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

If you have sold or transferred all your shares in Xiamen Jihong Co., Ltd, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer, or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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XIAMEN JIHONG CO., LTD **廈門吉宏科技股份有限公司**

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

(Stock Code: 2603)

- (1) PROPOSED PROFIT DISTRIBUTION FOR THE FIRST HALF OF 2025;**
**(2) PROPOSED ADJUSTMENT TO THE ESTIMATED GUARANTEE AMOUNT
PROVIDED TO SUBSIDIARIES;**
**(3) PROPOSED ADJUSTMENT TO THE LIMIT FOR WEALTH MANAGEMENT
PRODUCTS USING INTERNAL IDLE FUNDS;**
AND
(4) NOTICE OF 2025 SECOND EXTRAORDINARY GENERAL MEETING

The 2025 Second EGM will be held at 38th Floor, Yuzhou Plaza, No. 55, Hubin South Road, Siming District, Xiamen, the PRC at 2:30 p.m. on Monday, September 8, 2025. Notice convening the 2025 Second EGM is set out on pages EGM-1 to EGM-2 of this circular. Proxy form for the 2025 Second EGM is enclosed in this circular and published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (<https://www.jihong.cn>). Shareholders who are eligible to attend and intend to appoint a proxy to attend the 2025 Second EGM shall complete and return the accompanying proxy form in accordance with the instructions printed thereon to the H 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 but in any event not later than 24 hours before the time fixed for holding the 2025 Second EGM or any adjournment thereof (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting in person at the 2025 Second EGM or any adjourned meeting in person should you so desire. A letter from the Board is set out on pages 3 to 5 of this circular.

August 25, 2025

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DEFINITIONS

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

“2025 Interim Dividend”	the proposed distribution of an interim dividend for the six months ended June 30, 2025, of RMB0.18 per Share (tax inclusive) as described in the unaudited interim results announcement of the Company dated August 21, 2025;
“2025 Second EGM”	the 2025 second extraordinary general meeting of the Company to be held at 38th Floor, Yuzhou Plaza, No. 55, Hubin South Road, Siming District, Xiamen, the PRC at 2:30 p.m. on Monday, September 8, 2025;
“A Share(s)”	the ordinary share(s) with a par value of RMB1.00 each in the share capital of the Company which are listed on the Shenzhen Stock Exchange, and are subscribed for and traded in RMB;
“Articles of Association”	the articles of association of the Company, as amended from time to time;
“Board”	the board of Directors of the Company;
“Company”	Xiamen Jihong Co., Ltd (廈門吉宏科技股份有限公司), a joint-stock company with limited liability incorporated in the PRC, the shares of which are listed on the Shenzhen Stock Exchange and the Main Board of the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“H Share(s)”	overseas listed foreign share(s) with a par value of RMB1.00 each in the share capital of the Company which are listed on the Stock Exchange and are subscribed for and traded in Hong Kong dollars;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Main Board”	the Main Board of the Stock Exchange;
“PRC”	the People’s Republic of China;
“RMB”	Renminbi, the lawful currency of the PRC;

DEFINITIONS

“Shareholder(s)”	the shareholder(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Unaudited Interim Results Announcement”	the unaudited interim results announcement for the period ended June 30, 2025 dated August 21, 2025 published by the Company.

LETTER FROM THE BOARD



XIAMEN JIHONG CO., LTD 廈門吉宏科技股份有限公司

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

(Stock Code: 2603)

Executive Directors:

WANG Yapeng (*Chairman*)
ZHUANG Hao (*General Manager*)
ZHANG Heping (*Vice Chairman and
Deputy General Manager*)
ZHUANG Shu (*Deputy General Manager*)
LU Tashan (*Joint Company Secretary*)

Registered Office:

No. 9 Putou Road
Dongfu Industry Park II
Haicang District
Xiamen
Fujian Province
PRC

Non-Executive Director:

LIAO Shengxing

Principal place of business in Hong Kong:

Office 5, 15/F
Bank of East Asia
Harbour View Centre
No. 56 Gloucester Road
Hong Kong

Independent Non-Executive Directors:

ZHANG Guoqing
YANG Chenhui
Alfred SIT Wing Hang
HAN Jianshu
NG Weng Sin

August 25, 2025

To the Shareholder

Dear Sir or Madam,

- (1) PROPOSED PROFIT DISTRIBUTION FOR THE FIRST HALF OF 2025;
(2) PROPOSED ADJUSTMENT TO THE ESTIMATED GUARANTEE AMOUNT
PROVIDED TO SUBSIDIARIES;
(3) PROPOSED ADJUSTMENT TO THE LIMIT FOR WEALTH MANAGEMENT
PRODUCTS USING INTERNAL IDLE FUNDS;
AND
(4) NOTICE OF 2025 SECOND EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with detailed information regarding the notice of the 2025 Second EGM and the relevant resolutions to be proposed at the 2025 Second EGM, so as to enable you to make an informed decision on whether to vote for or against the resolutions at the 2025 Second EGM. For the details of the resolutions to be proposed at the 2025 Second EGM, please refer to the notice of the 2025 Second EGM enclosed with this circular.

LETTER FROM THE BOARD

2. BUSINESS TO BE TRANSACTED AT THE 2025 SECOND EGM

The business to be transacted at the 2025 Second EGM is set out in detail in the notice convening the 2025 Second EGM, which is set out on pages EGM-1 to EGM-2 of this circular.

The resolutions to be proposed at the 2025 Second EGM include passing by way of ordinary resolution: (1) proposal for profit distribution for the first half of 2025; (2) proposal for adjustment to the estimated guarantee amount provided to subsidiaries; and (3) proposal for the adjustment to the limit for wealth management products using internal idle funds.

Details of the above resolutions are set out in Appendix I to this circular.

3. THE 2025 SECOND EGM

The 2025 Second EGM will be held at 38th Floor, Yuzhou Plaza, No. 55, Hubin South Road, Siming District, Xiamen, the PRC at 2:30 p.m. on Monday, September 8, 2025. Notice convening the 2025 Second EGM is set out on pages EGM-1 to EGM-2 of this circular.

Proxy form for the 2025 Second EGM is enclosed in this circular and published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (<https://www.jihong.cn>). Shareholders who are eligible to attend and intend to appoint a proxy to attend the 2025 Second EGM shall complete and return the proxy form in accordance with the instructions printed thereon to the H 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 but in any event not later than 24 hours before the time fixed for holding the 2025 Second EGM or any adjournment thereof (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting at the 2025 Second EGM or any adjourned meeting in person should you so desire.

To determine the eligibility of the holders of H Shares to attend and vote at the 2025 Second EGM, the register of the holders of H Shares of the Company will be closed from Thursday, September 4, 2025 to Monday, September 8, 2025 (both days inclusive). During this period, no transfer of H Shares will be registered. Any holder of the H Shares, whose name appears on the Company's register of members on Monday, September 8, 2025, is entitled to attend and vote at the 2025 Second EGM. In order for the holders of H Shares to be qualified to attend and vote at the 2025 Second EGM, all transfer documents accompanied by the relevant H Share certificates must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, September 3, 2025. For the notice of the 2025 Second EGM applicable to holders of A Shares and the relevant form of proxy, please refer to the announcement of the Company dated August 21, 2025 published on the Shenzhen Stock Exchange.

LETTER FROM THE BOARD

6. VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at the shareholders' general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Poll results will be announced and published by the Company in accordance with Rule 13.39(5) and 13.39(5A) of the Listing Rules after the conclusion of the 2025 Second EGM. To the best of knowledge, information and belief of the Directors, no Shareholder was required to abstain from voting at the 2025 Second EGM under the Listing Rules.

7. RECOMMENDATIONS

The Board believes that the resolutions set out in the notice of the 2025 Second EGM are in the interests of the Company and its Shareholders as a whole. Accordingly, the Board recommends all Shareholders to vote in favour of the relevant resolutions to be proposed as set out in the notice of the 2025 Second EGM.

8. RESPONSIBILITY STATEMENT

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

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

Yours faithfully,
For and on behalf of the Board
Xiamen Jihong Co., Ltd
ZHUANG Hao
Executive Director and General Manager

1. PROFIT DISTRIBUTION FOR THE FIRST HALF OF 2025

An ordinary resolution will be proposed at the 2025 Second EGM to consider and approve the profit distribution plan of the Company for the first half of 2025, details of which are as follows:

According to the Company's unaudited financial results for the first half of 2025, the Company's total distributable profit from January 2025 to June 2025 was RMB232,626,943.40. The Company proposed, based on the Company's distributable share capital of 442,602,888 Shares (being the Company's total share capital of 452,679,288 shares excluding 10,076,400 shares held in the dedicated repurchase account) in issue as of August 21, 2025 (the date on which the Unaudited Interim Results Announcement was published), that a cash dividend of RMB0.18 per Share (tax inclusive) will be distributed to all Shareholders, amounting to a total cash dividend distribution of RMB79,668,519.84, whereas no bonus shares will be distributed, and no conversion of capital reserve into share capital will be made. If there is any change in the total share capital, such as exercise of equity incentives, conversion of convertible bonds, or share repurchases, between the Unaudited Interim Results Announcement and implementation of the profit distribution plan, the total distribution amount will be adjusted in accordance with the principle that the existing distribution ratio remains unchanged.

The aforesaid cash dividend is denominated and announced in RMB, and will be paid to A Shareholders in RMB, and paid to H Shareholders in Hong Kong dollars. The actual amount distributed in Hong Kong dollars shall be calculated based on the exchange rate of RMB against Hong Kong dollars published by the People's Bank of China on the day of the 2025 Second EGM.

The proposal has been considered and approved at the 30th meeting of the fifth session of the Board. If this proposal is approved at the 2025 Second EGM, the above profit distribution plan shall be implemented within two months from the date of the 2025 Second EGM, and the Company will separately announce the arrangements in relation to the distribution of 2025 Interim Dividend, including the record date for dividend distribution and the period for closure of register of members.

Tax Relief and Exemption of Dividend Income of Holders of Listed Securities***A Shareholders******(1) Individual Investors and Securities Investment Funds***

Pursuant to the provisions of the Notice on Issues Concerning the Implementation of Differentiated Individual Income Tax Policies on Dividends and Bonuses of Listed Companies (Cai Shui [2012] No. 85) (《關於實施上市公司股息紅利差別化個人所得稅政策有關問題的通知》(財稅[2012]85號)) and the Notice on Issues Concerning the Differentiated Individual Income Tax Policies on Dividends and Bonuses of Listed Companies (Cai Shui [2015] No. 101) (《關於上市公司股息紅利差別化個人所得稅政策有關問題的通知》(財稅[2015]101號)) issued by the Ministry of Finance (財政部), the State Administration of Taxation (國家稅務總局) and the China Securities Regulatory Commission (中國證監會), for dividends and bonuses received by investors from listed companies, from the date when the investors obtain the shares of the companies to the record date, if the holding period exceeds one year, the individual income tax shall be temporarily exempted. If the holding period does not exceed one year (including one year), the listed companies shall not withhold and pay the individual income tax for the time being, and shall make the following adjustments when the investors transfer the shares in accordance with the requirements of the above notices: if the holding period is within 1 month (inclusive), the full amount of the dividends and bonuses shall be included in the taxable income and the actual tax liabilities shall be 20%; if the holding period is more than 1 month but less than 1 year (inclusive), 50% of the dividends and bonuses shall be included in the taxable income and the actual tax liabilities shall be 10%.

(2) Qualified Foreign Institutional Investors (QFII) Shareholders

For Qualified Foreign Institutional Investors (QFII), according to the Notice of the State Administration of Taxation on the Issues Concerning Withholding and Payment of Enterprise Income Tax on the Dividends, Bonuses and Interests Paid by Chinese Resident Enterprises to QFII (Guo Shui Han [2009] No. 47) (《國家稅務總局關於中國居民企業向 QFII 支付股息、紅利、利息代扣代繳企業所得稅有關問題的通知》(國稅函[2009]47號)), listed companies shall withhold and pay enterprise income tax at a rate of 10%. QFII shareholders who wish to enjoy tax benefits under tax treaties (arrangements) for the dividend or bonus income received may apply to the competent tax authorities for tax rebates in accordance with the relevant regulations after receiving such dividends or bonuses.

(3) *Shenzhen Connect Investors*

According to the Notice of the Ministry of Finance, the State Administration of Taxation and the China Securities Regulatory Commission on the Tax Policies Related to the Pilot Programme of the Shenzhen-Hong Kong Stock Connect (Cai Shui [2016]No. 127) (《財政部國家稅務總局證監會關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)), for dividend and bonus income received by investors (including enterprises and individuals) in the Hong Kong market from investing in A shares listed on the Shenzhen Stock Exchange, before Hong Kong Securities Clearing Company Limited is able to provide the identity, holding period and other detailed information of the investors to China Securities Depository and Clearing Corporation Limited, the differentiated tax policies based on the holding period of shares shall not be implemented for the time being. Listed companies shall withhold income tax at the rate of 10% and make withholding declaration to their competent tax authorities. For Hong Kong investors who are tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend and bonus tax rate of lower than 10%, such enterprises and individuals may apply to the competent tax authorities of the Company for the entitlement of the rate under such tax treaty. Upon approval by the competent tax authorities, the paid amount in excess of the tax payable based on the tax rate according to such tax treaty shall be refunded.

(4) *Other Institutional Investors and Corporate Shareholders*

The Company shall not withhold the enterprise income tax, and the taxpayer shall make its own judgment as to whether it should pay the local enterprise income tax in accordance with the provisions of the tax law.

H Shareholders

(1) *Individual Investors*

Pursuant to the Notice of the State Administration of Taxation on Issues Concerning Individual Income Tax Collection and Management after the Repeal of Guo Shui Fa [1993] No. 045 (Guo Shui Han [2011] No. 348) (《國家稅務總局關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》(國稅函[2011]348號)), dividend and bonus income received by overseas resident individual shareholders from the issuance of shares in Hong Kong by domestic non-foreign invested enterprises shall be subject to the payment of individual income tax according to the item of “interest, dividend and bonus income”, which shall be withheld by the withholding agents according to the law. The overseas resident individual shareholders who hold the shares issued by domestic non-foreign invested enterprises in Hong Kong are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax treaties signed between the countries where they reside and the PRC and the tax arrangements between the Mainland China and Hong Kong (Macau SAR). The relevant dividend tax rate under the relevant tax treaties and tax arrangements is generally 10%. For the purpose of simplifying tax administration, domestic non-foreign invested enterprises issuing shares in Hong Kong may, when distributing dividends and bonuses, generally withhold individual income tax at the rate of 10%, and are not obligated to file an application. If the tax rate for dividends is not equal to 10%, the following provisions shall apply: (1) for residents from countries under treaties to be entitled to tax rates lower than 10%, in accordance with the Administrative Measures for Non-resident Taxpayers to Enjoy Treatments under Tax Treaties (Announcement of the State Administration of Taxation [2019] No. 35)

(《非居民納稅人享受協定待遇管理辦法》(國家稅務總局公告2019年第35號)), if the individual H shareholders are residents from countries which have entered into a tax treaty with the PRC stipulating a dividend tax rate lower than 10%, such individual H shareholders shall voluntarily submit statements to the companies in order to enjoy the agreed treatment, and keep relevant materials for inspection. If the information provided is complete, the companies shall withhold the tax in accordance with the provisions of the PRC tax laws and treaties; (2) for residents of countries which have entered into tax treaties with the PRC stipulating a tax rate of more than 10% but less than 20%, the withholding agents shall withhold the individual income tax at the agreed effective tax rate when distributing dividends and bonuses, and are not obligated to file an application for approval; (3) for residents of countries without tax treaties or under other circumstances, the withholding agents shall withhold the individual income tax at a rate of 20% when distributing dividends and bonuses.

Pursuant to the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (Guo Shui Han [2006] No. 884) (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》(國稅函[2006]884號)) signed on August 21, 2006, the PRC government may impose tax on dividends payable by a PRC company to a Hong Kong resident, but such tax shall not exceed 10% of the gross amount of dividends payable, and in the case where a Hong Kong resident holds at least 25% of the equity interests in the PRC company, such tax shall not exceed 5% of the gross amount of dividends payable by the PRC company.

Pursuant to the Notice of the Ministry of Finance, the State Administration of Taxation and the China Securities Regulatory Commission on the Tax Policies Related to the Pilot Programme of the Shanghai-Hong Kong Stock Connect (Cai Shui [2014] No. 81) (《財政部國家稅務總局證監會關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)) and the Notice on the Tax Policies Related to the Pilot Programme of the Shenzhen-Hong Kong Stock Connect (Cai Shui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)), for dividends and bonuses received by domestic individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect, the H-share companies shall withhold individual income tax at the rate of 20%.

(2) Enterprises

Pursuant to the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) and the Implementation Rules of the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法實施條例》) which came into effect on January 1, 2008, a non-resident enterprise is subject to a 10% enterprise income tax on PRC-sourced income, if it does not have an establishment or place of business in the PRC, or has an establishment or place of business but the dividends and bonuses received have no actual connection with such establishment or place of business. Such withholding tax may be reduced or exempted pursuant to an applicable double taxation avoidance treaty. Any H Shares registered in the name of non-individual shareholders, including HKSCC Nominees Limited, other nominees or trustees, other organizations or groups, shall be deemed as Shares held by non-resident enterprise Shareholders. The Company will distribute the 2025 Interim Dividend to such non-individual Shareholders after withholding enterprise income tax at the rate of 10%.

Pursuant to the Notice of the State Administration of Taxation on the Issues Concerning Withholding and Paying the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to H Shareholders Which Are Overseas Non-resident Enterprises (Guo Shui Han [2008] No. 897) (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號)), a PRC resident enterprise, when distributing dividends for 2008 and for the years thereafter to H shareholders who are overseas non-resident enterprises, shall withhold and pay enterprise income tax at a uniform rate of 10%.

For dividends and bonuses received by domestic securities investment funds from investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect, individual income tax shall be levied in accordance with the Notice of the Ministry of Finance, the State Administration of Taxation and the China Securities Regulatory Commission on the Tax Policies Related to the Pilot Programme of the Shanghai-Hong Kong Stock Connect (Cai Shui [2014] No. 81) and the Notice on the Tax Policies Related to the Pilot Programme of the Shenzhen-Hong Kong Stock Connect (Cai Shui [2016] No. 127). For dividend and bonus income received by domestic enterprise investors from investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect, the H-share companies shall not withhold income tax on dividends and bonuses, and the enterprises shall report and pay the income tax themselves.

For the non-resident enterprise Shareholders, pursuant to the provisions of the Enterprise Income Tax Law of the People's Republic of China amended in 2018 and the Implementation Rules of the Enterprise Income Tax Law of the People's Republic of China amended in 2025 (hereinafter collectively referred to as the "Enterprise Income Tax Law" (《企業所得稅法》)) and other relevant laws and regulations, from January 1, 2008, where a PRC domestic enterprise distributes dividends to non-resident enterprise shareholders (i.e. legal person shareholders) for accounting periods beginning on January 1, 2008, the enterprise income tax shall be withheld and paid by the payer as the withholding agent. Therefore, the Company is required to withhold and pay 10% enterprise income tax when it distributes the 2025 Interim Dividend to non-resident enterprise holders of H Shares whose names appear on the register of members of the Company on the record date. In respect of all H Shareholders whose names appear on the H Share register of members as at the record date who are not registered as individuals (including HKSCC Nominees Limited, other corporate nominees or trustees, and other entities or organisations, which are all considered as non-resident enterprise shareholders), the Company shall distribute the 2025 Interim Dividend after deducting 10% income tax.

Shareholders shall pay relevant taxes and/or enjoy tax relief in accordance with the above provisions. Shareholders are recommended to consult their tax advisors regarding the tax impacts for holding and disposal of H Shares.

The Company's profit distribution plan for the first half of 2025 complies with the relevant provisions of the company law of the PRC, the Notice on Further Implementing Matters Concerning Cash Dividends by Listed Companies (《關於進一步落實上市公司現金分紅有關事項的通知》), the Listed Companies Regulatory Guidance No. 3 – Cash Dividends Distribution of Listed Companies (《上市公司監管指引第3號—上市公司現金分紅》), the Self-regulatory Guidelines for the Companies Listed on the Shenzhen Stock Exchange No. 1: Standardized Operation of the Companies Listed on the Main Board (《深圳證券交易所上市公司自律監管指引第1號——主板上市公司規範運作》), and the Articles of Association. It is aligned with the Company's business operations, sustainable profitability and future development plans. On the basis of ensuring the Company's normal operations and sustainable development, it provides appropriate returns to the Shareholders, fully considers the interests and reasonable demands of the Shareholders, and is conducive to the Company's continued stability and long-term development. The plan is consistent with the interests of the Company and all Shareholders and is both reasonable and lawful.

2. ADJUSTMENT TO THE ESTIMATED GUARANTEE AMOUNT PROVIDED TO SUBSIDIARIES

An ordinary resolution will be proposed at the 2025 Second EGM to consider and approve the adjustment to estimated guarantee amount provided to certain subsidiaries (collectively, the “**Guaranteed Parties**”), details of which are set forth as below:

The Guaranteed Parties are controlled subsidiaries of the Company, namely, Langfang Jihong Packaging Co., Ltd.* (廊坊市吉宏包裝有限公司) (“**Langfang Jihong**”), Anhui Jihong EP Paper Products Co., Ltd.* (安徽吉宏環保紙品有限公司) (“**Anhui Jihong**”), VStar Packaging (China) Limited* (孝感市吉聯食品包裝有限公司) (“**VStar Packaging**”), Xiamen Jihong Packaging Industry Co., Limited* (廈門吉宏包裝工業有限公司) (“**Jihong Industry**”), Ningxia Jihong Environmental Protection Packaging Technology Co., Ltd.* (寧夏吉宏環保包裝科技有限公司) (“**Ningxia Jihong**”), Huanggang Jihong Packaging Limited* (黃岡市吉宏包裝有限公司) (“**Huanggang Jihong**”), Luanzhou Jihong Packaging Limited* (瀘州吉宏包裝有限公司) (“**Luanzhou Jihong**”), Jinan Jihong Packaging Limited* (濟南吉聯包裝有限公司) (“**Jinan Jilian**”), Shaanxi Jihong Packaging Limited* (陝西吉宏包裝有限公司) (“**Shaanxi Jihong**”) and Giikin (Xi'an) Digital Technology Co., Limited* (吉客印(西安)數字科技有限公司) (“**Xi'an Giikin**”). A new performance guarantee amount of RMB250 million is expected to be provided by the Company to the Guaranteed Parties. This performance guarantee amount does not include guarantees previously approved and still valid.

All of the Company's external guarantees are guarantees conducted between the parent and its subsidiaries within the scope of consolidated statements, and there are no other external guarantees. The total amount of guarantees within the scope of consolidated statements for 2025 is expected to exceed 100% of the latest audited net assets. The liabilities-to-assets ratio of Shaanxi Jihong, the newly added guaranteed subsidiary, exceeds 70%. Investors are advised to pay full attention to the risks associated with the guarantees.

I. Overview of the Guarantee**(I) Basic Information on the Previous Estimated Guarantee Amount**

At the 26th meeting of the fifth session of the Board on April 1, 2025, and the 2024 annual general meeting of the Company on April 25, 2025, the Board considered and approved the *Proposal on the Estimated Guarantee Amount Provided for Financing and Performance by Subsidiaries in 2025*, agreeing that the Company would, at the request of suppliers, provide guarantees for the performance of obligations under the raw material procurement contracts by its subsidiaries, namely Jiangxi Jihong Supply Chain Management Co., Ltd, Hohhot Jihong Printing Packaging Co., Ltd., and Hainan Jihong Technology Co., Ltd., with the guarantee limit not exceeding RMB400 million. The specific guarantee amount, guarantee method, and guarantee period shall be subject to the finalized contract signed by all parties.

For details, please refer to the “*Announcement on the Estimated Guarantee Amount Provided for Financing and Performance by Controlled Subsidiaries in 2025*” (Announcement No.: 2025-014), which was disclosed on April 2, 2025 by the Company in Securities Times, Securities Daily, China Securities Journal, Shanghai Securities News, and on the CNINFO (www.cninfo.com.cn).

(II) Basic Information on the New Estimated Guarantee Amount

1. To meet the needs of business development and day-to-day operations, the Company intends to provide additional estimated guarantee amount of RMB250 million for the performance obligations of the Guaranteed Parties. Following the increase in guarantee amount for the performance obligations, the Company’s total estimated guarantee amount for the performance obligations of the Guaranteed Parties in 2025 will increase from RMB400 million to RMB 650 million.

The above-mentioned subsidiaries will determine the suppliers, quantities, and amounts of raw materials/products purchased based on, among others, actual production and operation demands, and quotations from suppliers. If suppliers require the Company to provide guarantees for the performance of obligations under the purchase contracts by the the Guaranteed Parties, the Company proposes to provide joint and several liability guarantees within the aforementioned limits. The specific guarantee amount, guarantee method, and guarantee term shall be subject to the finalized contracts signed by all parties.

2. The authorization period for the performance guarantees shall be from the date of approval at the 2025 Second EGM to the date of the 2025 annual general meeting of the Company. During the authorization period, the guarantee amount for the performance obligations may be utilized on a revolving basis, without the need for additional approval from the Board or a general meeting. The management of the Company is authorized to handle all matters related to the performance guarantees, including but not limited to reviewing the purchase of raw materials/products of the Company and the Guaranteed Parties and making adjustments to the allocation as needed, as well as signing all legal documents such as performance and guarantee agreements.

II. New Estimated Guarantee Amount for the Performance Obligations

Guarantor	Guaranteed party	Shareholding percentage held by the Guarantor in the guaranteed party	Latest gearing ratio of the guaranteed party	Guarantee balance as at the date herein (RMB0'000)	Additional guarantee amount (RMB0'000)	The percentage of the guarantee amount accounting for the latest net assets of the Company (Subject to rounding adjustments)	Whether related guarantees are provided
Xiamen Jihong Co., Ltd	Langfang Jihong	100%	56.53%	0	6,000	2.25%	No
	Anhui Jihong	100%	27.09%	0	3,000	1.13%	No
	VStar Packaging	100%	67.46%	0	3,000	1.13%	No
	Jihong Industry	100%	68.79%	0	3,000	1.13%	No
	Ningxia Jihong	100%	15.59%	0	2,000	0.75%	No
	Huanggang Jihong	100%	57.02%	0	2,000	0.75%	No
	Luanzhou Jihong	60% <i>Note</i>	7.01%	0	2,000	0.75%	No
	Jinan Jilian	100%	57.89%	0	2,000	0.75%	No
	Shaanxi Jihong	100%	72.40%	0	1,000	0.38%	No
	Xi'an Giikin	100%	3.87%	0	1,000	0.38%	No
Total				0	25,000	9.38%	-

Note:

The remaining 40% is held by an independent third party.

III. Basic Information on the Guaranteed Parties**(1) *Langfang Jihong Packaging Limited** (廊坊市吉宏包装有限公司)**

1. Company name: Langfang Jihong Packaging Limited* (廊坊市吉宏包装有限公司)
2. Date of establishment: January 8, 2013
3. Place of registration: No. 68 Hongye Road, Guangyang Economic Development Zone, Langfang City
4. Registered capital: RMB120 million
5. Legal representative: Zhang Heping
6. Scope of business: research and development, processing, and sales of packaging boxes, packaging cartons, paper products, and paper tableware; packaging and decoration printing; graphic design; technical development, technical services, and maintenance of printing equipment; wholesale and retail of: paper, printing consumables, printing equipment, food packaging materials, plastic products, printing machinery and parts, stationery supplies; import and export of goods and technology; machinery and equipment leasing; property leasing. (Business activities subject to approval according to law may be carried out only after approval by relevant departments)
7. Related party relationship or business association with the Company: a wholly-owned subsidiary of the Company

8. Key financial data for the latest financial year and the subsequent interim period

Items	As at June 30, 2025/ For the period from January to June 2025 (Unaudited) (RMB)	As at December 31, 2024/For period from January to December 2024 (Audited) (RMB)
Total assets	353,737,879.08	319,376,778.84
Total liabilities	199,977,438.03	186,629,294.75
Net assets	153,760,441.05	132,747,484.09
Operating revenue	183,155,447.48	300,041,585.99
Total profit	21,173,249.03	17,138,648.30
Net profit	21,012,956.96	18,026,494.03

9. Credit rating: No external credit rating

Upon verification, Langfang Jihong is not an untrustworthy judgment defaulter.

(2) Anhui Jihong EP Paper Products Co., Ltd.* (安徽吉宏環保紙品有限公司)

- Company name: Anhui Jihong EP Paper Products Co., Ltd.* (安徽吉宏環保紙品有限公司)
- Date of establishment: August 7, 2009
- Place of registration: No. 33 Ruquan Avenue, Economic Development Zone, Huaiyuan County, Bengbu City, Anhui Province
- Registered capital: RMB50 million
- Legal representative: Li Tiejun
- Scope of business: research and development of environmentally friendly paper containers; production and sales of paper containers and related paper products; wholesale of plastic products; printing and sales of packaging and decoration printed materials. (Business activities subject to approval according to law may be carried out only after approval by relevant departments). (The company was a foreign enterprise from 1 September 2015 to 3 January 2018).

7. Related party relationship or business association with the Company: a wholly-owned subsidiary of the Company
8. Key financial data for the latest financial year and the subsequent interim period

Items	As at June 30, 2025/ For the period from January to June 2025 (Unaudited) (RMB)	As at December 31, 2024/For period from January to December 2024 (Audited) (RMB)
Total assets	176,680,169.53	168,622,870.77
Total liabilities	47,859,349.76	46,593,598.36
Net assets	128,820,819.77	122,029,272.41
Operating revenue	100,044,610.26	188,365,920.79
Total profit	6,660,209.36	12,555,593.98
Net profit	6,791,547.36	13,654,392.02

9. Credit rating: No external credit rating

Upon verification, Anhui Jihong is not an untrustworthy judgment defaulter.

(3) VStar Packaging (China) Limited* (孝感市吉聯食品包裝有限公司)

1. Company name: VStar Packaging (China) Limited* (孝感市吉聯食品包裝有限公司)
2. Date of establishment: August 9, 2019
3. Place of registration: No. 169 Juxian Road, Xiaohan Avenue, High-tech Industrial Development Zone, Xiaogan City, Hubei Province
4. Registered capital: RMB20 million
5. Legal representative: Zhang Heping

6. Scope of business: research and development, production, and sales of food packaging materials and paper products (excluding publications); printing and sales of other printed materials; wholesale of plastic products, printing machinery and parts, stationery supplies (excluding publications); import and export of goods or technologies (except for goods and technologies prohibited or subject to administrative approval by the government). (Business activities subject to approval according to law may be carried out only after approval by relevant departments)
7. Related party relationship or business association with the Company: a wholly-owned subsidiary of the Company
8. Key financial data for the latest financial year and the subsequent interim period

Items	As at June 30, 2025/ For the period from January to June 2025 (Unaudited) (RMB)	As at December 31, 2024/For period from January to December 2024 (Audited) (RMB)
Total assets	146,856,716.38	130,326,770.28
Total liabilities	99,069,881.41	94,589,475.80
Net assets	47,786,834.97	35,737,294.48
Operating revenue	96,641,887.20	173,154,556.43
Total profit	12,049,540.49	15,973,901.90
Net profit	12,049,540.49	16,037,221.73

9. Credit rating: No external credit rating

Upon verification, VStar Packaging is not an untrustworthy judgment defaulter.

(4) Xiamen Jihong Packaging Industry Co., Ltd. * (廈門吉宏包裝工業有限公司)

1. Company name: Xiamen Jihong Packaging Industry Co., Ltd. * (廈門吉宏包裝工業有限公司)
2. Date of establishment: March 25, 2020
3. Place of registration: No. 11 Putou Road, Dongfu Street, Haicang District, Xiamen City
4. Registered capital: RMB50 million
5. Legal representative: Zhang Heping
6. Scope of business: licensed projects: printing of packaging and decoration printed materials; binding services for printed materials; printing of other printed materials such as documents and materials; printing of specific printed materials. (Business activities subject to approval according to law may be carried out only after approval by relevant departments; specific scope of business is subject to the approval documents or licenses of relevant departments). General business activities: Manufacturing of paper and paperboard containers; professional design services; advertising design and agency; advertising production; advertising distribution; manufacturing of plastic products; manufacturing of dedicated printing equipment; import and export of technologies; engineering and technical research and experimental development; internet sales (excluding sales of licensed goods); import and export of goods; manufacturing of wooden containers; sales of wooden containers. (Except for business activities subject to approval according to law, business activities may be carried out independently based on business licenses).
7. Related party relationship or business association with the Company: a wholly-owned subsidiary of the Company

8. Key financial data for the latest financial year and the subsequent interim period

Items	As at June 30, 2025/ For the period from January to June 2025 (Unaudited) (RMB)	As at December 31, 2024/For period from January to December 2024 (Audited) (RMB)
Total assets	478,012,138.01	364,136,444.05
Total liabilities	328,825,339.52	238,405,632.19
Net assets	149,186,798.49	125,730,811.86
Operating revenue	265,644,330.00	430,443,582.87
Total profit	27,506,979.65	44,795,336.05
Net profit	23,455,986.63	37,990,430.66

9. Credit rating: No external credit rating

Upon verification, Jihong Industry is not an untrustworthy judgment defaulter.

(5) Ningxia Jihong Environmental Protection Packaging Technology Co., Limited* (寧夏吉宏環保包裝科技有限公司)

- Company name: Ningxia Jihong Environmental Protection Packaging Technology Co., Limited* (寧夏吉宏環保包裝科技有限公司)
- Date of establishment: December 28, 2018
- Place of registration: Qingchongxia Industrial Park (Qinshui Road), Ningxia
- Registered capital: RMB50 million
- Legal representative: Zhang Heping
- Scope of business: packaging and decoration printing (operating with qualification certificates); production and sales of paper products, plastic products (excluding waste plastics); advertising design, production, agency, and distribution; import and export trade; road general cargo transportation (operating with qualification certificates); property leasing*** (Business activities subject to approval according to law may be carried out only after approval by relevant departments)

7. Related party relationship or business association with the Company: a wholly-owned subsidiary of the Company
8. Key financial data for the latest financial year and the subsequent interim period

Items	As at	As at
	June 30, 2025/ For the period from January to June 2025 (Unaudited) (RMB)	December 31, 2024/For period from January to December 2024 (Audited) (RMB)
Total assets	201,452,115.22	214,607,712.86
Total liabilities	31,398,924.03	55,855,204.74
Net assets	170,053,191.19	158,752,508.12
Operating revenue	99,908,865.93	235,396,708.55
Total profit	12,838,361.86	27,583,460.94
Net profit	11,300,683.07	27,098,263.00

9. Credit rating: No external credit rating

Upon verification, Ningxia Jihong is not an untrustworthy judgment defaulter.

(6) Huanggang Jihong Packaging Limited*(黄冈市吉宏包装有限公司)

1. Company name: Huanggang Jihong Packaging Limited*(黄冈市吉宏包装有限公司)
2. Date of establishment: April 1, 2019
3. Place of registration: No. 6 Nanhu 5th Road, Nanhu Industrial Park, Nanhu Street, Huangzhou District, Huanggang City
4. Registered capital: RMB20 million
5. Legal representative: Zhang Heping

6. Scope of business: printing of packaging and decoration printed materials and other printed materials; design, production, agency, and distribution of various domestic advertisements; manufacturing of plastic films; production of plastic products; design, production, and sales of paper products; wholesale and retail of paper and printing equipment; repair and technical consultation of general machinery and equipment. (For business activities requiring licenses, operation is permitted only after relevant departmental approval is obtained)
7. Related party relationship or business association with the Company: a wholly-owned subsidiary of the Company
8. Key financial data for the latest financial year and the subsequent interim period

Items	As at June 30, 2025/ For the period from January to June 2025 (Unaudited) (RMB)	As at December 31, 2024/For period from January to December 2024 (Audited) (RMB)
Total assets	55,159,068.64	59,942,979.66
Total liabilities	31,449,789.72	38,310,558.76
Net assets	23,709,278.92	21,632,420.90
Operating revenue	59,235,204.60	103,708,510.08
Total profit	2,075,543.36	-2,502,355.22
Net profit	2,076,858.02	-2,867,952.33

9. Credit rating: No external credit rating

Upon verification, Huanggang Jihong is not an untrustworthy judgment defaulter.

(7) *Luanzhou Jihong Packaging Limited** (灤州吉宏包裝有限公司)

1. Company name: Luanzhou Jihong Packaging Limited* (灤州吉宏包裝有限公司)
2. Date of establishment: January 22, 2014
3. Place of registration: Economic Development Zone, Luanzhou City, Tangshan City, Hebei Province (No. 9 Alishan Street)
4. Registered capital: RMB20 million
5. Legal representative: Zhang Heping
6. Scope of business: packaging and decoration printing; research and development, design, production, and sales of paper products; wholesale and retail of paper, printing equipment, printing consumables (excluding hazardous chemicals), plastic products, and hardware accessories; repair and technical transformation of printing machinery; graphic advertising design and production. (Business activities subject to approval according to law may be carried out only after approval by relevant departments)
7. Related party relationship or business association with the Company: a controlled subsidiary of the Company, with the Company holding 60% of its equity
8. Key financial data for the latest financial year and the subsequent interim period

Items	As at June 30, 2025/ For the period from January to June 2025 (Unaudited) (RMB)	As at December 31, 2024/For period from January to December 2024 (Audited) (RMB)
Total assets	116,169,084.46	126,202,394.03
Total liabilities	8,138,177.01	17,951,170.75
Net assets	108,030,907.45	108,251,223.28
Operating revenue	35,293,988.39	93,348,712.29
Total profit	-158,208.32	5,826,541.55
Net profit	-220,315.83	5,227,368.86

9. Credit rating: No external credit rating

Upon verification, Luanzhou Jihong is not an untrustworthy judgment defaulter.

(8) Jinan Jihong Packaging Limited* (濟南吉聯包裝有限公司)

1. Company name: Jinan Jihong Packaging Limited* (濟南吉聯包裝有限公司)
2. Date of establishment: July 24, 2008
3. Place of registration: West End of Zheshnan Road, Zheshhan Industrial Park, Mingshui Economic Development Zone, Zhangqiu District, Jinan City, Shandong Province
4. Registered capital: RMB50 million
5. Legal representative: Zhang Heping
6. Scope of business: printing of packaging and decoration printed materials; general freight transportation; production and sales of paper products; sales of plastic products (excluding waste plastics); design, production, agency, and distribution of domestic advertisements; import and export of goods and technology. (Business activities subject to approval according to law may be carried out only after approval by relevant departments)
7. Related party relationship or business association with the Company: a wholly-owned subsidiary of the Company
8. Key financial data for the latest financial year and the subsequent interim period

Items	As at June 30, 2025/ For the period from January to June 2025 (Unaudited) (RMB)	As at December 31, 2024/For period from January to December 2024 (Audited) (RMB)
Total assets	91,523,833.24	111,179,174.37
Total liabilities	52,983,767.00	70,169,303.75
Net assets	38,540,066.24	41,009,870.62
Operating revenue	48,456,176.95	131,402,700.82
Total profit	-2,469,804.38	-835,144.76
Net profit	-2,469,804.38	-805,323.03

9. Credit rating: No external credit rating

Upon verification, Jinan Jilian is not an untrustworthy judgment defaulter.

(9) Shaanxi Jihong Packaging Limited* (陕西吉宏包装有限公司)

1. Company name: Shaanxi Jihong Packaging Limited* (陕西吉宏包装有限公司)
2. Date of establishment: October 8, 2021
3. Place of registration: Northeast corner of Sanfang Road and Guanzhong Ring Road Crossing, Food Industrial Park, Sanyuan County, Xianyang City, Shaanxi Province
4. Registered capital: RMB20 million
5. Legal representative: Zhang Heping
6. Scope of business: general items: manufacturing of paper products; manufacturing of paper and paperboard containers; sales of paper products; professional design services; advertising design and agency; technical services, technical development, technical consulting, technical exchange, technology transfer, and technology promotion; graphic design; graphic and text design and production; import and export of technologies; import and export agency; import and export of goods; advertising production; marketing planning; internet sales (excluding sales of licensed goods); sales of plastic packaging containers and tools for food use; manufacturing of plastic products; sales of plastic products; sales of packaging specialized equipment; machinery and equipment leasing (except for business activities subject to approval according to law, business activities may be carried out independently based on business licenses). Licensed business activities: Printing of packaging and decoration printed materials; production of paper packaging and container products for food use; production of plastic packaging containers and tools for food use; printing of specific printed materials (Business activities subject to approval according to law may be carried out only after approval by relevant departments, specific scope of business is subject to the approval results).
7. Related party relationship or business association with the Company: a wholly-owned subsidiary of the Company

8. Key financial data for the latest financial year and the subsequent interim period

Items	As at	As at
	June 30, 2025/ For the period from January to June 2025 (Unaudited) (RMB)	December 31, 2024/For period from January to December 2024 (Audited) (RMB)
Total assets	88,692,781.17	92,399,659.30
Total liabilities	64,211,235.84	72,724,898.31
Net assets	24,481,545.33	19,674,760.99
Operating revenue	59,737,065.01	97,152,580.09
Total profit	4,857,320.21	-963,020.03
Net profit	4,806,784.34	-2,131,735.25

9. Credit rating: No external credit rating

Upon verification, Shaanxi Jihong is not an untrustworthy judgment defaulter.

(10) Giikin (Xi'an) Digital Technology Co., Limited* (吉客印(西安)数字科技有限公司)

- Company name: Giikin (Xi'an) Digital Technology Co., Limited* (吉客印(西安)数字科技有限公司)
- Date of establishment: August 3, 2017
- Place of registration: 25th Floor, Luohe Building, No. 37B Tangyan Road, Zhangba Street, High-tech Zone, Xi'an City
- Registered capital: RMB10 million
- Legal representative: Wang Yapeng
- Scope of business: trade agency for online daily necessities; import and export operations of goods and technologies (except for goods and technologies restricted, prohibited, or subject to approval by the government); technical development, technical transfer, and technical consulting of computer software and hardware; design, production, agency, and distribution of advertisements (except for those requiring approval); technical services for e-commerce platforms; internet information services; development, sales, and internet sales of computer software. (Business activities subject to approval according to law may be carried out only after approval by relevant departments)

7. Related party relationship or business association with the Company: a wholly-owned subsidiary of the Company
8. Key financial data for the latest financial year and the subsequent interim period

Items	As at June 30, 2025/ For the period from January to June 2025 (Unaudited) (RMB)	As at December 31, 2024/For period from January to December 2024 (Audited) (RMB)
Total assets	273,200,039.67	272,162,404.88
Total liabilities	10,559,770.29	11,727,634.95
Net assets	262,640,269.38	260,434,769.93
Operating revenue	11,100,000.00	34,182,838.00
Total profit	2,225,589.93	16,556,403.96
Net profit	2,128,819.44	14,187,698.01

9. Credit rating: No external credit rating

Upon verification, Xi'an Giikin is not an untrustworthy judgment defaulter.

IV. Main Contents of the Guarantee Agreements

The Company proposes to provide an additional estimated guarantee amount of RMB250 million to the Guaranteed Parties, for the performance of their obligations under the purchase contracts in respect of raw materials/products, which are yet to be signed. The Guaranteed Parties shall, based on their actual production and operation needs and quotations from suppliers, determine the suppliers, quantities and amounts in respect of the purchase of raw materials/products. Should suppliers require the Company to provide guarantees for the performance of the obligations under the purchase contracts by the Guaranteed Parties, the Company intends to provide joint and several guarantees within the aforementioned amount. The specific guarantee amount, guarantee model, and guarantee term shall be subject to the finalized contracts signed by all parties.

V. Opinions of the Board

1. The Company's proposed additional estimated guarantee amount for the performance of obligations under certain purchase contracts by the Guaranteed Parties is conducive to meeting the needs of business development and day-to-day operational management;
2. The Company can exercise effective control over the operational management, financial control, and investment and financing of the Guaranteed Parties. The guarantee risks are controllable, and the Guaranteed Parties have good credit standings without overdue loans; hence, no counter-guarantees are required. This proposed additional guarantee amount for the performance obligations of the Guaranteed Parties is not expected to adversely affect the Company and does not prejudice the interests of the Company and its Shareholders.

VI. Cumulative External Guarantees and Overdue Guarantees

As at the date of this circular, the cumulative guarantee balance of the Company and its subsidiaries amounts to RMB235,651,800, all of which are guarantees provided by the Company to its controlled subsidiaries, representing 10.67% of the Company's audited net assets for 2024. Except for the above-mentioned guarantees within the scope of consolidated financial statements, the Company and its controlled subsidiaries have no other external guarantees, or overdue external guarantees, or external guarantees involving litigation, and there are no circumstances in which losses are to be borne due to adverse judgments in lawsuits concerning guarantees.

The proposal has been considered and approved at the 30th meeting of the fifth session of the Board held on August 20, 2025, and is subject to the Shareholders' consideration and approval at the 2025 Second EGM.

3. ADJUSTMENT TO THE LIMIT FOR WEALTH MANAGEMENT PRODUCTS USING INTERNAL IDLE FUNDS

An ordinary resolution will be proposed at the 2025 Second EGM to consider and approve the adjustment to the limit for wealth management products using internal idle funds, details of which are as follows:

The Company and its subsidiaries intend to use no more than RMB500 million of internal idle funds for wealth management products, provided that daily operating capital requirements are guaranteed and risks are under effective control. The aforementioned limit is utilized on a revolving basis, and the period for subscription of such wealth management products will be from the date of approval by the Board until the date of the 2025 annual general meeting of the Company. For specific details, please refer to the "Announcement on Wealth Management Using Internal Idle Funds" (Announcement No.: 2025-018) disclosed by the Company on April 2, 2025 in the Securities Times, Securities Daily, China Securities Journal, Shanghai Securities News, and CNINFO (www.cninfo.com.cn).

The specific details are as follows:

I. Overview of The Adjusted Wealth Management Limit

1. Purpose of Wealth Management

The Company and its subsidiaries shall reasonably utilize their internal idle funds while ensuring that working capital requirements for daily production and operation are met and risks are under effective control, so as to improve the efficiency of internal idle funds utilization and the return on cash assets.

2. Amount of Wealth Management

The Company and its subsidiaries propose to use no more than RMB1,500 million (or equivalent foreign currency) of internal idle funds for wealth management products. The aforementioned limit is utilized on a revolving basis, and the wealth management balance on any single day within the term shall not exceed RMB1,500 million (or equivalent foreign currency).

3. Method of Wealth Management

Highly secure and liquid wealth management products sold by financial institutions with legitimate operating qualifications.

4. Term of Wealth Management

Valid from the date of the passing of this resolution at the 2025 Second EGM until the date of the 2025 annual general meeting of the Company.

5. Sources of Funds

The funds are derived from the Company's internal idle funds, and do not involve the use of proceeds from capital raisings or bank credit facilities.

II. Approval Procedures

The proposal has been considered and approved at the 30th meeting of the fifth session of the Board. In accordance with the relevant provisions of the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange, the Self-Regulatory Guidelines for the Companies Listed on the Shenzhen Stock Exchange No. 1 – Standardized Operations of the Companies Listed on the Main Board, and the Articles of Association, this adjustment to the wealth management limit does not constitute a connected transaction. The adjusted wealth management limit is no more than RMB1,500 million (or equivalent foreign currency), and the term is from the date of approval by the Company's general meeting until the date of the 2025 annual general meeting of the Company. This adjustment to the wealth management limit remains pending submission to the 2025 Second EGM of the Company for consideration and determination.

As the purchase of wealth management products with internal idle fund may be deemed as a transaction under the Chapter 14 and Chapter 14A of the Listing Rules, where applicable, the Company will comply with relevant rules and requirements under the Chapter 14 and Chapter 14A of the Listing Rules when purchasing wealth management products in accordance with such resolution.

III. Analysis of Investment Risks and Risk Control Measures

1. Existing Risks

The adjustment to the limit for wealth management products is made with the aim of improving the efficiency of utilizing idle internal funds and the return on cash assets. The Board considers that the Company's working capital requirements for daily production and operation are met and risks are under effective control. However, due to changes in macroeconomic conditions and market fluctuations, actual return on wealth management products carries inherent uncertainty.

2. Risk Control Measures

- (1) The Company has formulated practical and effective internal control and management systems, including the *Management System for Wealth Management* policy which sets forth provisions on the principles of wealth management, approval and decision-making procedures, implementation processes, and risk control. These measures effectively control investment risks in wealth management activities, thereby safeguarding the funds of the Company;
- (2) As the day-to-day management department for wealth management activities of the Company and its subsidiaries, the finance department of the Company is responsible for pre-investment screening and verification, in-investment control, and post-investment accounting treatment of various wealth management products. It screens investment targets and select reputable and large-scale financial institutions with legitimate operating qualifications for further cooperation with the Company;

- (3) The internal audit department of the Company is responsible for supervising wealth management activities and conducts audits and verifications on the progress, profit/loss, fund utilization, and risk control of the wealth management products of the Company from time to time;
- (4) Independent Directors have the right to supervise and inspect wealth management activities and may appoint professional institutions for auditing wherever necessary.

IV. Impact on The Company

The Company and its subsidiaries, while meeting their working capital requirements for daily production and operation and effectively controlling risks, reasonably utilize internal idle funds for wealth management. This will not affect the Company's day to day operations. The types of wealth management products are those with high security and good liquidity sold by financial institutions with legitimate operating qualifications, which is conducive to improving the efficiency of idle self-owned funds utilization and the return on cash assets, and it is in the interests of the Company and all Shareholders.

The Company shall conduct accounting and reporting in accordance with the relevant provisions of the Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments and Accounting Standards for Business Enterprises No. 37 – Presentation of Financial Instruments, etc., issued by the Ministry of Finance of the PRC.

The proposal has been considered and approved at the 30th meeting of the fifth session of the Board held on August 20, 2025, and is subject to the Shareholders' consideration and approval at the 2025 Second EGM.

NOTICE OF 2025 SECOND EXTRAORDINARY GENERAL MEETING



XIAMEN JIHONG CO., LTD 廈門吉宏科技股份有限公司

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

(Stock Code: 2603)

NOTICE OF 2025 SECOND EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 2025 second extraordinary general meeting (the “**2025 Second EGM**”) of Xiamen Jihong Co., Ltd (廈門吉宏科技股份有限公司) (the “**Company**”) will be held at 38th Floor, Yuzhou Plaza, No. 55, Hubin South Road, Siming District, Xiamen, the PRC at 2:30 p.m. on Monday, September 8, 2025 to consider and, if thought fit, approve the following resolutions.

Unless otherwise defined, capitalized terms used in this notice shall have the same meanings as those defined in the circular of the Company dated August 25, 2025 (the “**Circular**”).

ORDINARY RESOLUTIONS

1. To consider and approve the proposal for profit distribution for the first half of 2025;
2. To consider and approve the resolution regarding the adjustment to the estimated guarantee amount provided to subsidiaries; and
3. To consider and approve the resolution regarding the adjustment to the limit for wealth management products using internal idle funds.

For and on behalf of the Board

Xiamen Jihong Co., Ltd

ZHUANG Hao

Executive Director and General Manager

Hong Kong, August 25, 2025

NOTICE OF 2025 SECOND EXTRAORDINARY GENERAL MEETING

Notes:

1. Pursuant to Rule 13.39(4) of the Listing Rules, votes of the shareholders at the 2025 Second EGM shall be taken by poll except where the chairman of the 2025 Second EGM, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted by a show of hands.
2. Any shareholder entitled to attend and vote at the 2025 Second EGM is entitled to appoint one or more than one proxy to attend and vote on his/her behalf. A proxy needs not be a member of the Company.
3. To be valid, the form of proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such authority, must be deposited at the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 24 hours before the time for holding of the meeting or any adjournment thereof.
4. Shareholders or their proxies shall present proofs of identities when attending the 2025 Second EGM.
5. The holders of A Shares and H Shares will vote as one class of Shareholders. The register of holders for H Shares will be closed from Thursday, September 4, 2025 to Monday, September 8, 2025 (both days inclusive), during which no transfer of Shares will be effected. The holders of H Shares whose names appear on the register of members of the Company on Monday, September 8, 2025 will be entitled to attend and vote at the 2025 Second EGM. In order to attend and vote at the 2025 Second EGM, all transfers accompanied by relevant share certificates must be lodged with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, September 3, 2025.
6. Shareholders or their proxies attending the 2025 Second EGM are responsible for their own transportation and accommodation expenses.

As at the date hereof, the Board of Directors comprises of Mr. WANG Yapeng as the chairman of the Board of Directors and executive Director; Ms. ZHUANG Hao, Mr. ZHANG Heping, Mr. ZHUANG Shu and Mr. LU Tashan as executive Directors; Mr. LIAO Shengxing as a non-executive Director; and Dr. ZHANG Guoqing, Dr. YANG Chenhui, Mr. HAN Jianshu, Professor Alfred SIT Wing Hang and Ms. NG Weng Sin as independent non-executive Directors.