired or disposed of by or leased to, any member of the Group or are proposed to be acquired or disposed of by, or leased to, any member of the Group.

6. DIRECTORS' INTERESTS IN CONTRACTS OR ARRANGEMENTS OF SIGNIFICANCE

As at the Latest Practicable Date, so far as the Directors are aware, none of the Directors was materially interested, directly or indirectly, in any contract or arrangement entered into with any member of the Group subsisting as at the Latest Practicable Date and which is significant in relation to the business of the Group taken as a whole.

7. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 March 2025 (being the date to which the latest published audited consolidated financial statements of the Group were made up).

8. LITIGATION

As at the Latest Practicable Date, so far as the Directors are aware, (i) there is no winding up petition presented against the Company, (ii) no member of the Group is engaged in any litigation or arbitration of material importance, and (iii) there is no litigation of material importance known to the Directors to be pending against any member of the Group.

9. EXPERT'S QUALIFICATION AND CONSENT

The following are the name and the qualification of the professional adviser who has given opinion or advice contained or referred to in this circular:

Name	Qualification
Capital 9 Limited	A licensed corporation to carry on Type 6 (advising on corporate finance) regulated activities under the SFO

As at the Latest Practicable Date, Capital 9 Limited did not have (i) any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; (ii) any direct or indirect interest in any assets which had, since 31 March 2025 (being the date to which the latest published audited consolidated financial statements of the Group were made up), been acquired or disposed of by, or leased to any member of the Group, or are proposed to be acquired or disposed of by, or leased to any member of the Group; (iii) beneficially been interested in the share capital of any member of the Group and had no right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group. Capital 9 Limited has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter and/or references to its name in the form and context in which it appears.

10. DOCUMENTS ON DISPLAY

Electronic copies of the following documents will be published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.chinatechindgroup.com>) from the date of this circular up to and including the date of the EGM:

- (i) the Operation and Maintenance Services Contract;
- (ii) the letter from the Independent Board Committee to the Independent Shareholders, the text of which is set out in the section headed “Letter from the Independent Board Committee” in this circular;
- (iii) the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, the text of which is set out in the section headed “Letter from the Independent Financial Adviser” in this circular;
- (iv) the letter of consent referred in the paragraph headed “Expert’s Qualification and Consent” in this appendix; and
- (v) this circular.

11. GENERAL

- (i) The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.
- (ii) The head office and principal place of business of the Company in Hong Kong is at Suite 704, 7th Floor, Ocean Centre, Harbour City, Kowloon, Hong Kong.

- (iii) The company secretary is Ms. Chu Hoi Ying who is the chief financial officer, the qualified accountant, company secretary and one of the authorised representatives of the Company. Ms. Chu received a Bachelor of Business Administration from Lingnan University in 2004. Ms. Chu has been serving as a senior financial manager of the Company since September 2019. Prior to joining the Company, Ms. Chu also served financial management and accounting roles at Shunfeng International Clean Energy Limited (stock code: 1165), and served as an auditor at Grant Thornton and Horwath Hong Kong CPA Limited. She is a member of the Hong Kong Institute of Certified Public Accountants. As at the Latest Practicable Date, Ms. Chu is interested in 1,000,003 Shares of the Company, representing approximately 0.22% of the issued share capital of the Company. Ms. Chu joined the Group in September 2019.
- (iv) The branch share registrar and transfer office of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (v) The compliance officer of the Company is Ms. Hu Xin, an executive Director of the Company.
- (vi) In the event of inconsistency, the English text of this circular shall prevail over the Chinese text.

NOTICE OF EXTRAORDINARY GENERAL MEETING



中国科技产业集团有限公司 CHINA TECHNOLOGY INDUSTRY GROUP LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8111)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (“EGM”) of the shareholders of China Technology Industry Group Limited (the “**Company**”) will be held at 11:00 a.m. on Friday, 31 October 2025 at Room 2603, Huixin Apartment, No. 8 Beichen East Road, Chaoyang District, Beijing, the PRC to consider and, if thought fit, pass with or without amendments, the following resolution as ordinary resolution of the Company:

ORDINARY RESOLUTION

“THAT

- (a) the Operation and Maintenance Services Contract (as defined in the circular of the Company dated 10 October 2025 (the “**Circular**”)) dated 25 June 2025 entered into between 陝西百科新能源科技發展有限公司 (Shaanxi Baike New Energy Technology Development Co., Ltd.*) and 河北豐北新能源有限公司 (Hebei Fengbei New Energy Co., Ltd.*), a copy of which has been produced at the EGM marked “A” and signed by the chairman of the EGM for the purpose of identification, and the execution thereof and implementation of the continuing connected transactions contemplated thereunder, as well as the annual caps in relation to such transactions contemplated thereunder, be and are hereby approved, confirmed and ratified; and

* For identification purpose only

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (b) the directors of the Company are authorised to do all such acts and/or things and/or execute all such documents incidental to, ancillary to or in connection with matters contemplated in or relating to the Operation and Maintenance Services Contract, the continuing connected transactions contemplated thereunder and the annual caps as they may in their absolute discretion consider necessary, desirable or expedient to give effect to the Operation and Maintenance Services Contract, the implementation of the continuing connected transactions contemplated thereby and thereunder and the annual caps and to agree to such variation, amendment or waiver as are, in the opinion of the directors of the Company, in the interest of the Company.”

By Order of the Board
China Technology Industry Group Limited
Huang Bo
Chairman

Hong Kong, 10 October 2025

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

*Head office and Principal place of
business in Hong Kong:*

Suite 704, 7th Floor
Ocean Centre, Harbour City
Kowloon, Hong Kong

Notes:

1. Any shareholder entitled to attend and vote at the EGM shall be entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A proxy need not be a shareholder of the Company. A shareholder who is the holder of two or more Shares may appoint more than one proxy to attend and vote on the same occasion.
2. A form of proxy for use at the EGM is enclosed. In order to be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time fixed for holding the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude members from attending and voting at the EGM or any adjournment thereof (as the case may be) should they so wish and in such event, the form of proxy shall be deemed to be revoked.
3. A form of proxy must be signed by you or your attorney duly authorized in writing or, in the case of a corporation, must be either executed under seal or under the hand of an officer or attorney duly authorised to sign the same.

NOTICE OF EXTRAORDINARY GENERAL MEETING

4. Where there are joint holders of any Share(s), any one of such persons may attend and vote at the EGM, either in person or by proxy in respect of such Share(s) as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the EGM or any adjournment thereof (as the case may be), the more senior shall alone be entitled to vote, whether in person or by proxy. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
5. On a poll, every shareholder present at the EGM shall be entitled to one vote for every fully paid-up share of which he is the holder. The result of such poll shall be deemed to be the resolution of the EGM at which the poll was so required or demanded.
6. The register of members of the Company will be closed from Monday, 27 October 2025 to Friday, 31 October 2025, both days inclusive, during which period no transfer of shares will be registered. In order to determine the identity of the shareholders who are entitled to attend and vote at the EGM, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Friday, 24 October 2025.