

Stock Code: 300277

Stock ID: Hirisun

Listed on: Shenzhen Stock
Exchange (SZSE)

Stock Code: 200771

Stock ID: Hangqilun B

Listed on: Shenzhen Stock
Exchange (SZSE)

**Plan for Hangzhou Hirisun Technology Inc.
Stock-for-stock Merger of Hangzhou Turbine Power Group Co., Ltd.
& Related Party Transaction**

Acquirer



Hangzhou Hirisun Technology Incorporated.

Acquiree



Hangzhou Turbine Power Group Co., Ltd.

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November 2024

Statement

I. The M&A Parties and all directors, supervisors and senior executives thereof give a pledge on the authenticity, accuracy and integrity of the plan and abstract thereof, and bear legal liability for false records, misleading statements or major omissions therein, if any.

II. Till the signing date of the plan, all the work in connection with the transaction is yet to complete, and some data concerned in the plan are not audited by an accounting firm prescribed by the Securities Law. So discrete use of relevant information is advised for investors. Boards and all board members of Hirisun and HTC give a pledge on the authenticity and rationality of relevant data cited from the plan. Upon the completion of all the transaction-related work, Hirisun and HTC shall otherwise convene a board meeting, to deliberate on other unsettled matters regarding the transaction and prepare a report on stock-for-stock merger. Meanwhile, they shall perform relevant procedures for board deliberation. The audited historical financial data, financial data for reference and valuation will be disclosed in the report on stock-for-stock merger.

III. The dominant shareholders and all directors, supervisors and senior executives of the M&A Parties make a commitment, If the transaction is investigated by judicial authorities or investigated by the China Securities Regulatory Commission due to the suspected false records, misleading statements or major omissions in the information disclosed or provided by the company/person, before the conclusion of the investigation, the company/person shall not transfer the shares directly and indirectly owned by Hailianxun and Hangqilun, and shall submit the written application for suspension of transfer and the stock account to the board of directors of Hailianxun and Hangqilun within two trading days after receiving the notice of investigation, and the board of directors of Hailianxun and Hangqilun shall apply for locking on behalf of the company/person to the stock exchange and securities registration and settlement institution; if the locking application is not submitted within two trading days, the board of directors of Hailianxun and Hangqilun shall be authorized to directly report the company/person's identity information and account information to the stock exchange and securities registration and settlement institution after verification and apply for locking; if the board of directors of Hailianxun and Hangqilun fails to

report the company/person's identity information and account information to the stock exchange and securities registration and settlement institution, the stock exchange and securities registration and settlement institution shall be authorized to directly lock the relevant shares. If the investigation conclusion finds that there are illegal and irregular circumstances, the company/person promises to lock the shares voluntarily for the compensation arrangement of relevant investors.

IV. Upon the completion of the transaction, the Surviving Company shall be solely held accountable for any changes to their operations and revenues, while investment risks thus incurred shall be borne by investors. The investors shall consult with their own stock brokers, attorneys, accountants or other advisors, if they have any questions about the plan and abstract thereof.

V. The transaction-related matters stated in the plan and abstract thereof do not represent substantial judgment, acknowledgment or approval of the CSRC, SZSE and other regulators on the transaction-related matters; nor shall they indicate the pledge of the CSRC and SZSE on the authenticity, accuracy or integrity on the plan and abstract thereof. The validation and completion of the transaction-related matters specified in this plan and abstract thereof are yet to be verified, approved or registered by the boards of the M&A Parties, SZSE, CSRC and other approval authorities. . Any decisions or opinions made by the approval authorities regarding the transaction-related matters are not indicative of substantial judgment or guarantee on the value of investment or return of investors from shares of the M&A Parties or the Surviving Company.

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Definitions

In this plan, unless otherwise specified, terms below are defined as follows:

Plan, this Plan	Refers to	Plan for Hangzhou Hirisun Technology Inc. Stock-for-stock Merger of Hangzhou Turbine Power Group Co., Ltd. & Related Party Transaction
Report of Stock-for-stock Merger	Refers to	Hangzhou Hirisun Technology Inc. Stock-for-stock Merger of Hangzhou Turbine Power Group Co., Ltd. & Related Party Transaction
Acquiring Party, Acquirer, Hirisun	Refers to	Hangzhou Hirisun Technology Inc., formerly known as Shenzhen Hirisun Technology Inc., Shenzhen Hirisun Technology Co., Ltd., Hirisun Information Network Technology (Shenzhen) Co., Ltd.
Acquired Party, Acquiree, HTC	Refers to	Hangzhou Turbine Power Group Co., Ltd. , formerly known as Hangzhou Turbine Co., Ltd.
M&A Parties, Parties	Refers to	Hirisun and HTC
Stock-for-stock Merger, Merger, Restructuring, Transaction	Refers to	The transaction in which Hirisun issues A-shares to all HTC shareholders, for the purpose of stock-for-stock merger of HTC
Surviving Company	Refers to	Hirisun upon the completion of stock-for-stock merge, The surviving company will subsequently change its company name
Hangzhou Capital	Refers to	Hangzhou State-owned Capital Investment and Operation Co., Ltd.
Hangzhou Financial Investment (HFI)	Refers to	Hangzhou Financial Investment Group Co., Ltd.
State-owned Assets Supervision and Administration Commission of Hangzhou	Refers to	State-owned Assets Supervision and Administration Commission of Hangzhou Municipal Government
Turbine Holdings	Refers to	Hangzhou Turbine Co., Ltd., formerly known as Hangzhou Turbine Power Group Co., Ltd., and Hangzhou Turbine Power (Group) Co., Ltd.
Machinery Company	Refers to	Hangzhou Steam Turbine Machinery Equipment Co., Ltd. (HTM), a subsidiary within merger range of HTC
Stock-for-stock Shareholders or Targets	Refers to	All shareholders registered at Shenzhen Branch of China Securities Depository and Clearing Corporation Limited (CSDC) after closing on the date of record of stock-for-stock merger
Stock-for-stock	Refers to	The act in which shareholders proportionally convert HTC shares held into A-shares issued by Hirisun for the stock-for-stock merger
Hirisun's Dissenting Shareholders	Refers to	Hirisun shareholders who give valid dissenting votes against proposals of the merger plan and proposals of the merger agreement made by and between the parties at the Hirisun shareholders' meeting

		convened for the voting of the stock-for-stock merger, and retain shares with the right to dissent till the date of exercising the right of claim for acquisition, while carrying out relevant declaration procedures within the prescribed timeframe
HTC's Dissenting Shareholders	Refers to	HTC shareholders who give valid dissenting votes against proposals of the merger plan and proposals of the merger agreement made by and between the parties at the HTC shareholders' meeting convened for the voting of the stock-for-stock merger, and retain shares with the right to dissent till the date of exercising the cash-based option, while carrying out relevant declaration procedures within the prescribed timeframe
Right of Claim for Acquisition	Refers to	The right conferred to HTC's dissenting shareholders in the stock-for-stock merger. HTC's dissenting shareholders that declare exercising the right may require the provider of cash-based option to be transferred HTC's shares in whole or part within period of declaration, by means of cash
Cash-based Option	Refers to	The right conferred to HTC's dissenting shareholders in the stock-for-stock merger. HTC's dissenting shareholders that declare exercising the right may require the provider of cash-based option to be transferred HTC's shares in whole or part within period of declaration, by means of cash
Provider of Right of Claim for Acquisition	Refers to	Hangzhou Capital shall grant Hirisun's dissenting shareholders the right of claim for acquisition, which will be identified and made public prior to the shareholders' meeting held for deliberation of the merger
Provider of Cash-based Option	Refers to	Hangzhou Capital, in this transaction, Hangzhou Capital provides the acquisition request right to Hirisun's dissenting shareholders
Reporting period for right of claim for acquisition	Refers to	Hangzhou Capital, in this transaction, Hangzhou Capital provides the cash option to Hangzhou Turbine's dissenting shareholders
Reporting period for cash-based option	Refers to	HTC's dissenting shareholders may request for a period for exercising related cash-based option, during which, the M&A Parties shall otherwise determine and announce through negotiation
Date of Exercising the Right of Claim for Acquisition	Refers to	On the very day, the provider of right of claim for acquisition shall be transferred shares of Hirisun's dissenting shareholders in whole or part for exercising the right of claim for acquisition, while paying cash consideration to such dissenting shareholders. The date will be otherwise agreed upon by the parties of the merger through negotiation and made public
Date of Exercising	Refers to	On the very day, the provider of cash-based option shall be transferred

Plan for Hangzhou Hirisun Technology Inc. Stock-for-stock Merger of Hangzhou Turbine Power Group Co., Ltd. & Related Party Transaction

Cash-based Option		shares of HTC's dissenting shareholders in whole or part for exercising the cash-based option, while paying cash consideration to such dissenting shareholders. The date will be otherwise agreed upon by the parties of the merger through negotiation and made public
Ratio of Stock-for-stock Merger	Refers to	The number of A-shares issued by Hirisun per HTC share exchanged in the stock-for-stock merger
Date of record of stock-for-stock merger	Refers to	On the very day, all HTC shareholders registered at the securities depository and clearing agency (including the provider of cash-based option registered at the securities depository and clearing agency on the day) shall proportionally convert HTC shares held into A-shares issued by Hirisun in whole. The date will be otherwise agreed upon by the parties of the merger through negotiation and made public
Date of Stock-for-stock Merger, Date of Exercising Stock-for-stock Merger	Refers to	On the very day, shareholders shall proportionally convert all HTC shares held into A-shares issued by Hirisun. The date will be otherwise agreed upon by the parties of the merger through negotiation and made public
Delivery Date	Refers to	Date of exercising stock-for-stock merger or any other date otherwise agreed upon by the parties
Base Date for Pricing the Stock-for-stock Merger, Base Date for Pricing	Refers to	The notice date of the first board resolution of Hirisun and HTC for deliberation of the transaction-related matters
Average Price of Stock Transaction, Average Price of Transaction	Refers to	Total amount/volume of stock transactions within some trading days, with distribution of cash dividends or stock dividends, capital reserves converted into capital stock, allotment of shares, and other ex-right or ex-dividend adjustments incurred during the period
Agreement on Stock-for-stock Merger, Merger Agreement	Refers to	Agreement on Stock-for-stock Merger between Hangzhou Hirisun Technology Inc. and Hangzhou Turbine Power Group Co., Ltd.
Interim Period	Refers to	The period between the signing date of agreement on stock-for-stock merger
Completion Date of Merger	Refers to	The date on which the Surviving Company completes relevant procedures for change of industrial and commercial registration regarding the stock-for-stock merger or the date on which HTC completes procedures for cancellation of industrial and commercial

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		registration, whichever is later
State Council	Refers to	State Council of the People's Republic of China
Engine and turbine project	Refers to	Aero engine and steam turbine projects
Competent Authority of State-owned Assets Supervision and Administration	Refers to	Agency of state-owned assets supervision and administration with authority for approval of the transaction
State Administration of Science, Technology and Industry for National Defence	Refers to	State Administration of Science, Technology and Industry for National Defence, PRC
CSRC, SRC	Refers to	China Securities Regulatory Commission
SZSE, Exchange	Refers to	Shenzhen Stock Exchange
Company Law	Refers to	Company Law of the People's Republic of China
Securities Law	Refers to	Securities Law of the People's Republic of China
Measures for the Administration of Restructuring	Refers to	Measures for the Administration of Material Asset Restructuring by Listed Companies
Listing Rules	Refers to	Listing Rules of Shenzhen Stock Exchange, ChiNext Listing Rules of Shenzhen Stock Exchange,
Rules No.26	Refers to	Compilation Rules for Information Disclosure by Companies Offering Securities to the Public No.26 - Material Asset Restructuring of Listed Companies
Applicable Opinions No.17	Refers to	Article 12, Article 13, Article 31, Article 44, Article 45 in the Measures for the Administration of Initial Public Offering Registration, Rules for Contents and Formats of Information Disclosure by Companies of Initial Public Offering No.57 - Prospectus Article 7 Applicable Opinions in Relevant Provisions - Applicable Opinions in Laws of Securities and Futures No.17
Yuan, Ten Thousand Yuan, One Hundred Million Yuan	Refers to	RMB Yuan, RMB Ten Thousand Yuan, RMB One Hundred Million Yuan
HKD, Hong Kong dollar	Refers to	Legal tender in Hong Kong

Note: In this plan, some totals may differ from sums of all figures added up by mantissa, owing to rounding off.

Notification of Material Matters

The investors are strongly recommended to carefully read full text of this plan and pay special attention to what's follows:

I. Overview of the transaction plan

The restructuring and integration of HTC and Hirisun through share exchange and absorption merger is an important measure to implement the guiding ideology of the CPC Central Committee and the State Council to deepen the reform of state-owned enterprises, which will help improve the industrial layout of state-owned listed companies, improve asset quality and operational efficiency, and realize the preservation and appreciation of state-owned assets. Meanwhile, the Transaction is also a positive response to the State Council and the China Securities Regulatory Commission to encourage mergers and acquisitions and mergers between listed companies, which will help promote the internal quality of listed companies, shape the image externally, improve the asset quality and operational efficiency of listed companies, thereby enhancing the sustainable profitability of listed companies and enhancing the investment value of listed companies. After the delivery date, Hirisun will go through the industrial and commercial change registration procedures related to the company's name and registered capital, and HTC will cancel its legal personality. After the merger, the surviving company will adopt a new company name, and a series of measures will be taken to establish a new corporate governance structure, management structure, development strategy and corporate culture in accordance with the applicable laws and regulations at that time and the main business of the surviving company after the merger.

The transaction is carried out as follows: Hirisun issues A-shares for stock-for-stock merger of HTC, wherein Hirisun is the acquirer and HTC is the acquiree. In other words, Hirisun issues A-shares to all HTC shareholders involved in the stock-for-stock merger, in exchange for HTC shares held by such shareholders.

Upon the completion of stock-for-stock merger, HTC will be delisted and disqualified from being a corporation, while Hirisun will inherit and take on all HTC's assets, liabilities, businesses, human resources, contracts and all the other rights and obligations. Hirisun will request for listing

and circulating A-shares issued by Hirisun for the stock-for-stock merger on SZSE ChiNext market.

II. Merger plan

1. Both parties of share exchange and merger

The merger party of this share exchange absorption merger is Hirisun, and the absorbed merger party is HTC.

2. Method of share exchange and absorption merger

Hirisun will issue A shares as consideration to all the share exchange shareholders of HTC, and absorb and merge HTC through share exchange, and the shares held by all the shareholders of HTC will be converted into A shares of Hirisun in accordance with the share exchange ratio.

As the merger party and surviving company of this merger, Hirisun will inherit and undertake all the assets, liabilities, business, personnel and all other rights and obligations of HTC; As the merged party of this merger, HTC will terminate its listing and cancel its legal personality.

3. The type and par value of the shares to be issued in exchange for shares

The type of shares issued by Hirisun as a result of this merger is domestically listed RMB ordinary shares (A shares), with a par value of 1.00 yuan per share.

4. The object of the share exchange and the registration date of the merger

The issuance object of this merger is all shareholders of HTC registered after the market close on the equity registration date of the merger implementation, that is, on the equity registration date of the implementation of the merger, the shareholders of HTC who have not declared, partially declared, have no right to declare or invalidly declare the exercise of the cash option, as well as the provider of the cash option (if it has actually paid cash consideration to the shareholders who exercise the cash option and transferred the shares of HTC), and all the shares held by the share exchange object will be converted into A shares issued by Hirisun due to the merger in accordance with the share exchange ratio.

The board of directors of the two parties will separately negotiate and announce the equity

registration date for the implementation of the merger after the transaction is approved by the Shenzhen Stock Exchange (hereinafter referred to as the "Shenzhen Stock Exchange") and the China Securities Regulatory Commission agrees to register.

5. The exchange price and the exchange ratio

The pricing benchmark date of the merger is the date of the announcement of the first board resolution of the two parties. Taking into account factors such as historical stock price, operating performance, market capitalization, etc., in accordance with the relevant provisions of the "Restructuring Management Measures", and after negotiation between the two parties of the merger, the exchange price of Hirisun is determined to be 9.56 yuan per share according to the average stock trading price of the 20 trading days before the pricing benchmark date. The average stock trading price of HTC is HK\$7.77 per share according to the average stock trading price of 20 trading days before the pricing benchmark date, which is equivalent to RMB 7.11 per share by converted according to the median price of RMB to Hong Kong dollar announced by the People's Bank of China on October 25, 2024 (HK\$1 = 0.91496 RMB) that is the trading day before HTC share suspension.

It's finally determined that the exchange price of HTC is to give a premium of 34.46% on this basis, and the exchange price of HTC = the average trading price of HTC * (1 + premium rate) = 9.56 yuan / share, and the number of shares of Hirisun that can be exchanged for each 1 share of HTC = the exchange price of HTC / the exchange price of Hirisun. According to the above formula, the exchange ratio between HTC and Hirisun is 1:1, that is, every 1 share of HTC can be exchanged for 1 shares of Hirisun share.

From the pricing benchmark date of the merger to the implementation date of the share exchange (both dates inclusive), the share exchange ratio shall not be adjusted under any other circumstances, except for the distribution of cash dividends, stock dividends, capital reserve conversion to share capital, allotment and other ex-rights and dividends by either party to the merger, or in the event that the exchange price needs to be adjusted in accordance with the requirements of relevant laws, regulations or regulatory authorities.

6. The number of shares to be issued in exchange for shares

Up to now, the total share capital of HTC is 1,175,009,597 shares, and the shares of HTC participating in this share exchange are 1,175,009,597 shares. Calculated with reference to the share exchange ratio, the total number of shares issued by Hirisun for this share exchange is 1,175,009,597 shares.

If either of the two parties to the merger has any ex-rights and dividends such as cash dividends, stock dividends, capital reserve conversion to share capital, allotment and other ex-rights and dividends from the pricing benchmark date to the share exchange date (both dates inclusive), or the stock repurchase and cancellation of HTC, the number of shares issued by the above-mentioned exchange shall be adjusted accordingly.

The A-shares of Hirisun obtained by the share exchange shareholders of HTC shall be integers. If the amount obtained by multiplying the HTC shares held by the exchange ratio is not an integer, then one share will be issued to each shareholder in descending order according to the mantissa after the decimal point until the actual number of shares exchanged matches the planned number of shares. If there are more shares with the same ending than the remaining number, the computer system will randomly distribute them until the actual number of shares exchanged matches the planned number of shares to be issued.

7. The place of listing of the shares issued by the exchange of shares

The A-shares issued by Hirisun for this share exchange will be applied for listing and circulation on the Growth Enterprise Market of the Shenzhen Stock Exchange.

8. Disposal of shares held by shareholders whose rights are restricted in share exchange

For the shares of HTC that have been pledged, frozen by the judiciary or restricted by laws and regulations from transferring, such shares will be converted into shares of Hirisun when they are exchanged, and the pledge, judicial freezing status or other rights restrictions originally set on the shares of HTC will continue to be valid on the corresponding shares of Hirisun in exchange.

9. The interest protection mechanism of Hirisun dissenting shareholders

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

(1) Dissenting shareholders of Hirisun

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

(2) The provider of the appraisal rights

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

(3) The price of the appraisal rights claim

The price of the appraisal rights request of the dissenting shareholders of Hirisun is the average trading price of the A-shares in the 20 trading days before the suspension of the Hirisun A-shares

(i.e., the 20 trading days before the pricing benchmark date), that is, 9.56 yuan per share.

If the distribution of cash dividends, stock dividends, capital reserve to share capital, allotment and other ex-rights and dividends occurs from the pricing benchmark date to the implementation date of the appraisal rights request (both dates inclusive), the appraisal rights price shall be adjusted accordingly.

(4) The price adjustment mechanism for appraisal rights

1) Adjustment object

The object of adjustment is the price of the appraisal rights of the dissenting shareholders of Hirisun.

2) The conditions under which the price adjustment plan will take effect

(1) The state-owned assets authority approves the price adjustment plan;

(2) The general shareholders' meeting of Hirisun deliberated and approved the price adjustment plan;

(3) The general shareholders' meeting of HTC deliberated and approved the price adjustment plan.

3) The period in which the price can be adjusted

From the announcement date of the resolution of the merger deliberated and approved in the Hirisun general shareholders' meeting to the date before the China Securities Regulatory Commission agreed to register the Transaction.

4) Trigger condition

From the announcement of the first board resolution of Hirisun to the time when the China Securities Regulatory Commission agrees to register the Transaction, if any of the following two circumstances occur, the board of directors of Hirisun has the right to hold a meeting within the price adjustment period to consider whether to make an adjustment to the price of the appraisal

rights:

A. The Growth Enterprise Index(399006. SZ) has a closing point drop of more than 20% in at least 10 out of 20 consecutive trading days prior to any trading day compared to the closing point of the previous trading day before the suspension of trading on the A-share market of Hirisun ; And prior to the trading day, the daily trading average price of Hirisun A-shares has fallen by more than 20% in at least 10 consecutive trading days compared to the trading average price of Hirisun A-shares in the 20 trading days before the suspension of trading (i.e. the 20 trading days before the pricing benchmark date);

Or

B. Wind Information Technology Service Index (866311. WI) has a closing point drop of more than 20% in at least 10 of the 20 consecutive trading days prior to any trading day compared to the closing point of the trading day before the suspension of the A-share trading of Hirisun; And prior to the trading day, the daily average trading price of Hirisun A-shares had fallen by more than 20% in at least 10 out of 20 consecutive trading days compared to the average trading price of Hirisun A-shares in the 20 trading days before the suspension of trading (i.e. the 20 trading days before the pricing benchmark date).

5) Adjustment mechanism and price adjustment benchmark date

The board of directors of Hirisun shall convene a meeting of the board of directors within 20 trading days from whichever date is later-the date to the first achievement of the trigger conditions for price adjustment and the date on which the effective conditions of the price adjustment plan are met, and deliberate and decide whether to adjust the price of the appraisal rights of the dissenting shareholders of Hirisun in accordance with the price adjustment plan. During the price adjustment period, Hirisun will only adjust the price of the dissenting shareholder's appraisal rights once. If Hirisun has convened a meeting of board of directors to review and decide to adjust the price of the dissenting shareholder's appraisal rights, and the price adjustment condition is triggered again, no further adjustment will be made;; If the board of directors has convened a meeting to deliberate and decide not to adjust the price of the

appraisal rights of the dissenting shareholder, and the price adjustment condition is triggered again, no further adjustment will be made.

The benchmark date for price adjustment is the next trading day after the date of achievement of the above-mentioned trigger conditions. The adjusted price of the appraisal rights of dissenting shareholders is the average trading price of the stock in the 20 trading days prior to the benchmark date of the price adjustment.

(5) Exercise of the appraisal rights

After the transaction is registered with the China Securities Regulatory Commission, Hirisun will determine the equity registration date for the implementation of the appraisal rights. The dissenting shareholders who exercise the appraisal rights may obtain the cash consideration paid by the provider of the appraisal rights according to the price of the appraisal rights on the implementation date of each share of the appraisal rights that they have validly declared, and at the same time transfer the corresponding shares to the name of the provider of the appraisal rights. The provider of the appraisal rights shall acquire all the shares of Hirisun on the implementation date of the appraisal rights exercised by the dissenting shareholders of Hirisun, and pay the cash consideration accordingly.

The following conditions must be met at the same time for the registered dissenting shareholders of Hirisun to exercise the appraisal rights: (1) as far as the shareholders of Hirisun are concerned, they have cast valid negative votes on the relevant proposals on the merger plan and the sub-proposals voted on one by one at the general shareholders' meeting of Hirisun on the merger plan and on the relevant proposals on the merger agreement signed by the two parties to the merger; (2) From the record date of the shareholders' meeting at which Hirisun deliberated on the merger, as a validly registered shareholder of Hirisun, continue to hold the shares representing the right of opposition until the implementation date of the appraisal rights; (3) Successfully perform the relevant declaration procedures within the filing period of the appraisal rights claim. Shareholders who meet the above conditions are only entitled to exercise the appraisal rights of shares for which they have cast a valid negative vote. If the dissenting

shareholders of Hirisun sell their shares (including but not limited to being forcibly deducted by the judiciary) after the registration date of the general shareholders' meeting of the merger of Hirisun's share exchange and absorption, the number of shares entitled to exercise the appraisal rights shall be reduced accordingly; If the dissenting shareholders of Hirisun purchase shares after the registration date of the shareholders' meeting of the merger of Hirisun's share exchange and absorption, the number of shares entitled to the appraisal rights shall not increase, and such shares shall not enjoy the appraisal rights.

The dissenting shareholders of Hirisun of the register who hold the following shares shall not have the right to assert the appraisal rights of the shares they hold: (1) the shares of Hirisun with rights restrictions, such as the shares that have been pledged or set with other third-party rights or are restricted by laws and regulations such as judicial freeze; (2) its legal holder undertakes in writing to give up the appraisal rights of shares of the dissenting shareholder; and (3) other shares that are not subject to the exercise of the appraisal rights under applicable law.

Dissenting shareholders who have submitted Hirisun's shares as collateral for margin trading must transfer Hirisun's shares from the securities company's customer credit guarantee account to their ordinary securities account before the equity registration date of the appraisal rights request before they can exercise the appraisal rights. Dissenting shareholders of Hirisun who have carried out the agreed repurchase securities transaction must complete the early repurchase procedures in a timely manner before they can exercise the appraisal rights before the equity registration date of the appraisal rights claim.

The relevant taxes and fees arising from the exercise of the appraisal rights shall be borne by the dissenting shareholders of Hirisun who exercise the appraisal rights. The provider of the appraisal rights and other entities shall bear the responsibility in accordance with relevant laws, regulations, regulatory authorities, and securities registration and settlement institutions. If there is no clear regulation on this by laws, regulations, regulatory authorities, and securities registration and settlement institutions, the parties shall negotiate and resolve it in accordance with market practices.

If the merger proposal fails to obtain permit or approval from the general shareholders' meeting or relevant regulatory or government departments by both parties, resulting in the ultimate inability to implement the merger, the dissenting shareholders of Hirisun cannot exercise their appraisal rights, nor can they claim any compensation or indemnification from the merging parties.

After the transaction is approved and registered by the China Securities Regulatory Commission, Hirisun will separately announce the detailed arrangements for the appraisal rights request plan of Hirisun dissenting shareholders (including but not limited to the declaration, settlement and delivery of the appraisal rights), and will disclose information in a timely manner in accordance with laws, regulations and the provisions of the Shenzhen Stock Exchange.

10. Mechanism for protecting the interests of dissenting shareholders of HTC

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

(1) Dissenting shareholders of HTC

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

(2) The provider of the cash option

Hangzhou Capital, as the provider of the cash option, provides the cash option to the dissenting

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

(3) The price of the cash option

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

(4) the price adjustment mechanism for cash option

1) Adjustment object

The object of adjustment is the cash option price of dissenting shareholders of HTC.

2) The conditions under which the price adjustment plan will take effect

(1) The state-owned assets authority approves the price adjustment plan;

(2) The shareholders' meeting of Hirisun deliberated and approved the price adjustment plan;

(3) The shareholders' meeting of HTC deliberated and approved the price adjustment plan.

3)The period in which the price can be adjusted

From the announcement date of the resolution of the merger deliberated and approved in the HTC general shareholders' meeting to the date before the China Securities Regulatory Commission agreed to register the Transaction.

4) Trigger condition

From the announcement of the first board resolution of HTC to the time when the China Securities Regulatory Commission agrees to register the Transaction, if any of the following two circumstances occur, the board of directors of HTC has the right to hold a meeting within the price adjustment period to consider whether to make an adjustment to the price of the cash option:

A. Shenzhen Stock Exchange Composite Index (399106.SZ) has a closing point drop of more than 20% in at least 10 out of 20 consecutive trading days prior to any trading day compared to the closing point of the previous trading day before the suspension of trading on the HTC's B shares; And prior to the trading day, the daily trading average price of HTCB-shares has fallen by more than 20% in at least 10 consecutive trading days compared to the trading average price of HTCB-shares in the 20 trading days before the suspension of trading (i.e. the 20 trading days before the pricing benchmark date);

Or

B. Wind Electrical Equipment Industry Index (882210.HK) WI) has a closing point drop of more than 20% in at least 10 of the 20 consecutive trading days prior to any trading day compared to the closing point of the trading day before the suspension of the HTC's B shares; And prior to the trading day, the daily average trading price of HTC's B shares-shares has fallen by more than 20% in at least 10 out of 20 consecutive trading days compared to the average trading price of HTC's B shares in the 20 trading days before the suspension of trading (i.e. the 20 trading days before the pricing benchmark date).

5) Adjustment mechanism and price adjustment benchmark date

The board of directors of HTC shall convene a meeting of the board of directors within 20

trading days from whichever date is later-the date to the first achievement of the trigger conditions for price adjustment and the date on which the effective conditions of the price adjustment plan are met, and deliberate and decide whether to adjust the price of the cash option of the dissenting shareholders of HTC in accordance with the price adjustment plan. During the price adjustment period, HTC will only adjust the price of the dissenting shareholder's cash option once. If HTC has convened a meeting of board of directors to review and decide to adjust the price of the dissenting shareholder's cash option, and the price adjustment condition is triggered again, no further adjustment will be made; If the board of directors has convened a meeting to deliberate and decide not to adjust the cash option price of the dissenting shareholders, and the price adjustment condition is triggered again, no further adjustment will be made.

The benchmark date for price adjustment is the trading day following the date on which the above-mentioned trigger conditions are fulfilled. The adjusted cash option price of dissenting shareholders of HTC is the average stock trading price of the 20 trading days before the benchmark date of the price adjustment.

(5) Exercise of the cash option

After the Transaction is registered by the China Securities Regulatory Commission, HTC will determine the equity registration date for the implementation of the cash option. Dissenting shareholders of HTC who exercise the cash option may obtain the cash consideration paid by the cash option provider at the cash option price on the implementation date of each share of HTC validly declared, and at the same time transfer the corresponding shares to the name of the cash option provider. The provider of the cash option shall acquire all the shares of HTC exercising the cash option by the dissenting shareholders of HTC on the implementation date of the cash option, and pay the cash consideration accordingly. The shares of HTC acquired by the cash option provider through the cash option will be converted into A shares issued by Hirisun for the merger in accordance with the share exchange ratio on the implementation date of the merger plan.

The following conditions must be met at the same time for the registered dissenting shareholders of HTC to exercise the cash option: (1) they have cast valid negative votes on the relevant proposals on the merger plan and the sub-proposals voted on one by one at the general shareholders' meeting of HTC on the merger plan and on the relevant proposals on the merger agreement signed by the two parties to the merger; (2) From the record date of the shareholders' meeting at which HTC deliberated on the merger, as a validly registered shareholder of HTC, continue to hold the shares representing the right of opposition until the implementation date of the cash option; (3) Successfully perform the relevant declaration procedures within the cash option reporting period. Shareholders who meet the above conditions are only entitled to exercise the cash option in respect of their share declarations for which they have cast a valid negative vote. If the dissenting shareholders of HTC sell their shares after the registration date of the equity registration date of the shareholders' meeting of the HTC share absorption merger (including but not limited to being judicially compulsorily deducted, etc.), the number of shares entitled to the cash option shall be reduced accordingly; If the dissenting shareholders of HTC purchase shares after the registration date of the equity registration date of the shareholders' meeting of the HTC share absorption merger, the number of shares entitled to the cash option shall not increase, and such shares shall not enjoy the cash option.

The dissenting shareholders of HTC who hold the following shares are not entitled to exercise the cash option in respect of the shares they hold: (1) the shares of HTC with rights restrictions, such as shares that have been pledged or set with other third-party rights or restricted by laws and regulations such as judicial freeze; (2) its legal holder undertakes in writing to give up the shares of the cash option of the dissenting shareholders of HTC; and (3) other shares that are not subject to the exercise of the cash option under applicable law. The above-mentioned shares that are not entitled to claim the cash option will be converted into shares issued by Hirisun in accordance with the exchange ratio on the exchange date.

Dissenting shareholders of HTC who have submitted the shares of HTC as collateral for margin financing and securities lending transactions must transfer the shares of HTC from the credit guarantee account of the securities company to their ordinary securities account before the

equity registration date of the cash option before they can exercise the cash option. Dissenting shareholders of HTC who have carried out the agreed repurchase securities transaction must complete the early repurchase procedures in a timely manner before the equity registration date of the cash option before exercising the cash option.

The relevant taxes and fees arising from the exercise of the cash option shall be borne by the dissenting shareholders of HTC exercising the cash option, the provider of the cash option and other entities shall bear the responsibility in accordance with the relevant laws, regulations, regulatory authorities and the provisions of the securities registration and clearing institutions. If there is no clear regulation on this by laws, regulations, regulatory authorities, and securities registration and settlement institutions, the parties shall negotiate and resolve it in accordance with market practices.

If the merger proposal fails to obtain permit or approval from the general shareholders' meeting or relevant regulatory or government departments by both parties, resulting in the ultimate inability to implement the merger, the dissenting shareholders of HTC cannot exercise the cash option, nor can they claim any compensation or indemnification from the merging parties.

After the transaction is approved and registered by the China Securities Regulatory Commission, HTC will separately announce the detailed arrangements for the cash option plan of HTC dissenting shareholders (including but not limited to the declaration, settlement and delivery of the cash option), and will disclose information in a timely manner in accordance with laws, regulations and the provisions of the Shenzhen Stock Exchange.

11. Transitional arrangements

During the transition period, in order to achieve a smooth transition of business, if it is truly necessary, if either party needs the cooperation of the other party in the course of business development (including but not limited to providing relevant materials, issuing explanations, jointly reporting to the competent authorities, etc.), the other party shall actively cooperate in this regard.

During the Transition Period, the merging parties shall, and shall procure that each of their subsidiaries: (1) continue to operate independently in the ordinary course of business in accordance with past operational management and operating methods, and will not engage in any unusual transactions or incur any unusual debts; (2) to do its best to maintain all assets that make up the main business in good condition, and to maintain all good relationships with government authorities, customers, employees and other relevant parties; (3) Make, sort out and keep their respective documents and materials, and pay relevant taxes and fees in a timely manner.

During the transition period, either party to the merger shall take the initiative to respond to the reasonable requests of the other party and provide the other party with relevant assets, financial account books, meeting minutes, material claims and debts and other relevant documents in a timely manner. If it is truly necessary, if one party needs the cooperation of the other party in the course of business development (including but not limited to providing relevant materials, issuing explanations, jointly carrying out declarations to the competent authorities, etc.), the other party shall actively cooperate in this regard.

12. Arrangements for the transfer or delivery of the relevant assets involved in the Transaction

(1) Delivery conditions

After the merger agreement takes effect, the merger will be closed on the closing date. The merging parties shall complete the delivery obligations agreed under the merger agreement on the delivery date and sign the asset delivery confirmation document.

(2) Asset delivery

Since the date of closing, the ownership of all assets of HTC (including but not limited to all properties, trademarks, patents, franchises, projects under construction and other assets) and the related rights, interests, liabilities and obligations shall be enjoyed and assumed by Hirisun. HTC agrees to assist Hirisun in handling the change procedures for the transfer of all stipulated

properties of HTC (i.e., for any property, the law provides special procedures for the creation or transfer of such property rights or rights related to such property, including but not limited to land, real estate, vehicles and vessels, trademarks, patents, etc.) from HTC to the name of Hirisun. If the formal transfer procedures cannot be performed due to the change of registration procedures and other reasons, it will not affect the rights and obligations of Hirisun to the above-mentioned assets.

After the completion of the merger, the equity of the subsidiary currently held by HTC belongs to the surviving company, and it is changed to a subsidiary of the surviving company. The subsidiary of HTC (if any) belongs to the surviving company and is registered as a subsidiary of the surviving company.

(3) Debt inheritance

Except for the debts that are repaid in advance based on the creditor's request for early repayment within the statutory time limit, all outstanding debts of the merger parties will be inherited by Hirisun after the closing date of the merger.

(4) Contract succession

After the closing date of the share exchange and absorption merger, the contract subject of the rights, obligations and rights and interests of HTC under all valid contracts/agreements signed by HTC is changed to Hirisun.

(5) Data handover

HTC shall hand over all its bank account information, reserved seals and all seals of HTC to Hirisun on the delivery date. HTC shall, from the date of delivery, hand over to Hirisun any and all documents that have a significant impact on its subsequent operations.

(6) Share transfer

On the date of the share exchange, Hirisun shall register the A shares issued to the shareholders of HTC as consideration for the merger to the shareholders of HTC. The shareholders of HTC

have become shareholders of Hirisun since the date when the new shares are registered in their names.

13. Disposal of creditor's rights and debts involved in the Transaction

Since the date of delivery, Hirisun has inherited and undertaken all the assets, liabilities, business, personnel, contracts, qualifications and all other rights and obligations of HTC.

Hirisun and HTC will perform the creditor notification and announcement procedures in accordance with the provisions of relevant laws and regulations, and will, according to the requirements of their respective creditors within the statutory time limit, in accordance with the provisions of relevant applicable laws and regulations, independently or urge third parties to repay their debts in advance or provide additional guarantees for their respective creditors. If the relevant creditors fail to claim early repayment or providing security from the merging parties within the aforesaid statutory period, the unpaid debts will be inherited by Hirisun after the closing date.

14. Employee placement

After the completion of the share exchange and absorption merger, the management and employees of Hirisun will continue to retain their original jobs in accordance with the labor contract signed with Hirisun. All registered employees of HTC will be accepted by the surviving company and properly arranged. All rights and obligations of HTC as the employer of its existing employees will be enjoyed and assumed by Hirisun from the closing date.

Before the relevant shareholders' meetings to consider the merger, the two parties will hold a staff representative meeting or a staff meeting respectively to review the employee placement plan involved in the merger.

15. Arrangement for rolling over undistributed profits

In addition to the profit distribution plan approved by the respective general shareholders' meetings of the two parties, the accumulated undistributed profits of Hirisun and HTC as of the implementation date of the share exchange shall be jointly enjoyed by the new and old

shareholders of the surviving company according to their shareholding ratios.

III. The transaction constitutes a related party transaction

In the transaction, Hirisun's dominant shareholder is Hangzhou Capital, and actual controller is State-owned Assets Supervision and Administration Commission of Hangzhou; HTC's dominant shareholder is Turbine Holdings, and actual controller is State-owned Assets Supervision and Administration Commission of Hangzhou. In accordance with provisions on the related party and related party transaction in the *Listing Rules* and *ChiNext Listing Rules*, the transaction constitutes a related party transaction between Hirisun and HTC.

Concerning matters of the related party transaction, related directors of Hirisun and HTC have evaded voting.

IV. The transaction constitutes material asset restructuring

According to Hirisun's and HTC's 2023 audit reports and transaction amount, the transaction constitutes material asset restructuring, specifically calculated as follows:

In RMB 10,000

Item	Total assets	Operating revenue	Net assets
Acquiree (HTC)	1,592,768.01	592,423.80	789,927.59
Transaction amount	1,123,309.17		
Acquirer (Hirisun)	69,399.92	21,303.49	48,930.79
Acquiree/acquirer	2,295.06%	2,780.88%	1,614.38%
Transaction amount/acquirer	1,618.60%	-	2,295.71%
Criterion for material asset restructuring in the Measures for the Administration of Restructuring	50%	50% and >RMB 50 million	50% and >RMB 50 million

Item	Total assets	Operating revenue	Net assets
Whether to meet the criterion for material asset restructuring	Yes	Yes	Yes

Note: The net assets in the table refer to owners' Equity attributable to parent company in the audited consolidated statements for the latest accounting year.

In accordance with Measures for the Administration of Restructuring, the transaction constitutes material asset restructuring.

V. The transaction is expected to constitute restructuring and listing

Before the transaction, HTC's dominant shareholder is Turbine Holdings, and there was no change of power of control in the latest 36 months. Upon the completion of the transaction, HTC will be delisted and disqualified from being a corporation.

Within 36 months before the transaction, Hirisun's dominant shareholder was altered from HFI to Hangzhou Capital. In February 2024, HFI voluntarily transferred all 99,830,000 shares of Hirisun held (representing 29.80% of Hirisun's total capital stock) to Hangzhou Capital. Till the signing date of the plan, HFI no longer held shares of Hirisun, and Hangzhou Capital held 99,830,000 non-selling-restricted tradable shares of Hirisun, accounting for 29.80% of Hirisun's total capital stock. Hirisun's dominant shareholder is thus altered from HFI to Hangzhou Capital.

According to Hirisun's and HTC's 2023 audit reports, HTC's related financial data account for over 100% of Hirisun's, meeting the criterion for restructuring and listing prescribed in Article 13 of the Measures for the Administration of Restructuring. Therefore, the transaction is expected to constitute restructuring and listing.

VI. Effects of the transaction on the surviving company

(I) Effects of the transaction on main business of the surviving company

Prior to this transaction, HTC mainly designs and manufactures industrial turbines, gas turbines and other rotating industrial turbine machinery and equipment, and provides related

supporting services, the main products include industrial steam turbines, gas turbines, etc., which are mainly used in oil refining, chemical industry, fertilizer, building materials, metallurgy, electric power, light industry, environmental protection and other industrial fields. Hirisun is mainly engaged in the power information construction business, and provides related technical and consulting services, and its power information solutions can be widely used in all links of the power industry chain, including power generation, transmission, substation, distribution, power consumption and dispatching.

After the implementation of the Transaction, the surviving company will inherit and undertake all the assets, liabilities, business, personnel, contracts and all other rights and obligations of HTC, forming a business pattern of industrial turbine machinery business as the main business and power information business as the supplement. The surviving company will integrate the industrial resources of both parties, further optimize the company's industrial layout, and effectively enhance the core competitiveness and sustainable profitability of the surviving company.

(II) Effects of the transaction on equity structure of the surviving company

Before the transaction, Hirisun's total capital stock is 335,000,000 shares, while HTC's total capital stock is 1,175,009,600 shares. Irrespective of subsequent ex-right or ex-dividend and other effects on the M&A Parties, Hirisun issues a total of 1,175,009,600 shares for the stock-for-stock merger, calculated by stock-for-stock ratio of 1:1. Irrespective of the effects of right of claim for acquisition and cash-based option, upon the completion of the stock-for-stock merger, HTC holds 45.68% of the shares of the surviving company and is the direct controlling shareholder of the surviving company. Hangzhou Capital directly holds 6.61% of the shares of the surviving company, and controls a total of 52.29% of the shares of the surviving company through HTC, and is the indirect controlling shareholder of the surviving company. Hangzhou SASAC controls a total of 52.29% of the shares of the surviving company and is the actual controller of the surviving company.

Before and after the transaction, Hirisun's shareholders and holding ratios are listed as follows:

In shares 10,000

Shareholder	Before the stock-for-stock merger		After the stock-for-stock merger	
	Number of shares held	Holding ratio	Number of shares held (10,000 shares)	Holding ratio
Hangzhou State-owned Capital Investment and Operation Co., Ltd.	9,983.00	29.80%	9,983.00	6.61%
Hangzhou Turbine Holdings Co., Ltd.	-	-	68,971.59	45.68%
Subtotal shares held by dominant shareholders and persons acting in concert	9,983.00	29.80%	78,954.59	52.29%
Other shareholders	23,517.00	70.20%	72,046.37	47.71%
Total	33,500.00	100.00%	151,000.96	100.00%

(III) Effects of the transaction on key financial indicators of the surviving company

After the implementation of the transaction, Hirisun will inherit and take on all HTC's assets, liabilities, businesses, human resources, contracts and all the other rights and obligations. The M&A Parties will find their business put into exhaustive integration, and the surviving company will shape a business pattern featuring industrial turbine business taking the center stage, complete with electric power information business. Besides, The business and operating scale of the surviving company will be further expanded, and the total assets and operating income will be increased.

Upon the completion of the work of the transaction-related audit and valuation, the M&A Parties will, in accordance with statistics in relevant audit reports and reports for reference and review, make quantitative analysis on key financial indicators of the surviving company before and after the transaction, followed by detailed analysis on the effects of the transaction on the financial status and profitability of the surviving company in the report for stock-for-stock merger.

(IV) The transaction will not make the surviving company ineligible for stock listing

Upon the completion of the transaction, the equity structure of the surviving company is as shown in the plan's "Notification of Material Matters" - "VI. Effects of the transaction on the surviving company" - "(II) Effects of the transaction on the equity structure of the surviving company".

Upon the completion of the transaction, the capital stock of the surviving company will exceed 400 million shares, and the public and shareholders put together will account for no less than 10% of the capital stock of the surviving company, thus not making the surviving company ineligible for stock listing.

VII. Mechanism for protection of interest of creditors

Upon the completion of the stock-for-stock merger, HTC will be delisted and disqualified from being a corporation, while Hirisun will inherit and take on all HTC's assets, liabilities, businesses, human resources, contracts and all the other rights and obligations.

Pursuant to relevant laws and regulations, Hirisun and HTC will carry out procedures of notification and announcement to creditors, and depending on requirements raised by respective creditors within statutory period, repay the debt in advance or otherwise provide guarantee for respective creditors, or urge third party to do so. Within the statutory period, if relevant creditors make no claim for repaying the debt in advance or providing guarantee to the M&A Parties, related outstanding debt will be borne by Hirisun upon the completion of the stock-for-stock merger.

VIII. Completed and outstanding transaction-related procedures

(I) Obtained approval for the transaction

1. The transaction has been approved through deliberation at the fourth interim session of the sixth board of directors of Hirisun in 2024;

2. The transaction has been approved through deliberation at the tenth session of the ninth board of directors of HTC.

(II) Pending approval for the transaction

Pending ratification or approval procedures for the transaction are listed as follows, including but not limited to:

1. The formal transaction plan shall be adopted by the boards of directors of Hirisun and HTC through deliberation;

2. The formal transaction plan shall be adopted by the boards of shareholders of Hirisun and HTC through deliberation;

3. With consent of Hirisun's board of shareholders, Hangzhou Capital will be exempted from increasing shares of Hirisun by means of offer;

4. The transaction shall be approved by competent authority of state-owned assets supervision and administration;

5. The transaction shall be examined and approved by SZSE and put on file by CSRC;

6. The stock-for-stock merger shall be approved, permitted or accepted by other related competent authorities prescribed by laws and regulations (if any).

The transaction shall not be carried out until it is ratified, approved, or accepted and put on file as stated above. There is uncertainty about whether and when the transaction is ratified, approved or accepted and put on file as stated above, thus investors should be on the alert for investment risks.

IX. Important commitments made by the transaction-related parties

Party of commitment	Matter of commitment	Particulars
Hirisun	Statement and commitment of authenticity, accuracy and integrity of information provided	<p>1. The Company gives a pledge: all the transaction-related materials provided to all intermediaries are authentic, accurate and intact original written materials or duplicates and information; such duplicates or photocopies are consistent with relevant original materials or original copies; all the documents bear authentic signature or seal and contain no false records, misleading statements or major omissions whatsoever.</p> <p>2. The Company gives a pledge: the statement and confirmation issued for the transaction is authentic, accurate and intact, and contains no false records, misleading</p> <p>3. Depending on the process of the transaction, if related documents and relevant information are further needed, the Company ensures that such documents and information be provided in time, with guarantee on the authenticity, accuracy and integrity of such information.</p> <p>4. If the given or disclosed information in the transaction relates to any false records, misleading statements or major omissions, and causes losses to the Company or investors, the Company will bear liability of compensation by law.</p>
Hirisun's directors, supervisors	Statement and commitment of authenticity, accuracy and	1. I myself give a pledge: all the transaction-related materials provided to all intermediaries are authentic, accurate and intact original written materials or duplicates and information; such

Plan for Hangzhou Hirisun Technology Inc. Stock-for-stock Merger of Hangzhou Turbine Power Group Co., Ltd. & Related Party Transaction

Party of commitment	Matter of commitment	Particulars
and senior executives	integrity of information provided	<p>duplicates or photocopies are consistent with relevant original materials or original copies; all the documents bear authentic signature or seal and contain no false records, misleading statements or major omissions whatsoever.</p> <p>2. I myself give a pledge: the statement and confirmation issued for the transaction is authentic, accurate and intact, and contains no false records, misleading statements or major omissions whatsoever.</p> <p>3. Depending on the process of the transaction, if related documents and relevant information are further needed, I myself ensure that such documents and information be provided in time, with guarantee on the authenticity, accuracy and integrity of such information.</p> <p>4. If the given or disclosed information in the transaction relates to any false records, misleading statements or major omissions, and causes losses to Hirisun or investors, I will bear liability of compensation by law.</p> <p>5. If the disclosed or given information in the transaction relates to any false records, misleading statements or major omissions, as a result of which, I am investigated and put on file by the judiciary or inquired and put on file by the CSRC, shares of Hirisun shall not be transferred before conclusions are drawn. And within two trading days upon the receipt of notice on case investigation, suspended stock accounts and relevant written request shall be handed over to the board of Hirisun, which will then, on my behalf, apply for locking to the stock exchange and securities depository and clearing agency; if no application for locking is filed in within two trading days, the mandated board of Hirisun shall verify and submit my personal identity information and account information to the stock exchange and securities depository and clearing agency in application for locking; if the board of Hirisun fails to submit my personal identity information and account information to the stock exchange and securities depository and clearing agency, the stock exchange and securities depository and clearing agency shall be authorized to lock relevant shares. In case of any breaches of laws or regulations found in the conclusion of investigation, I myself pledge to lock shares for use subject to arrangements for compensation to relevant investors.</p>
	Statement on the plan for reduction of shares from the date of restructuring and resumption of trading till the completion of merger	<p>1. From the date of resumption of trading till the completion of the transaction, I myself shall not reduce Hirisun's shares held, nor do I have any plans for reduction of Hirisun's shares.</p> <p>2. In violation of the commitment, I myself will bear relevant legal liability.</p>
Hirisun and directors, supervisors and senior executives thereof	Statement on law abiding and integrity	<p>1. In the latest five years, the Company and all directors, supervisors and senior executives thereof were put under no criminal or administrative penalty (except for those apparently irrelevant with the securities market); they involved no major civil lawsuit or arbitration in connection with any economic disputes; and they were not investigated and put on file by the judiciary on suspicion of crime or inquired and put on file by the CSRC on suspicion of breach against laws or regulations.</p> <p>2. In the latest five years, the Company and all directors, supervisors and senior executives thereof encountered no administrative regulation measures of the CSRC or disciplinary sanctions of the stock exchange for failing to repay large debt or to honor promises.</p> <p>3. In the latest twelve months, the Company and all directors, supervisors and senior executives thereof were not denounced in public by the stock exchange or committed other dishonest acts, nor</p>

Party of commitment	Matter of commitment	Particulars
	Statement of no occurrence of circumstances in Article 12 of Guide to Regulation of Listed Companies No.7 - Regulation of Suspicious Stock Transactions Regarding Material Asset Restructuring by Listed Companies	<p>did they have other records of bad conduct.</p> <p>In violation of the confirmed contents above, the Company and all directors, supervisors and senior executives thereof will bear relevant legal liability of their own accord.</p> <p>Till the issue date of the statement, the Company and all agencies under control of the Company, directors, supervisors and senior executives of the Company were not investigated and put on file or inquired and put on file on suspicion of insider trading in connection with the transaction. Nor were they imposed any administrative penalty by CSRC or held accountable for criminal liability by the judiciary by law on suspicion of insider trading regarding material asset restructuring in the latest 36 months.</p> <p>In all, the Company and all agencies under control of the Company, directors, supervisors and senior executives of the Company were not under circumstances prescribed in Article 12 of Guide to Regulation of Listed Companies No.7 - Regulation of Suspicious Stock Transactions Regarding Material Asset Restructuring by Listed Companies: Not engaged in material asset restructuring by listed companies.</p>
HTC	Statement and commitment of authenticity, accuracy and integrity of information provided	<ol style="list-style-type: none"> 1. The Company gives a pledge: all the transaction-related materials provided to all intermediaries are authentic, accurate and intact original written materials or duplicates and information; such duplicates or photocopies are consistent with relevant original materials or original copies; all the documents bear authentic signature or seal and contain no false records, misleading statements or major omissions whatsoever. 2. The Company gives a pledge: the statement and confirmation issued for the transaction is authentic, accurate and intact, and contains no false records, misleading statements or major omissions whatsoever. 3. Depending on the process of the transaction, if related documents and relevant information are further needed, the Company ensures that such documents and information be provided in time, with guarantee on the authenticity, accuracy and integrity of such information. 4. If the given or disclosed information in the transaction relates to any false records, misleading statements or major omissions, and causes losses to the Company or investors, the Company will bear liability of compensation by law.
HTC's directors, supervisors and senior executives	Statement and commitment of authenticity, accuracy and integrity of information provided	<ol style="list-style-type: none"> 1. I myself give a pledge: all the transaction-related materials provided to all intermediaries are authentic, accurate and intact original written materials or duplicates and information; such duplicates or photocopies are consistent with relevant original materials or original copies; all the documents bear authentic signature or seal and contain no false records, misleading statements or major omissions whatsoever. 2. I myself give a pledge: the statement and confirmation issued for the transaction is authentic, accurate and intact, and contains no false records, misleading statements or major omissions whatsoever. 3. Depending on the process of the transaction, if related documents and relevant information are further needed, the Company ensures that such documents and information be provided in time, with guarantee on the authenticity, accuracy and integrity of such

Party of commitment	Matter of commitment	Particulars
		<p>information.</p> <p>4. If the given or disclosed information in the transaction relates to any false records, misleading statements or major omissions, and causes losses to HTC or investors, I will bear liability of compensation by law.</p> <p>5. If the disclosed or given information in the transaction relates to any false records, misleading statements or major omissions, as a result of which, I am investigated and put on file by the judiciary or inquired and put on file by the CSRC, shares of HTC and Hirisun shall not be transferred before conclusions are drawn. And within two trading days upon the receipt of notice on case investigation, suspended stock accounts and relevant written request shall be handed over to the boards of HTC and Hirisun, which will then, on my behalf, apply for locking to the stock exchange and securities depository and clearing agency; if no application for locking is filed in within two trading days, the mandated board of Hirisun shall verify and submit my personal identity information and account information to the stock exchange and securities depository and clearing agency in application for locking; if the boards of HTC and Hirisun fails to submit my personal identity information and account information to the stock exchange and securities depository and clearing agency, the stock exchange and securities depository and clearing agency shall be authorized to lock relevant shares. In case of any breaches of laws or regulations found in the conclusion of investigation, I myself pledge to lock shares for use subject to arrangements for compensation to relevant investors.</p>
	Statement on the plan for reduction of shares from the date of restructuring and resumption of trading till the completion of merger	<p>1. From the date of resumption of trading till the completion of the transaction, I myself shall not reduce HTC's shares held, nor do I have any plans for reduction of HTC's shares.</p> <p>2. In violation of the commitment, I myself will bear relevant legal liability.</p>
HTC and directors, supervisors and senior executives thereof	Statement on law abiding and integrity	<p>1. In the latest five years, the Company and all directors, supervisors and senior executives thereof were put under no criminal or administrative penalty (except for those apparently irrelevant with the securities market); they involved no major civil lawsuit or arbitration in connection with any economic disputes; and they were not investigated and put on file by the judiciary on suspicion of crime or inquired and put on file by the CSRC on suspicion of breach against laws or regulations.</p> <p>2. In the latest five years, the Company and all directors, supervisors and senior executives thereof encountered no administrative regulation measures of the CSRC or disciplinary sanctions of the stock exchange for failing to repay large debt or to honor promises.</p> <p>3. In the latest twelve months, the Company and all directors, supervisors and senior executives thereof were not denounced in public by the stock exchange or committed other dishonest acts, nor did they have other records of bad conduct.</p> <p>In violation of the confirmed contents above, the Company and all directors, supervisors and senior executives thereof will bear relevant legal liability of their own accord.</p>
	Statement of no occurrence of circumstances in Article	Till the issue date of the statement, the Company and all agencies under control of the Company, directors, supervisors and senior executives of the Company were not investigated and put on file or

Party of commitment	Matter of commitment	Particulars
	12 of Guide to Regulation of Listed Companies No.7 - Regulation of Suspicious Stock Transactions Regarding Material Asset Restructuring by Listed Companies	<p>inquired and put on file on suspicion of insider trading in connection with the transaction. Nor were they imposed any administrative penalty by CSRC or held accountable for criminal liability by the judiciary by law on suspicion of insider trading regarding material asset restructuring in the latest 36 months.</p> <p>In all, the Company and all agencies under control of the Company, directors, supervisors and senior executives of the Company were not under circumstances prescribed in Article 12 of Guide to Regulation of Listed Companies No.7 - Regulation of Suspicious Stock Transactions Regarding Material Asset Restructuring by Listed Companies: Not engaged in material asset restructuring by listed companies.</p>
Hangzhou Capital	Statement and commitment of authenticity, accuracy and integrity of information provided	<ol style="list-style-type: none"> 1. The Company gives a pledge to Hirisun, HTC and all intermediaries involved in the transaction: all the transaction-related materials provided to all intermediaries are authentic, accurate and intact original written materials or duplicates and information; such duplicates or photocopies are consistent with relevant original materials or original copies, with legal procedures performed and legal authorization obtained for signing or sealing the documents; all the documents bear authentic signature or seal and contain no false records, misleading statements or major omissions whatsoever. 2. The Company gives a pledge: the statement and confirmation issued for the transaction is authentic, accurate and intact, and contains no false records, misleading statements or major omissions whatsoever. 3. Depending on the process of the transaction, if related documents and relevant information are further needed, the Company ensures that such documents and information be provided in time, with guarantee on the authenticity, accuracy and integrity of such information. 4. If the given or disclosed information in the transaction relates to any false records, misleading statements or major omissions, and causes losses to Hirisun, HTC or investors, the Company will bear liability of compensation by law. 5. If the disclosed or given information in the transaction relates to any false records, misleading statements or major omissions, as a result of which, the Company is investigated and put on file by the judiciary or inquired and put on file by the CSRC, the Company will not transfer, directly or indirectly, shares of Hirisun or HTC before conclusions are drawn. And within two trading days upon the receipt of notice on case investigation, suspended stock accounts and relevant written request shall be handed over to the boards of Hirisun and HTC, which will then, on my behalf, apply for locking to the stock exchange and securities depository and clearing agency; if no application for locking is filed in within two trading days, the mandated boards of Hirisun and HTC shall verify and submit the Company's identity information and account information to the stock exchange and securities depository and clearing agency in application for locking; if the boards of Hirisun and HTC fail to submit the Company's identity information and account information to the stock exchange and securities depository and clearing agency, the stock exchange and securities depository and clearing agency shall be authorized to lock relevant shares. In case of any breaches of laws or regulations found in the conclusion of investigation, the Company gives a pledge to lock shares for use subject to arrangements for compensation to relevant investors.

Party of commitment	Matter of commitment	Particulars
	Statement on the opinions of principle about the restructuring and plans for reduction of shares from the date of restructuring and resumption of trading till the completion of merger	<p>1. In principle, the Company approves the transaction.</p> <p>2. From the date of resumption of trading till completion of the transaction, the Company shall not directly or indirectly reduce held shares of Hirisun or HTC. Nor shall the Company have any plans for direct or indirect reduction of shares of Hirisun or HTC.</p> <p>In violation of the commitment, the Company will bear relevant legal liability.</p>
	Statement of no occurrence of circumstances in Article 12 of Guide to Regulation of Listed Companies No.7 - Regulation of Suspicious Stock Transactions Regarding Material Asset Restructuring by Listed Companies	<p>Till the issue date of the statement, the Company and all agencies under control of the Company, directors, supervisors and senior executives of the Company were not investigated and put on file or inquired and put on file on suspicion of insider trading in connection with the transaction. Nor were they imposed any administrative penalty by CSRC or held accountable for criminal liability by the judiciary by law on suspicion of insider trading regarding material asset restructuring in the latest 36 months.</p> <p>In all, the Company and all agencies under control of the Company, directors, supervisors and senior executives of the Company were not under circumstances prescribed in Article 12 of Guide to Regulation of Listed Companies No.7 - Regulation of Suspicious Stock Transactions Regarding Material Asset Restructuring by Listed Companies: Not engaged in material asset restructuring by listed companies.</p>
	Commitment to retaining independence of a listed company	<p>I. Hirisun's human resources, assets, financial affairs, agencies and businesses are categorically separate from those of the Company and other companies under control of the Company, which is indicative of independence and no merger of human resources, assets, financial affairs, agencies and businesses between each other.</p> <p>II. Upon the completion of the transaction, pledge is given that Hirisun will keep human resources, assets, financial affairs, agencies and businesses separate from those of the Company and other companies under control of the Company, thus retaining the independence of a listed company in terms of human resources, assets, financial affairs, agencies and businesses, specifically as follows:</p> <p>(I) HR independence</p> <p>1. The Company gives a pledge: Hirisun's general manager, deputy general manager, financial director, board secretary and other senior executives do not take up posts other than directorship and supervisorship in the Company and other companies under control of the Company, or get paid in the Company and other companies under control of the Company; Hirisun's financial staff do not take up concurrent posts and get paid in the Company and other companies under control of the Company.</p> <p>2. The Company gives a pledge: Hirisun has its own sound labor, HR and compensation management systems, which are entirely independent of those of the Company and other companies under control of the Company.</p> <p>(II) Asset independence and integrity</p> <p>1. Pledge is given that Hirisun boasts facilities and supporting facilities in connection with production and operation, owns land, plant, equipment, as well as ownership and right to use trademarks, patents and non-patented technologies in relation to production and</p>

Party of commitment	Matter of commitment	Particulars
		<p>operation, and has its own purchasing and marketing system.</p> <p>2. Pledge is given that Hirisun has its own assets in entirety, and all such assets are wholly under control of Hirisun and solely owned and run by Hirisun.</p> <p>3. Pledge is given that the Company and other companies under control of the Company illegally appropriate Hirisun's funds or assets in any manners; guarantee is not given to the Company and other companies under control of the Company, using Hirisun's assets.</p> <p>(III) Financial independence</p> <p>1. Pledge is given that Hirisun has set up an independent financial department and financial accounting system. Pledge is given that Hirisun has its own standardized financial accounting system and financial management system for affiliates and subsidiaries thereof. Pledge is given that Hirisun opens its own bank account, and does not share a bank account with the Company and other companies under control of the Company.</p> <p>2. Pledge is given that Hirisun is capable of making independent financial decisions, and the Company does not illegally intervene in Hirisun's use and allocation of funds, or Hirisun's tax payment by law.</p> <p>(IV) Organizational independence</p> <p>1. Pledge is given that Hirisun has its own sound organization and is capable of independently running the organization.</p> <p>2. Pledge is given that Hirisun's workplace and premises are separate from the Company's.</p> <p>3. Pledge is given that Hirisun's board of directors, board of supervisors and all functional departments are independently functioning and not affiliated to the Company's functional departments.</p> <p>(V) Business independence</p> <p>1. Pledge is given that Hirisun's businesses are independent of those of the Company and other companies under control of the Company. Pledge is given that Hirisun boasts assets, human resources, qualifications and capabilities for carrying out operating activities on its own, as well as abilities of making independent and sustainable market-oriented operation.</p> <p>2. Pledge is given that the Company does not intervene in Hirisun's business activities, except for exercising rights as a shareholder.</p> <p>The commitment retains binding to the Company or its actual controller till they lose power of control over Hirisun. If the Company causes any losses to Hirisun for failure of honoring the commitment, the Company will bear relevant liability of compensation by law.</p>
	Commitment to reducing and standardizing related party transaction	<p>I. The Company pledges not to grant Hirisun and affiliates thereof the priority over any third party on market in terms of business cooperation, by taking advantage of its own status as the dominant shareholder of Hirisun.</p> <p>II. The Company and other companies under control of the Company will avoid engaging in related party transaction with Hirisun and affiliates thereof as practical as possible.</p> <p>III. Where related party transaction is inevitable or happens for</p>

Party of commitment	Matter of commitment	Particulars
		<p>reason, the Company and other companies under control of the Company will handle the transaction with Hirisun and affiliates thereof on principles of fairness, justice and compensation of equal value, and not engage in any acts that jeopardize the rights or interests of Hirisun and other shareholders taking advantage of the transaction.</p> <p>IV. Besides, the Company pledges that Hirisun will take precautions below against any related party transaction with the Company:</p> <ol style="list-style-type: none"> 1. In accordance with relevant laws, regulations and other normative documents, as well as Hirisun's articles of association, and related party transaction decision system, carry out related party transaction decision procedures, for information disclosure in time. 2. On the principle of market economy, resort to market pricing for setting trading price. <p>The commitment retains binding to the Company or its actual controller till they lose power of control over Hirisun. If the Company causes any losses to Hirisun for failure of honoring the commitment, the Company will bear relevant liability of compensation by law.</p>
	<p>Commitment to granting dissenting shareholders right of claim for acquisition and cash-based option</p>	<ol style="list-style-type: none"> 1. For Hirisun's dissenting shareholders/HTC's dissenting shareholders that submit a valid application for exercising the right of claim for acquisition/cash-based option in line with procedures prescribed in the plan for right of claim for acquisition/plan for cash-based option as announced in due course by Hirisun/HTC, the Company will unconditionally be transferred the right of claim for acquisition/cash-based option exercised in valid application, except for shares in the following cases: <ol style="list-style-type: none"> (1) Right-restricting Hirisun's/HTC's shares, such as shares restricted from transfer owing to any pledge, other third party rights, judicial freezing and other circumstances prescribed by laws or regulations; (2) Shares whose lawful holders pledge to waive the right of claim for acquisition/cash-based option to Hirisun/HTC in writing; (3) Other shares which the right of claim for acquisition/cash-based option cannot be exercised in accordance with applicable laws. <p>The Company will pay cash consideration to Hirisun's dissenting shareholders by price of right of claim for acquisition, i.e., RMB 9.56/share, and pay cash consideration to HTC's dissenting shareholders by price of cash-based option, i.e., RMB 7.11/share.</p> <p>In the event of distribution of cash dividends, stock dividends, transfer of capital reserves for increase of capital stock, allotment of shares or any other ex-right or ex-dividend matters regarding Hirisun's/HTC/s shares between the base date of pricing the stock-for-stock merger and the date of exercising the right of claim for acquisition/cash-based option, the price of the right of claim for acquisition/cash-based option will be adjusted accordingly. If price adjustment is triggered, and Hirisun/HTC convenes a board meeting for adjusting the price of right of claim for acquisition/cash-based option through deliberation, the Company will pay cash consideration to Hirisun's dissenting shareholders/HTC's dissenting shareholders by adjusted price.</p> 2. The provider of cash-based option shall proportionally convert all HTC shares held into shares issued by Hirisun for the stock-for-stock merger via the cash-based option transferred, on the date of exercising the stock-for-stock merger. 3. The commitment will be made with the official seal of the Company, and come into force as from the date of record of the CSRC

Party of commitment	Matter of commitment	Particulars
		<p>approval of the transaction and remain effective till the date of completion of stock-for-stock merger in the transaction.</p> <p>4. If the CSRC, stock exchange or any other competent authority promulgates and enforces new regulations prior to completion of the plan for right of claim for acquisition/cash-based option, the Company will have the right to make adjustments to the commitment in accordance with relevant regulations.</p>
	Statement on law abiding and integrity	<p>1. In the latest five years, the Company and all directors, supervisors and senior executives thereof were put under no criminal or administrative penalty (except for those apparently irrelevant with the securities market); they involved no major civil lawsuit or arbitration in connection with any economic disputes; and they were not investigated and put on file by the judiciary on suspicion of crime or inquired and put on file by the CSRC on suspicion of breach against laws or regulations.</p> <p>2. In the latest five years, the Company and all directors, supervisors and senior executives thereof encountered no administrative regulation measures of the CSRC or disciplinary sanctions of the stock exchange for failing to</p> <p>3. In the latest twelve months, the Company and all directors, supervisors and senior executives thereof were not denounced in public by the stock exchange or committed other dishonest acts, nor did they have other records of bad conduct.</p> <p>In violation of what's confirmed above, the Company will bear relevant legal liability of its own accord.</p>
Turbine Holdings	Statement and commitment of authenticity, accuracy and integrity of information provided	<p>1. The Company gives a pledge to HTC and all intermediaries involved in the transaction: all the transaction-related materials provided to all intermediaries are authentic, accurate and intact original written materials or duplicates and information; such duplicates or photocopies are consistent with relevant original materials or original copies, with legal procedures performed and legal authorization obtained for signing or sealing the documents; all the documents bear authentic signature or seal and contain no false records, misleading statements or major omissions whatsoever.</p> <p>2. The Company gives a pledge: the statement and confirmation issued for the transaction is authentic, accurate and intact, and contains no false records, misleading statements or major omissions whatsoever.</p> <p>3. Depending on the process of the transaction, if related documents and relevant information are further needed, the Company ensures that such documents and information be provided in time, with guarantee on the authenticity, accuracy and integrity of such information.</p> <p>4. If the given or disclosed information in the transaction relates to any false records, misleading statements or major omissions, and causes losses to HTC or investors, the Company will bear liability of compensation by law.</p> <p>5. If the information disclosed or given by the Company in the transaction relates to any false records, misleading statements or major omissions, as a result of which, the Company is investigated and put on file by the judiciary or inquired and put on file by the CSRC, shares of HTC and Hirisun shall not be transferred before conclusions are drawn. And within two trading days upon the receipt of notice on case investigation, suspended stock accounts and</p>

Plan for Hangzhou Hirisun Technology Inc. Stock-for-stock Merger of Hangzhou Turbine Power Group Co., Ltd. & Related Party Transaction

Party of commitment	Matter of commitment	Particulars
		<p>relevant written request shall be handed over to the boards of HTC and Hirisun, which will then, on my behalf, apply for locking to the stock exchange and securities depository and clearing agency; if no application for locking is filed in within two trading days, the mandated board of Hirisun shall verify and submit the Company's identity information and account information to the stock exchange and securities depository and clearing agency in application for locking; if the boards of HTC and Hirisun fails to submit the Company's identity information and account information to the stock exchange and securities depository and clearing agency, the stock exchange and securities depository and clearing agency shall be authorized to lock relevant shares. In case of any breaches of laws or regulations found in the conclusion of investigation, the Company gives a pledge to lock shares for use subject to arrangements for compensation to relevant investors.</p>
	<p>Statement on the opinions of principle about the restructuring and plans for reduction of shares from the date of restructuring and resumption of trading till the completion of merger</p>	<p>1. In principle, the Company approves the transaction. 2. From the date of resumption of trading till the completion of the transaction, the Company shall not reduce HTC's shares held, nor do I have any plans for reduction of HTC's shares.</p> <p>In violation of the commitment, the Company will bear relevant legal liability.</p>
	<p>Statement of no occurrence of circumstances in Article 12 of Guide to Regulation of Listed Companies No.7 - Regulation of Suspicious Stock Transactions Regarding Material Asset Restructuring by Listed Companies</p>	<p>Till the issue date of the statement, the Company and all agencies under control of the Company, directors, supervisors and senior executives of the Company were not investigated and put on file or inquired and put on file on suspicion of insider trading in connection with the transaction. Nor were they imposed any administrative penalty by CSRC or held accountable for criminal liability by the judiciary by law on suspicion of insider trading regarding material asset restructuring in the latest 36 months.</p> <p>In all, the Company and all agencies under control of the Company, directors, supervisors and senior executives of the Company were not under circumstances prescribed in Article 12 of Guide to Regulation of Listed Companies No.7 - Regulation of Suspicious Stock Transactions Regarding Material Asset Restructuring by Listed Companies: Not engaged in material asset restructuring by listed companies.</p>
	<p>Statement on law abiding and integrity</p>	<p>1. In the latest five years, the Company and all directors, supervisors and senior executives thereof were put under no criminal or administrative penalty (except for those apparently irrelevant with the securities market); they involved no major civil lawsuit or arbitration in connection with any economic disputes; and they were not investigated and put on file by the judiciary on suspicion of crime or inquired and put on file by the CSRC on suspicion of breach against laws or regulations.</p> <p>2. In the latest five years, the Company and all directors, supervisors and senior executives thereof encountered no administrative regulation measures of the CSRC or disciplinary sanctions of the stock exchange for failing to repay large debt or to honor promises.</p> <p>3. In the latest twelve months, the Company and all directors, supervisors and senior executives thereof were not denounced in public by the stock exchange or committed other dishonest acts, nor did they have other records of bad conduct.</p> <p>In violation of what's confirmed above, the Company will bear</p>

Party of commitment	Matter of commitment	Particulars
	Commitment to retaining independence of a listed company	<p>relevant legal liability of its own accord.</p> <p>I. Upon the completion of the transaction, pledge is given that Hirisun will keep human resources, assets, financial affairs, agencies and businesses separate from those of the Company and other companies under control of the Company, thus retaining the independence of a listed company in terms of human resources, assets, financial affairs, agencies and businesses, specifically as follows:</p> <p>(I) HR independence</p> <ol style="list-style-type: none"> 1. The Company gives a pledge: Hirisun's general manager, deputy general manager, financial director, board secretary and other senior executives do not take up posts other than directorship and supervisorship in the Company and other companies under control of the Company, or get paid in the Company and other companies under control of the Company; Hirisun's financial staff do not take up concurrent posts and get paid in the Company and other companies under control of the Company. 2. The Company gives a pledge: Hirisun has its own sound labor, HR and compensation management systems, which are entirely independent of those of the Company and other companies under control of the Company. <p>(II) Asset independence and integrity</p> <ol style="list-style-type: none"> 1. Pledge is given that Hirisun boasts facilities and supporting facilities in connection with production and operation, owns land, plant, equipment, as well as ownership and right to use trademarks, patents and non-patented technologies in relation to production and operation, and has its own purchasing and marketing system. 2. Pledge is given that Hirisun has its own assets in entirety, and all such assets are wholly under control of Hirisun and solely owned and run by Hirisun. 3. Pledge is given that the Company and other companies under control of the Company illegally appropriate Hirisun's funds or assets in any manners; guarantee is not given to the Company and other companies under control of the Company, using Hirisun's assets. <p>(III) Financial independence</p> <ol style="list-style-type: none"> 1. Pledge is given that Hirisun has set up an independent financial department and financial accounting system. Pledge is given that Hirisun has its own standardized financial accounting system and financial management system for affiliates and subsidiaries thereof. Pledge is given that Hirisun opens its own bank account, and does not share a bank account with the Company and other companies under control of the Company. 2. Pledge is given that Hirisun is capable of making independent financial decisions, and the Company does not illegally intervene in Hirisun's use and allocation of funds, or Hirisun's tax payment by law. <p>(IV) Organizational independence</p> <ol style="list-style-type: none"> 1. Pledge is given that Hirisun has its own sound organization and is capable of independently running the organization. 2. Pledge is given that Hirisun's workplace and premises are separate from the Company's. 3. Pledge is given that Hirisun's board of directors, board of

Party of commitment	Matter of commitment	Particulars
		<p>supervisors and all functional departments are independently functioning and not affiliated to the Company's functional departments.</p> <p>(V) Business independence</p> <ol style="list-style-type: none"> 1. Pledge is given that Hirisun's businesses are independent of those of the Company and other companies under control of the Company. Pledge is given that Hirisun boasts assets, human resources, qualifications and capabilities for carrying out operating activities on its own, as well as abilities of making independent and sustainable market-oriented operation. 2. Pledge is given that the Company does not intervene in Hirisun's business activities, except for exercising rights as a shareholder. <p>The commitment retains binding to the Company or its actual controller till they lose power of control over Hirisun. If the Company causes any losses to Hirisun for failure of honoring the commitment, the Company will bear relevant liability of compensation by law.</p>
	<p>Commitment to reducing and standardizing related party transaction</p>	<ol style="list-style-type: none"> I. The Company pledges not to grant Hirisun and affiliates thereof the priority over any third party on market in terms of business cooperation, by taking advantage of its own status as the dominant shareholder of Hirisun. II. The Company and other companies under control of the Company will avoid engaging in related party transaction with Hirisun and affiliates thereof as practical as possible. III. Where related party transaction is inevitable or happens for reason, the Company and other companies under control of the Company will handle the transaction with Hirisun and affiliates thereof on principles of fairness, justice and compensation of equal value, and not engage in any acts that jeopardize the rights or interests of Hirisun and other shareholders taking advantage of the transaction. IV. Besides, the Company pledges that Hirisun will take precautions below against any related party transaction with the Company: <ol style="list-style-type: none"> 1. In accordance with relevant laws, regulations and other normative documents, as well as Hirisun's articles of association, and related party transaction decision system, carry out related party transaction decision procedures, for information disclosure in time. 2. On the principle of market economy, resort to market pricing for setting trading price. <p>The commitment retains binding to the Company or its actual controller till they lose power of control over Hirisun. If the Company causes any losses to Hirisun for failure of honoring the commitment, the Company will bear relevant liability of compensation by law.</p>

X. Opinions of principle of dominant shareholders of the M&A Parties and persons acting in concert thereof, and plans for reduction of shares of the dominant shareholders and directors, supervisors and senior executives thereof from the date of restructuring and resumption of trading till the completion of merger

(I) Opinions of principle of dominant shareholders of the M&A Parties and persons acting in concert thereof, and plans for reduction of shares of the dominant shareholders and directors, supervisors and senior executives thereof from the date of restructuring and resumption of trading till the completion of transaction

Concerning the opinions of principle over the restructuring and plans for reduction of shares from the date of restructuring and resumption of trading till the completion of transaction, Hirisun's dominant shareholder Hangzhou Capital has declared as follows

“1. In principle, the Company approves the transaction.

2. From the date of resumption of trading till completion of transaction, the Company shall not directly or indirectly reduce held shares of Hirisun or HTC. Nor shall the Company have any plans for direct or indirect reduction of shares of Hirisun or HTC.

In violation of the commitment, the Company will bear relevant legal liability.”

Concerning the plans for reduction of shares in the transaction from the date of resumption of trading till completion of transaction, Hirisun's directors, supervisors and senior executives have declared as follows:

“1. From the date of resumption of trading till completion of transaction, I myself shall not reduce held shares of Hirisun. Nor shall I have any plans for reduction of shares of Hirisun.

2. In violation of the commitment, I myself will bear relevant legal liability.”

(II) Opinions of principle of dominant shareholders of the Acquiree and persons acting in concert thereof, and plans for reduction of shares of the dominant shareholders and persons acting in concert, directors, supervisors and senior executives thereof from the date of

resumption of trading till the completion of transaction

Concerning the opinions of principle over the restructuring and plans for reduction of shares from the date of resumption of trading till the completion of transaction, HTC's dominant shareholder Turbine Holdings has declared as follows

- “1. In principle, the Company approves the transaction.
2. From the date of resumption of trading till completion of transaction, the Company shall not reduce held shares of HTC. Nor shall the Company have any plans for reduction of shares of HTC.

In violation of the commitment, the Company will bear relevant legal liability.”

Concerning the plans for reduction of shares in the transaction from the date of resumption of trading till the completion of transaction, HTC's directors, supervisors and senior executives have declared as follows:

- “1. From the date of resumption of trading till completion of transaction, I myself shall not reduce held shares of HTC. Nor shall I have any plans for reduction of shares of HTC.
2. In violation of the commitment, I myself will bear relevant legal liability.”

XI. Arrangements for protection of rights and interests of small- and medium-sized investors in the transaction

(I) Discharge of obligation of information disclosure

To protect legitimate rights and interests of investors and safeguard order of securities market, Hirisun, HTC and related parties of information disclosure will faithfully perform the obligation of information disclosure in accordance with the Securities Law, Measures for the Administration of Information Disclosure by Listed Companies, Measures for the Administration of Restructuring and relevant laws, regulations and normative documents. Disclosing all relevant information which may make a difference in the share trading price of Hirisun or HTC or decisions of investors in an open and fair way, Hirisun, HTC and related parties of information disclosure shall give a pledge on the authenticity, accuracy, integrity and immediacy of the disclosed information.

(II) Implementation of relevant approval requirements

Concerning the transaction, Hirisun and HTC have carried out legal voting procedures and duties of disclosure in compliance with relevant provisions. Since the transaction constitutes a related transaction, related directors have evaded voting. Independent directors have formed a resolutions over relevant proposals at a special meeting. For deliberation on the transaction-related proposals at the meetings of shareholders of Hirisun and HTC, related shareholders will evade voting.

(III) Provision of online voting platform for shareholders' meeting

Pursuant to related regulations of the CSRC and SZSE, Hirisun and HTC will set up an online voting platform for facilitating shareholders attending the shareholders' meeting to vote for the transaction plan, thus ensuring the shareholders can vote and exercise their rights as shareholders online.

(IV) Arrangement on the right of claim for acquisition and cash-based option

To fully safeguard rights and interests of small- and medium-sized investors concerned in the stock-for-stock merger, Hirisun's dissenting shareholders will be granted the right of claim for acquisition and HTC's dissenting shareholders the cash-based option. For details of arrangement, refer to "Chapter I Overview of Transaction" - "II. Concrete transaction plan" - "(II) Merger plan" - "9. Mechanism for protection of interest of Hirisun's dissenting shareholders" and "10. Mechanism for protection of interest of HTC's dissenting shareholders" in the plan.

XII. Notification of information for additional disclosure

All the work in connection with the transaction is yet to complete, and some data concerned in the plan are not audited by an accounting firm prescribed by the *Securities Law*. So discrete use of relevant information is advised for investors.

Upon the completion of all the transaction-related work, Hirisun and HTC shall otherwise convene a board meeting, to deliberate on other unsettled matters regarding the transaction and prepare a report on stock-for-stock merger. Meanwhile, they shall perform relevant procedures for board deliberation. The audited historical financial data, financial data for reference and valuation will

be disclosed in the report on stock-for-stock merger.

Notification of Major Risks

For evaluation of the transaction, investors shall carefully take the following risk factors into account:

I. The risk of the transaction being suspended, halted or called off

Though the M&A Parties take precautions for secrecy, take the initiative to manage insider information and narrow down scope of people aware of insider information amid the planning and implementation of the transaction for avoidance of communication of insider information, it cannot rule out the possibility that related agencies and individuals engage in insider trading using the transaction-related insider information. Therefore, the transaction is at a risk of being suspended, halted or called off owing to abnormal fluctuation of stock price or abnormal trading, on suspicion of insider trading.

In view of the complexity of the transaction, there is a certain span from the signing of the transaction-related agreement till the completion of the transaction, relevant policy changes, contingencies or force majeure factors on stock market may affect the progress of the transaction, thus making the transaction at risk of being suspended, halted or called off.

If the transaction is suspended, halted or called off for the above reason, and transaction-related parties plan to restart the transaction, major changes may happen to the transaction plan and other transaction-related terms and conditions relative to the disclosed restructuring plan in the plan, so investors should be on the alert for relevant risks.

II. Risk of approval of the transaction

The transaction-related proposals have been put under deliberation at the fourth interim session of the sixth board of Hirisun and tenth session of the ninth board of HTC in 2024. Till the signing date of the plan, the transaction is yet to meet a plurality of conditions for implementation, as shown in the plan's "Notification of Material Matters" - "VIII. Completed and outstanding transaction-related procedures" - "(II) Pending approval for the transaction".

The transaction shall not be carried out until it is ratified, approved or accepted and put on file

as stated above. There is uncertainty about whether and when the transaction is ratified, approved or accepted and put on file as stated above, thus investors should be on the alert for relevant risks.

III. Risk in connection with right of claim for acquisition and cash-based option

To fully safeguard the benefits of shareholders of Hirisun and of HTC, eligible Hirisun's dissenting shareholders shall be granted right of claim for acquisition and eligible HTC's dissenting shareholders shall be granted cash-based option in the stock-for-stock merger. If the stock-for-stock merger cannot be carried out at last, Hirisun's and HTC's dissenting shareholders shall not exercise the right of claim for acquisition or cash-based option, and claim any compensations or indemnities to the M&A Parties on that account.

If Hirisun's stock price is above the price of the right of claim for acquisition when Hirisun's dissenting shareholders request for exercising the right of claim for acquisition, or HTC's stock price is above the price of the cash-based option when HTC's dissenting shareholders request for exercising the cash-based option, Hirisun's and HTC's dissenting shareholders may have their benefits impaired in request for exercising the right of claim for acquisition or cash-based option. In addition, dissenting shareholders who request for exercising the right of claim for acquisition or cash-based option may also be deprived of the opportunity of benefiting from further rise of stock price of the surviving company.

Investors should be on the alert for relevant risks.

IV. Risk of forced stock-for-stock merger

The transaction is yet to be approved by Hirisun's and HTC's boards of shareholders through deliberation at relevant meetings. The resolutions adopted at shareholders' meetings of the M&A Parties are binding to all shareholders (including shareholders that vote against, abstain or are absent from the shareholders' meetings and designate no agents for voting) of the M&A Parties. After essential ratification or approval is granted for the plan for stock-for-stock merger, on the date of record of stock-for-stock merger, HTC's shares held by HTC shareholders that make no request, request in part, are ineligible or invalid in request for exercising the cash-based option, and HTC's

shares held by the provider of cash-based option for granting the cash-based option, will be proportionally converted into A-shares issued by Hirisun in whole for the stock-for-stock merger.

For HTC's shares that have a pledge, are frozen by judiciary, or restricted from transfer by law, such shares shall be converted into Hirisun's shares, and the pledge, judicial freezing or other right-restricting circumstances regarding HTC's shares will remain in force to relevant Hirisun's shares in stock-for-stock merger.

Investors should be on the alert for relevant risks.

V. Risk of creditors' request for paying off debt in advance or providing guarantee

Upon the completion of the stock-for-stock merger, HTC will be delisted and disqualified from being a corporation, while Hirisun will inherit and take on all HTC's assets, liabilities, businesses, human resources, contracts and all the other rights and obligations. Pursuant to relevant laws and regulations, Hirisun and HTC will carry out procedures of notification and announcement to creditors, and depending on requirements raised by respective creditors within statutory period, repay the debt in advance or otherwise provide guarantee for respective creditors, or urge third party to do so.

At the moment, Hirisun and HTC have no external bonds issued, which is indicative of no relevance to matters of convening a meeting of bond holders. Though the M&A Parties will actively seek the understanding and approval of the merger from creditors, there is uncertainty in creditors' opinions about the merger. If creditors of the M&A Parties make a request for repaying the debt in advance or otherwise providing a guarantee, it may make a difference in Hirisun's and HTC's financial conditions in the short term. Investors should be on the alert for relevant risks.

VI. Risk of outstanding work of audit and valuation

Till the signing date of the plan, all the work in connection with the transaction is yet to complete, and some data concerned in the plan are not audited by an accounting firm prescribed by the *Securities Law*. So discrete use of relevant information is advised for investors. Hirisun's and HTC's boards of directors and all board members thereof give a pledge on the authenticity and

rationality of relevant data cited from the plan.

Upon the completion of all the transaction-related work, Hirisun and HTC shall otherwise convene a board meeting, to deliberate on other unsettled matters regarding the transaction and prepare a report on stock-for-stock merger. Meanwhile, they shall perform relevant procedures for deliberation at shareholders' meeting. The audited historical financial data, financial data for reference and valuation will be disclosed in the report on stock-for-stock merger, and final results may differ from what's disclosed in the plan. Investors should be on the alert for relevant risks.

VII. Risk of industrial policy

The industrial turbine manufacturing industry which the surviving company belongs to is highly susceptible to national policy of "carbon peaking and neutrality", policy of equipment renewal, and global trading policies. China now promotes the strategy of innovation-driven development, keeps improving the green and low-carbon policy, and tightens management of energy saving and emissions reduction, while scaling up equipment renewal and accelerating industrial upgrading. Major adjustments or changes to relevant policies, if any, may make severely adverse impact on the R&D, production and sales of staples of the surviving company in the future. Investors should be on the alert for relevant risks.

Chapter I Overview of Transaction

I. Background and objective of transaction

(I) Background of transaction

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

The report of the 20th National Congress of the Communist Party of China clearly stated that to accelerate the construction of a new development pattern and focus on promoting high-quality development, it is necessary to deepen the reform of state-owned assets and state-owned enterprises, accelerate the optimization of the layout and structural adjustment of the state-owned economy, promote state-owned capital and state-owned enterprises to become stronger, better and bigger, and enhance the core competitiveness of enterprises. The "Opinions of the State Council on Further Improving the Quality of Listed Companies" clearly stated that improving the quality of listed companies is an inherent requirement for promoting the healthy development of the capital market, and is an important part of accelerating the improvement of the socialist market economy system in the new era, and it's required to continuously improve the governance level of listed companies and promote listed companies to become better and stronger.

As a subsidiary of Hangzhou SASAC, the Transaction is an important measure to thoroughly implement the Xi Jinping's socialist thought with Chinese characteristics in the new era and the spirit of the Third Plenary Session of the 20th Central Committee of the Communist Party of China, and to implement the guiding ideology of the Party Central Committee and the State Council to deepen the reform of state-owned enterprises, which will help improve the industrial layout of state-owned listed companies, improve asset quality and operational efficiency, and realize the preservation and appreciation of state-owned assets.

2. National policies encourage mergers and acquisitions and mergers and acquisitions between listed companies

In March 2024, the China Securities Regulatory Commission (CSRC) issued the "Opinions on

Strengthening the Supervision of Listed Companies (Trial)", which clearly proposes to support listed companies to enhance their investment value through mergers and acquisitions, and encourages listed companies to comprehensively use shares, cash, directional convertible bonds and other tools to implement mergers and acquisitions, inject high-quality assets, and support the absorption and merger of listed companies. In April 2024, the State Council issued the "Several Opinions on Further Promoting the Healthy Development of the Capital Market", proposing to give full play to the role of the capital market as the main channel in the process of mergers and acquisitions, strengthen the property rights pricing and transaction functions of the capital market, broaden the financing channels for mergers and acquisitions, and enrich the payment methods for mergers and acquisitions. In September 2024, the China Securities Regulatory Commission (CSRC) issued the Opinions on Deepening the Reform of the M&A and Restructuring Market for Listed Companies to further optimize the restructuring review process, improve the efficiency of restructuring review, and activate the M&A and restructuring market. It supports the absorption and merger of the same industry, upstream and downstream between listed companies not under the common control, and the absorption and merger between listed companies under the common control. With the support of a number of policies, China's capital market mergers and acquisitions have entered an "active period".

The Transaction is a positive response to the encouragement of mergers and acquisitions and the absorption and merger of listed companies by the State Council and the China Securities Regulatory Commission, which will help promote the strong quality and external image of the surviving company, improve the asset quality and operational efficiency of the listed companies, thereby enhancing the sustainable profitability of the listed company and enhancing the investment value of the listed company.

(II) Objective of transaction

1. Addressing the legacy of B-shares and augmenting HTC's financing capacity

HTC went public on SZSE B-share market in 1998, with IPO of HKD 171,200,000. Subsequently, confined by listing and financing on B-share market, HTC was perpetually unable to

raise funds through capital market upon its IPO. Moreover, HTC's B-shares has poor liquidity and stock valuation under prices that of any counterpart listed company on A-share market, which conspires against the company's development and realization of interest of small-and medium-sized shareholders.

Since its IPO, HTC has clawed its way to make solid progress, and now become a leading industrial turbine provider in China's high-end equipment industry. In the face of intensifying marketplace and new trends of industrial development, the transaction is conducive to addressing the legacy of HTC. With more financing channels and greater financing capacity, the company will become a more profitable and premium listed company by leverage of the capital market.

2. Boosting homemade gas turbine production, as high-quality guarantee for implementation of the national strategy of "engine and turbine project"

Therefore, as the pillar equipment of the clean and low-carbon energy system under the strategy of "carbon peak and carbon neutrality", it is urgent to comprehensively improve the development and demonstration application of domestic independent gas turbines, so that the independent and controllable core technologies continue to mature in application practice and realize domestic substitution. In 2016, China fully launched the implementation of the "two-engine special project", hoping to break through the core technology of gas turbines, break the monopoly of foreign products, and accelerate the independent innovation and development of China's gas turbine industry.

Upon the transaction, the surviving company will, by leverage of the capital market, continue to strengthen the development and application of homemade gas turbines, boost development of independent innovation of China's gas turbine industry, as an act of contributing to the implementation of the national strategy of "engine and turbine project".

3. Clearing the bottleneck for growth of Hirisun, and increasing core competence and investment value of the listed company

In increasingly cut-throat marketplace, Hirisun is facing a bottleneck for performance growth,

thus urgently seeking transformation and upgrading. Upon the completion of the transaction, the surviving company will scale up production, diversify product portfolios, and improve technical strength and management operation. Using market-oriented instruments, it will spur the M&A Parties into deepening reforms, while refining its own governance structure. The integrated development and mutual promotion of industrial operation and capital operation will spark high-quality development of the surviving company. The development of the electric power information business in tandem with industrial turbine business will further strengthen core competence and sustainable profitability of the surviving company and increase its investment value.

II. Transaction plan

(I) Overview of transaction plan

Hirisun intends to issue A-shares to all HTC shareholders concerned, for stock-for-stock merger of HTC. Hirisun acts as the acquirer, and HTC acts as the acquiree. That is to say, Hirisun issues A-shares to all HTC shareholders concerned, in exchange for HTC shares held by these shareholders.

Upon the completion of the stock-for-stock merger, HTC will be delisted and disqualified from being a corporation, while Hirisun will inherit and take on all HTC's assets, liabilities, businesses, human resources, contracts and all the other rights and obligations. Hirisun will request for listing and circulating A-shares issued by Hirisun for the stock-for-stock merger on SZSE ChiNext market.

(II) Merger plan

1. Both parties of share exchange and merger

The merger party of this share exchange absorption merger is Hirisun, and the absorbed merger party is HTC.

2. Method of share exchange and absorption merger

Hirisun will issue A shares as consideration to all the share exchange shareholders of HTC, and

absorb and merge HTC through share exchange, and the shares held by all the shareholders of HTC will be converted into A shares of Hirisun in accordance with the share exchange ratio.

As the merger party and surviving company of this merger, Hirisun will inherit and undertake all the assets, liabilities, business, personnel and all other rights and obligations of HTC; As the merged party of this merger, HTC will terminate its listing and cancel its legal personality.

3. The type and par value of the shares to be issued in exchange for shares

The type of shares issued by Hirisun as a result of this merger is domestically listed RMB ordinary shares (A shares), with a par value of 1.00 yuan per share.

4. The object of the share exchange and the registration date of the merger

The issuance object of this merger is all shareholders of HTC registered after the market close on the equity registration date of the merger implementation, that is, on the equity registration date of the implementation of the merger, the shareholders of HTC who have not declared, partially declared, have no right to declare or invalidly declare the exercise of the cash option, as well as the provider of the cash option (if it has actually paid cash consideration to the shareholders who exercise the cash option and transferred the shares of HTC), and all the shares held by the share exchange object will be converted into A shares issued by Hirisun due to the merger in accordance with the share exchange ratio.

The board of directors of the two parties will separately negotiate and announce the equity registration date for the implementation of the merger after the transaction is approved by the Shenzhen Stock Exchange (hereinafter referred to as the "Shenzhen Stock Exchange") and the China Securities Regulatory Commission agrees to register.

5. The exchange price and the exchange ratio

The pricing benchmark date of the merger is the date of the announcement of the first board resolution of the two parties. Taking into account factors such as historical stock price, operating performance, market capitalization, etc., in accordance with the relevant provisions of the "Restructuring Management Measures", and after negotiation between the two parties of the

merger, the exchange price of Hirisun is determined to be 9.56 yuan per share according to the average stock trading price of the 20 trading days before the pricing benchmark date. The average stock trading price of HTC is HK\$7.77 per share according to the average stock trading price of 20 trading days before the pricing benchmark date, which is equivalent to RMB 7.11 per share by converted according to the median price of RMB to Hong Kong dollar announced by the People's Bank of China on October 25, 2024 (HK\$1 = 0.91496 RMB) that is the trading day before HTC share suspension.

It's finally determined that the exchange price of HTC is to give a premium of 34.46% on this basis, and the exchange price of HTC = the average trading price of HTC * (1 + premium rate) = 9.56 yuan / share, and the number of shares of Hirisun that can be exchanged for each 1 share of HTC = the exchange price of HTC / the exchange price of Hirisun. According to the above formula, the exchange ratio between HTC and Hirisun is 1:1, that is, every 1 share of HTC can be exchanged for 1 shares of Hirisun share.

From the pricing benchmark date of the merger to the implementation date of the share exchange (both dates inclusive), the share exchange ratio shall not be adjusted under any other circumstances, except for the distribution of cash dividends, stock dividends, capital reserve conversion to share capital, allotment and other ex-rights and dividends by either party to the merger, or in the event that the exchange price needs to be adjusted in accordance with the requirements of relevant laws, regulations or regulatory authorities.

6. The number of shares to be issued in exchange for shares

Up to now, the total share capital of HTC is 1,175,009,597 shares, and the shares of HTC participating in this share exchange are 1,175,009,597 shares. Calculated with reference to the share exchange ratio, the total number of shares issued by Hirisun for this share exchange is 1,175,009,597 shares.

If either of the two parties to the merger has any ex-rights and dividends such as cash dividends, stock dividends, capital reserve conversion to share capital, allotment and other ex-rights and dividends from the pricing benchmark date to the share exchange date (both dates inclusive), or

the stock repurchase and cancellation of HTC, the number of shares issued by the above-mentioned exchange shall be adjusted accordingly.

The A-shares of Hirisun obtained by the share exchange shareholders of HTC shall be integers. If the amount obtained by multiplying the HTC shares held by the exchange ratio is not an integer, then one share will be issued to each shareholder in descending order according to the mantissa after the decimal point until the actual number of shares exchanged matches the planned number of shares. If there are more shares with the same ending than the remaining number, the computer system will randomly distribute them until the actual number of shares exchanged matches the planned number of shares to be issued.

7. The place of listing of the shares issued by the exchange of shares

The A-shares issued by Hirisun for this share exchange will be applied for listing and circulation on the Growth Enterprise Market of the Shenzhen Stock Exchange.

8. Disposal of shares held by shareholders whose rights are restricted in share exchange

For the shares of HTC that have been pledged, frozen by the judiciary or restricted by laws and regulations from transferring, such shares will be converted into shares of Hirisun when they are exchanged, and the pledge, judicial freezing status or other rights restrictions originally set on the shares of HTC will continue to be valid on the corresponding shares of Hirisun in exchange.

9. The interest protection mechanism of Hirisun dissenting shareholders

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

(1) Dissenting shareholders of Hirisun

The dissenting shareholders of Hirisun who have the right to exercise appraisal rights refer to the shareholders of HTC who have voted valid against at the shareholders' meeting to all the

relevant proposals on the merger plan and the sub-proposals voted on one by one and on the relevant proposals on the merger agreement signed by the two parties to the merger, and have continued to hold the shares representing the objection rights until the implementation date of the appraisal rights request of the dissenting shareholders of Hirisun, and meanwhile have performed the relevant reporting procedures within the specified time.

(2) The provider of the appraisal rights

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

(3) The price of the appraisal rights claim

The price of the appraisal rights request of the dissenting shareholders of Hirisun is the average trading price of the A-shares in the 20 trading days before the suspension of the Hirisun A-shares (i.e., the 20 trading days before the pricing benchmark date), that is, 9.56 yuan per share.

If the distribution of cash dividends, stock dividends, capital reserve to share capital, allotment and other ex-rights and dividends occurs from the pricing benchmark date to the implementation date of the appraisal rights request (both dates inclusive), the appraisal rights price shall be adjusted accordingly.

(4) The price adjustment mechanism for appraisal rights

1) Adjustment object

The object of adjustment is the price of the appraisal rights of the dissenting shareholders of Hirisun.

2) The conditions under which the price adjustment plan will take effect

(1) The state-owned assets authority approves the price adjustment plan;

(2) The general shareholders' meeting of Hirisun deliberated and approved the price adjustment plan;

(3) The general shareholders' meeting of HTC deliberated and approved the price adjustment plan.

3) The period in which the price can be adjusted

From the announcement date of the resolution of the merger deliberated and approved in the Hirisun general shareholders' meeting to the date before the China Securities Regulatory Commission agreed to register the Transaction.

4) Trigger condition

From the announcement of the first board resolution of Hirisun to the time when the China Securities Regulatory Commission agrees to register the Transaction, if any of the following two circumstances occur, the board of directors of Hirisun has the right to hold a meeting within the price adjustment period to consider whether to make an adjustment to the price of the appraisal rights:

A. The Growth Enterprise Index(399006. SZ) has a closing point drop of more than 20% in at least 10 out of 20 consecutive trading days prior to any trading day compared to the closing point of the previous trading day before the suspension of trading on the A-share market of Hirisun ; And prior to the trading day, the daily trading average price of Hirisun A-shares has fallen by more than 20% in at least 10 consecutive trading days compared to the trading average price of Hirisun A-shares in the 20 trading days before the suspension of trading (i.e. the 20 trading days before the pricing benchmark date);

Or

B. Wind Information Technology Service Index (866311. WI) has a closing point drop of more than 20% in at least 10 of the 20 consecutive trading days prior to any trading day compared to the closing point of the trading day before the suspension of the A-share trading of Hirisun; And prior to the trading day, the daily average trading price of Hirisun A-shares had fallen by more than 20% in at least 10 out of 20 consecutive trading days compared to the average trading price of Hirisun A-shares in the 20 trading days before the suspension of trading (i.e. the 20 trading days before the pricing benchmark date).

5) Adjustment mechanism and price adjustment benchmark date

The board of directors of Hirisun shall convene a meeting of the board of directors within 20 trading days from whichever date is later-the date to the first achievement of the trigger conditions for price adjustment and the date on which the effective conditions of the price adjustment plan are met, and deliberate and decide whether to adjust the price of the appraisal rights of the dissenting shareholders of Hirisun in accordance with the price adjustment plan. During the price adjustment period, Hirisun will only adjust the price of the dissenting shareholder's appraisal rights once. If Hirisun has convened a meeting of board of directors to review and decide to adjust the price of the dissenting shareholder's appraisal rights, and the price adjustment condition is triggered again, no further adjustment will be made;; If the board of directors has convened a meeting to deliberate and decide not to adjust the price of the appraisal rights of the dissenting shareholder, and the price adjustment condition is triggered again, no further adjustment will be made.

The benchmark date for price adjustment is the next trading day after the date of achievement of the above-mentioned trigger conditions. The adjusted price of the appraisal rights of dissenting shareholders is the average trading price of the stock in the 20 trading days prior to the benchmark date of the price adjustment.

(5) Exercise of the appraisal rights

After the transaction is registered with the China Securities Regulatory Commission, Hirisun will determine the equity registration date for the implementation of the appraisal rights. The dissenting shareholders who exercise the appraisal rights may obtain the cash consideration paid by the provider of the appraisal rights according to the price of the appraisal rights on the implementation date of each share of the appraisal rights that they have validly declared, and at the same time transfer the corresponding shares to the name of the provider of the appraisal rights. The provider of the appraisal rights shall acquire all the shares of Hirisun on the implementation date of the appraisal rights exercised by the dissenting shareholders of Hirisun, and pay the cash consideration accordingly.

The following conditions must be met at the same time for the registered dissenting shareholders of Hirisun to exercise the appraisal rights: (1) as far as the shareholders of Hirisun are concerned, they have cast valid negative votes on the relevant proposals on the merger plan and the sub-proposals voted on one by one at the general shareholders' meeting of Hirisun on the merger plan and on the relevant proposals on the merger agreement signed by the two parties to the merger; (2) From the record date of the shareholders' meeting at which Hirisun deliberated on the merger, as a validly registered shareholder of Hirisun, continue to hold the shares representing the right of opposition until the implementation date of the appraisal rights; (3) Successfully perform the relevant declaration procedures within the filing period of the appraisal rights claim. Shareholders who meet the above conditions are only entitled to exercise the appraisal rights of shares for which they have cast a valid negative vote. If the dissenting shareholders of Hirisun sell their shares (including but not limited to being forcibly deducted by the judiciary) after the registration date of the general shareholders' meeting of the merger of Hirisun's share exchange and absorption, the number of shares entitled to exercise the appraisal rights shall be reduced accordingly; If the dissenting shareholders of Hirisun purchase shares after the registration date of the shareholders' meeting of the merger of Hirisun's share exchange and absorption, the number of shares entitled to the appraisal rights shall not increase, and such shares shall not enjoy the appraisal rights.

The dissenting shareholders of Hirisun of the register who hold the following shares shall not

have the right to assert the appraisal rights of the shares they hold: (1) the shares of Hirisun with rights restrictions, such as the shares that have been pledged or set with other third-party rights or are restricted by laws and regulations such as judicial freeze; (2) its legal holder undertakes in writing to give up the appraisal rights of shares of the dissenting shareholder; and (3) other shares that are not subject to the exercise of the appraisal rights under applicable law.

Dissenting shareholders who have submitted Hirisun's shares as collateral for margin trading must transfer Hirisun's shares from the securities company's customer credit guarantee account to their ordinary securities account before the equity registration date of the appraisal rights request before they can exercise the appraisal rights. Dissenting shareholders of Hirisun who have carried out the agreed repurchase securities transaction must complete the early repurchase procedures in a timely manner before they can exercise the appraisal rights before the equity registration date of the appraisal rights claim.

The relevant taxes and fees arising from the exercise of the appraisal rights shall be borne by the dissenting shareholders of Hirisun who exercise the appraisal rights. The provider of the appraisal rights and other entities shall bear the responsibility in accordance with relevant laws, regulations, regulatory authorities, and securities registration and settlement institutions. If there is no clear regulation on this by laws, regulations, regulatory authorities, and securities registration and settlement institutions, the parties shall negotiate and resolve it in accordance with market practices.

If the merger proposal fails to obtain permit or approval from the general shareholders' meeting or relevant regulatory or government departments by both parties, resulting in the ultimate inability to implement the merger, the dissenting shareholders of Hirisun cannot exercise their appraisal rights, nor can they claim any compensation or indemnification from the merging parties.

After the transaction is approved and registered by the China Securities Regulatory Commission, Hirisun will separately announce the detailed arrangements for the appraisal rights request plan of Hirisun dissenting shareholders (including but not limited to the declaration, settlement and

delivery of the appraisal rights), and will disclose information in a timely manner in accordance with laws, regulations and the provisions of the Shenzhen Stock Exchange.

10. Mechanism for protecting the interests of dissenting shareholders of HTC

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

(1) Dissenting shareholders of HTC

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

(2) The provider of the cash option

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

(3) The price of the cash option

The cash option price of the dissenting shareholders of HTC is the average trading price of B-shares for the 20 trading days before the suspension of trading of HTC's B-shares (i.e. 20 trading days before the pricing benchmark date), that's HK\$7.77 per share, which is equivalent to RMB7.11 per share by converted according to the median price of RMB to Hong Kong dollar announced by the People's Bank of China on October 25, 2024 (HK\$1 = 0.91496 RMB) that is the trading day before HTC share suspension. If there are ex-rights and dividends such as cash dividends, stock dividends, conversion of capital reserve to share capital, and allotment from the pricing benchmark date to the implementation date of the cash option (both dates inclusive), the cash option price will be adjusted accordingly.

(4) the price adjustment mechanism for cash option

1) Adjustment object

The object of adjustment is the cash option price of dissenting shareholders of HTC.

2) The conditions under which the price adjustment plan will take effect

(1) The state-owned assets authority approves the price adjustment plan;

(2) The shareholders' meeting of Hirisun deliberated and approved the price adjustment plan;

(3) The shareholders' meeting of HTC deliberated and approved the price adjustment plan.

3) The period in which the price can be adjusted

From the announcement date of the resolution of the merger deliberated and approved in the HTC general shareholders' meeting to the date before the China Securities Regulatory Commission agreed to register the Transaction.

4) Trigger condition

From the announcement of the first board resolution of HTC to the time when the China Securities Regulatory Commission agrees to register the Transaction, if any of the following two circumstances occur, the board of directors of HTC has the right to hold a meeting within the price adjustment period to consider whether to make an adjustment to the price of the cash

option:

A. Shenzhen Stock Exchange Composite Index (399106. SZ) has a closing point drop of more than 20% in at least 10 out of 20 consecutive trading days prior to any trading day compared to the closing point of the previous trading day before the suspension of trading on the HTC's B shares; And prior to the trading day, the daily trading average price of HTC's B shares has fallen by more than 20% in at least 10 consecutive trading days compared to the trading average price of HTC's B shares in the 20 trading days before the suspension of trading (i.e. the 20 trading days before the pricing benchmark date);

Or

B. Wind Electrical Equipment Industry Index (882210.HK) WI) has a closing point drop of more than 20% in at least 10 of the 20 consecutive trading days prior to any trading day compared to the closing point of the trading day before the suspension of the HTC's B shares; And prior to the trading day, the daily average trading price of HTC's B shares has fallen by more than 20% in at least 10 out of 20 consecutive trading days compared to the average trading price of HTC's B shares in the 20 trading days before the suspension of trading (i.e. the 20 trading days before the pricing benchmark date).

5) Adjustment mechanism and price adjustment benchmark date

The board of directors of HTC shall convene a meeting of the board of directors within 20 trading days from whichever date is later-the date to the first achievement of the trigger conditions for price adjustment and the date on which the effective conditions of the price adjustment plan are met, and deliberate and decide whether to adjust the price of the cash option of the dissenting shareholders of HTC in accordance with the price adjustment plan. During the price adjustment period, HTC will only adjust the price of the dissenting shareholder's cash option once. If HTC has convened a meeting of board of directors to review and decide to adjust the price of the dissenting shareholder's cash option, and the price adjustment condition is triggered again, no further adjustment will be made; If the board of directors has convened a meeting to deliberate and decide not to adjust the cash option price of the dissenting

shareholders, and the price adjustment condition is triggered again, no further adjustment will be made.

The benchmark date for price adjustment is the trading day following the date on which the above-mentioned trigger conditions are fulfilled. The adjusted cash option price of dissenting shareholders of HTC is the average stock trading price of the 20 trading days before the benchmark date of the price adjustment.

(5) Exercise of the cash option

After the Transaction is registered by the China Securities Regulatory Commission, HTC will determine the equity registration date for the implementation of the cash option. Dissenting shareholders of HTC who exercise the cash option may obtain the cash consideration paid by the cash option provider at the cash option price on the implementation date of each share of HTC validly declared, and at the same time transfer the corresponding shares to the name of the cash option provider. The provider of the cash option shall acquire all the shares of HTC exercising the cash option by the dissenting shareholders of HTC on the implementation date of the cash option, and pay the cash consideration accordingly. The shares of HTC acquired by the cash option provider through the cash option will be converted into A shares issued by Hirisun for the merger in accordance with the share exchange ratio on the implementation date of the merger plan.

The following conditions must be met at the same time for the registered dissenting shareholders of HTC to exercise the cash option: (1) they have cast valid negative votes on the relevant proposals on the merger plan and the sub-proposals voted on one by one at the general shareholders' meeting of HTC on the merger plan and on the relevant proposals on the merger agreement signed by the two parties to the merger; (2) From the record date of the shareholders' meeting at which HTC deliberated on the merger, as a validly registered shareholder of HTC, continue to hold the shares representing the right of opposition until the implementation date of the cash option; (3) Successfully perform the relevant declaration procedures within the cash option reporting period. Shareholders who meet the above conditions are only entitled to

exercise the cash option in respect of their share declarations for which they have cast a valid negative vote. If the dissenting shareholders of HTC sell their shares after the registration date of the equity registration date of the shareholders' meeting of the HTC share absorption merger (including but not limited to being judicially compulsorily deducted, etc.), the number of shares entitled to the cash option shall be reduced accordingly; If the dissenting shareholders of HTC purchase shares after the registration date of the equity registration date of the shareholders' meeting of the HTC share absorption merger, the number of shares entitled to the cash option shall not increase, and such shares shall not enjoy the cash option.

The dissenting shareholders of HTC who hold the following shares are not entitled to exercise the cash option in respect of the shares they hold: (1) the shares of HTC with rights restrictions, such as shares that have been pledged or set with other third-party rights or restricted by laws and regulations such as judicial freeze; (2) its legal holder undertakes in writing to give up the shares of the cash option of the dissenting shareholders of HTC; and (3) other shares that are not subject to the exercise of the cash option under applicable law. The above-mentioned shares that are not entitled to claim the cash option will be converted into shares issued by Hirisun in accordance with the exchange ratio on the exchange date.

Dissenting shareholders of HTC who have submitted the shares of HTC as collateral for margin financing and securities lending transactions must transfer the shares of HTC from the credit guarantee account of the securities company to their ordinary securities account before the equity registration date of the cash option before they can exercise the cash option. Dissenting shareholders of HTC who have carried out the agreed repurchase securities transaction must complete the early repurchase procedures in a timely manner before the equity registration date of the cash option before exercising the cash option.

The relevant taxes and fees arising from the exercise of the cash option shall be borne by the dissenting shareholders of HTC exercising the cash option, the provider of the cash option and other entities shall bear the responsibility in accordance with the relevant laws, regulations, regulatory authorities and the provisions of the securities registration and clearing institutions. If

there is no clear regulation on this by laws, regulations, regulatory authorities, and securities registration and settlement institutions, the parties shall negotiate and resolve it in accordance with market practices.

If the merger proposal fails to obtain permit or approval from the general shareholders' meeting or relevant regulatory or government departments by both parties, resulting in the ultimate inability to implement the merger, the dissenting shareholders of HTC cannot exercise the cash option, nor can they claim any compensation or indemnification from the merging parties.

After the transaction is approved and registered by the China Securities Regulatory Commission, HTC will separately announce the detailed arrangements for the cash option plan of HTC dissenting shareholders (including but not limited to the declaration, settlement and delivery of the cash option), and will disclose information in a timely manner in accordance with laws, regulations and the provisions of the Shenzhen Stock Exchange.

11. Transitional arrangements

During the transition period, in order to achieve a smooth transition of business, if it is truly necessary, if either party needs the cooperation of the other party in the course of business development (including but not limited to providing relevant materials, issuing explanations, jointly reporting to the competent authorities, etc.), the other party shall actively cooperate in this regard.

During the Transition Period, the merging parties shall, and shall procure that each of their subsidiaries: (1) continue to operate independently in the ordinary course of business in accordance with past operational management and operating methods, and will not engage in any unusual transactions or incur any unusual debts; (2) to do its best to maintain all assets that make up the main business in good condition, and to maintain all good relationships with government authorities, customers, employees and other relevant parties; (3) Make, sort out and keep their respective documents and materials, and pay relevant taxes and fees in a timely manner.

During the transition period, either party to the merger shall take the initiative to respond to the reasonable requests of the other party and provide the other party with relevant assets, financial account books, meeting minutes, material claims and debts and other relevant documents in a timely manner. If it is truly necessary, if one party needs the cooperation of the other party in the course of business development (including but not limited to providing relevant materials, issuing explanations, jointly carrying out declarations to the competent authorities, etc.), the other party shall actively cooperate in this regard.

12. Arrangements for the transfer or delivery of the relevant assets involved in the Transaction

(1) Delivery conditions

After the merger agreement takes effect, the merger will be closed on the closing date. The merging parties shall complete the delivery obligations agreed under the merger agreement on the delivery date and sign the asset delivery confirmation document.

(2) Asset delivery

Since the date of closing, the ownership of all assets of HTC (including but not limited to all properties, trademarks, patents, franchises, projects under construction and other assets) and the related rights, interests, liabilities and obligations shall be enjoyed and assumed by Hirisun. HTC agrees to assist Hirisun in handling the change procedures for the transfer of all stipulated properties of HTC (i.e., for any property, the law provides special procedures for the creation or transfer of such property rights or rights related to such property, including but not limited to land, real estate, vehicles and vessels, trademarks, patents, etc.) from HTC to the name of Hirisun. If the formal transfer procedures cannot be performed due to the change of registration procedures and other reasons, it will not affect the rights and obligations of Hirisun to the above-mentioned assets.

After the completion of the merger, the equity of the subsidiary currently held by HTC belongs to the surviving company, and it is changed to a subsidiary of the surviving company. The subsidiary of HTC (if any) belongs to the surviving company and is registered as a subsidiary of

the surviving company.

(3) Debt inheritance

Except for the debts that are repaid in advance based on the creditor's request for early repayment within the statutory time limit, all outstanding debts of the merger parties will be inherited by Hirisun after the closing date of the merger.

(4) Contract succession

After the closing date of the share exchange and absorption merger, the contract subject of the rights, obligations and rights and interests of HTC under all valid contracts/agreements signed by HTC is changed to Hirisun.

(5) Data handover

HTC shall hand over all its bank account information, reserved seals and all seals of HTC to Hirisun on the delivery date. HTC shall, from the date of delivery, hand over to Hirisun any and all documents that have a significant impact on its subsequent operations.

(6) Share transfer

On the date of the share exchange, Hirisun shall register the A shares issued to the shareholders of HTC as consideration for the merger to the shareholders of HTC. The shareholders of HTC have become shareholders of Hirisun since the date when the new shares are registered in their names.

13. Disposal of creditor's rights and debts involved in the Transaction

Since the date of delivery, Hirisun has inherited and undertaken all the assets, liabilities, business, personnel, contracts, qualifications and all other rights and obligations of HTC.

Hirisun and HTC will perform the creditor notification and announcement procedures in accordance with the provisions of relevant laws and regulations, and will, according to the requirements of their respective creditors within the statutory time limit, in accordance with the provisions of relevant applicable laws and regulations, independently or urge third parties to

repay their debts in advance or provide additional guarantees for their respective creditors. If the relevant creditors fail to claim early repayment or providing security from the merging parties within the aforesaid statutory period, the unpaid debts will be inherited by Hirisun after the closing date.

14. Employee placement

After the completion of the share exchange and absorption merger, the management and employees of Hirisun will continue to retain their original jobs in accordance with the labor contract signed with Hirisun. All registered employees of HTC will be accepted by the surviving company and properly arranged. All rights and obligations of HTC as the employer of its existing employees will be enjoyed and assumed by Hirisun from the closing date.

Before the relevant shareholders' meetings to consider the merger, the two parties will hold a staff representative meeting or a staff meeting respectively to review the employee placement plan involved in the merger.

15. Arrangement for rolling over undistributed profits

In addition to the profit distribution plan approved by the respective general shareholders' meetings of the two parties, the accumulated undistributed profits of Hirisun and HTC as of the implementation date of the share exchange shall be jointly enjoyed by the new and old shareholders of the surviving company according to their shareholding ratios.

III. Completed and outstanding transaction-related procedures

(I) Obtained approval for the transaction

1. The transaction has been approved through deliberation at the fourth interim session of the sixth board of directors of Hirisun in 2024;
2. The transaction has been approved through deliberation at the tenth session of the ninth board of directors of HTC.

(II) Pending approval for the transaction

Pending ratification or approval procedures for the transaction are listed as follows, including but not limited to:

1. The formal transaction plan shall be adopted by the boards of directors of Hirisun and HTC through deliberation;
2. The formal transaction plan shall be adopted by the boards of shareholders of Hirisun and HTC through deliberation;
3. With consent of Hirisun's board of shareholders, Hangzhou Capital will be exempted from increasing shares of Hirisun by means of offer;
4. The transaction shall be approved by competent authority of state-owned assets supervision and administration;
5. The transaction shall be examined and approved by SZSE and put on file by CSRC;
6. The stock-for-stock merger shall be approved, permitted or accepted by other related competent authorities prescribed by laws and regulations (if any).

The transaction shall not be carried out until it is ratified or approved as stated above. There is uncertainty about whether and when the transaction is ratified or approved as stated above, thus investors should be on the alert for investment risks.

IV. The transaction constitutes a related party transaction

In the transaction, Hirisun's dominant shareholder is Hangzhou Capital, and actual controller is State-owned Assets Supervision and Administration Commission of Hangzhou; HTC's dominant shareholder is Turbine Holdings, and actual controller is State-owned Assets Supervision and Administration Commission of Hangzhou. In accordance with provisions on the related party and related party transaction in the *Listing Rules* and *ChiNext Listing Rules*, the transaction constitutes a related party transaction between Hirisun and HTC.

Concerning matters of the related party transaction, related directors of Hirisun and HTC have

evaded voting.

V. The transaction constitutes material asset restructuring

According to Hirisun's and HTC's 2023 audit reports and transaction amount, the transaction constitutes material asset restructuring, specifically calculated as follows:

In RMB 10,000

Item	Total assets	Operating revenue	Net assets
Acquiree (HTC)	1,592,768.01	592,423.80	789,927.59
Transaction amount	1,123,309.17		
Acquirer (Hirisun)	69,399.92	21,303.49	48,930.79
Acquiree/acquirer	2,295.06%	2,780.88%	1,614.38%
Transaction amount/acquirer	1,618.60%	-	2,295.71%
Criterion for material asset restructuring in the Measures for the Administration of Restructuring	50%	50% and >RMB 50 million	50% and >RMB 50 million
Whether to meet the criterion for material asset restructuring	Yes	Yes	Yes

Note: The equity in the table refer to owners' equity attributable to parent company in the audited consolidated statements for the latest accounting year.

In accordance with Measures for the Administration of Restructuring, the transaction constitutes material asset restructuring.

VI. The transaction is expected to constitute restructuring and listing

Before the transaction, HTC's dominant shareholder is Turbine Holdings, and there was no change of power of control in the latest 36 months. Upon the completion of the transaction, HTC will be delisted and disqualified from being a corporation.

Within 36 months before the transaction, Hirisun's dominant shareholder was altered from HFI

to Hangzhou Capital. In February 2024, HFI voluntarily transferred all 99,830,000 shares of Hirisun held (representing 29.80% of Hirisun's total capital stock) to Hangzhou Capital. Till the signing date of the plan, HFI no longer held shares of Hirisun, and Hangzhou Capital held 99,830,000 non-selling-restricted tradable shares of Hirisun, accounting for 29.80% of Hirisun's total capital stock. Hirisun's dominant shareholder is thus altered from HFI to Hangzhou Capital.

According to Hirisun's and HTC's 2023 audit reports, HTC's related financial data account for over 100% of Hirisun's, meeting the criterion for restructuring and listing prescribed in Article 13 of the Measures for the Administration of Restructuring. Therefore, the transaction is expected to constitute restructuring and listing.

VII. Effects of the transaction on the surviving company

(I) Effects of the transaction on main business of the surviving company

Prior to this transaction, HTC mainly designs and manufactures industrial turbines, gas turbines and other rotating industrial turbine machinery and equipment, and provides related supporting services, the main products include industrial steam turbines, gas turbines, etc., which are mainly used in oil refining, chemical industry, fertilizer, building materials, metallurgy, electric power, light industry, environmental protection and other industrial fields. Hirisun is mainly engaged in the power information construction business, and provides related technical and consulting services, and its power information solutions can be widely used in all links of the power industry chain, including power generation, transmission, substation, distribution, power consumption and dispatching.

After the implementation of the Transaction, the surviving company will inherit and undertake all the assets, liabilities, business, personnel, contracts and all other rights and obligations of HTC, forming a business pattern of industrial turbine machinery business as the main business and power information business as the supplement. The surviving company will integrate the industrial resources of both parties, further optimize the company's industrial layout, and effectively enhance the core competitiveness and sustainable profitability of the surviving company.

(II) Effects of the transaction on equity structure of the surviving company

Before the transaction, Hirisun's total capital stock is 335,000,000 shares, while HTC's total capital stock is 1,175,009,600 shares. Irrespective of subsequent ex-right or ex-dividend and other effects on the M&A Parties, Hirisun issues a total of 1,175,009,600 shares for the stock-for-stock merger, calculated by stock-for-stock ratio of 1:1. Irrespective of the effects of right of claim for acquisition and cash-based option, upon the completion of the stock-for-stock merger, HTC holds 45.68% of the shares of the surviving company and is the direct controlling shareholder of the surviving company. Hangzhou Capital directly holds 6.61% of the shares of the surviving company, and controls a total of 52.29% of the shares of the surviving company through HTC, and is the indirect controlling shareholder of the surviving company. Hangzhou SASAC controls a total of 52.29% of the shares of the surviving company and is the actual controller of the surviving company.

Before and after the transaction, Hirisun's shareholders and holding ratios are listed as follows:

In 10,000 shares

Shareholder	Before the stock-for-stock merger		After the stock-for-stock merger	
	Number of shares	Holding ratio	Number of shares	Holding ratio
Hangzhou State-owned Capital Investment and Operation Co., Ltd.	9,983.00	29.80%	9,983.00	6.61%
Hangzhou Turbine Holdings Co., Ltd.	-	-	68,971.59	45.68%
Subtotal shares held by dominant shareholders and persons acting in concert	9,983.00	29.80%	78,954.59	52.29%
Other shareholders	23,517.00	70.20%	72,046.37	47.71%
Total	33,500.00	100.00%	151,000.96	100.00%

(III) Effects of the transaction on key financial indicators of the surviving company

After the implementation of the transaction, Hirisun will inherit and take on all HTC's assets, liabilities, businesses, human resources, contracts and all the other rights and obligations. The M&A Parties will find their business put into exhaustive integration, and the surviving company will shape

a business pattern featuring industrial turbine business taking the center stage, complete with electric power information business. Besides, the surviving company will remarkably expand its scale of business and operation, with a surge of total assets and operating revenue.

Upon the completion of the work of the transaction-related audit and valuation, the M&A Parties will, in accordance with statistics in relevant audit reports and reports for reference and review, make quantitative analysis on key financial indicators of the surviving company before and after the transaction, followed by detailed analysis on the effects of the transaction on the financial status and profitability of the surviving company in the report for stock-for-stock merger.

(IV) The transaction will not make the surviving company ineligible for stock listing

Upon the completion of the transaction, the equity structure of the surviving company is as shown in the plan's "Notification of Material Matters" - "VI. Effects of the transaction on the surviving company" - "(II) Effects of the transaction on the equity structure of the surviving company".

Upon the completion of the transaction, the capital stock of the surviving company will exceed 400 million shares, and the public and shareholders put together will account for no less than 10% of the capital stock of the surviving company, thus not making the surviving company ineligible for stock listing.

Chapter II Acquirer's Basic Information

I. Profile of acquirer

Chinese name	Hangzhou Hirisun Technology Inc.
Stock abbreviation	Hirisun
Stock code	300277.SZ
Date of establishment	January 4, 2000
Listing date	November 23, 2011
Listed on	Shenzhen Stock Exchange
Registered capital	RMB 335 million
Type of company	Other Incorporated company (listed)
Unified social credit code	914403007152459096
Legal representative	Gao Chunfeng
Domicile	Room 206-6, Dongqing Building, No. 60, Qingchun Road, Gongshu District, Hangzhou City, Zhejiang Province
Workplace	<ol style="list-style-type: none">1. Room 206-6, Dongqing Building, No. 60, Qingchun Road, Gongshu District, Hangzhou City, Zhejiang Province2. 301, Block B, R2, Gaoxin Industrial Village, No.206 South Seventh Road, Gaoxin Sub-district, Nanshan District, Shenzhen

Business Scope:	<p>General Items: Information System Integration Services; information technology consulting services; information consulting services (excluding licensed information consulting services); information system operation and maintenance services; software development; software sales; network and information security software development; technical services, technology development, technical consultation, technology exchange, technology transfer, technology promotion; computer hardware and software and peripheral equipment manufacturing; retail of computer hardware and software and auxiliary equipment; wholesale of computer hardware and software and auxiliary equipment; communication equipment manufacturing; sales of communication equipment; sales of optical communication equipment; professional repair of communication transmission equipment; professional repair of communication switching equipment; power transmission and distribution and control equipment manufacturing; sales of intelligent power transmission and distribution and control equipment; sales of digital video surveillance systems; information security equipment manufacturing; sales of information security equipment; security equipment sales; design and construction services of security technology prevention system; security system monitoring services; network equipment manufacturing; network equipment sales; sales of communication equipment; repair of communication equipment; sales of mobile communication equipment; sales of satellite mobile communication terminals; sales of mobile terminal equipment; sales of electronic products; sales of electronic special equipment; power electronic components manufacturing; sales of power electronic components; retail of electronic components; sales of photovoltaic equipment and components; instrumentation sales; sales of charging piles; Internet of Things technology research and development; IoT device manufacturing; sales of IoT devices; data processing services; Internet data services; industrial Internet data services; cloud computing equipment technical services; 5G communication technology services; industrial robot sales; artificial intelligence application software development; artificial intelligence hardware sales; artificial intelligence industry application system integration services; Artificial intelligence general application system; housing rentals; Conference and exhibition services (except for items subject to approval in accordance with the law, independently</p>
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II. Acquirer's incorporation and change of capital stock

(I) Hirisun's establishment and IPO

1. Hirisun's establishment

Hirisun Information Network Technology (Shenzhen) Co., Ltd. was established by Jiexun Communication Technology (Hong Kong) Co., Ltd. on January 4, 2000, with registered capital of USD 1.5 million. State Administration for Industry and Commerce issued QDYSZZi No.306703 Business License for Corporation of the People's Republic of China to Hirisun Information Network Technology (Shenzhen) Co., Ltd.

2. First capital increase of Hirisun

On August 28, 2000, according to the Supplementary Articles of Association of Hirisun Information Network Technology Co., Ltd. (Shenzhen) on Increasing the Total Investment and Registered Capital, the total investment of Hirisun increased from USD 2 million to USD 3 million, and the registered capital of Hirisun increased from USD 1.5 million to USD 2.2 million.

On October 18, 2002, The state Administration for Industry and Commerce issued the Business License to Hirisun, specifying the capital increase and altered registered capital.

3. Capital increase of Hirisun in November 2005

On November 7, 2005, according to the Supplementary Articles of Association of Hirisun Information Network Technology Co., Ltd. (Shenzhen) on Increasing the Total Investment and Registered Capital, the total investment of Hirisun increased from USD 3 million to USD 3.3 million, and the registered capital of Hirisun increased from USD 2.2 million to USD 2.5 million.

On February 8, 2006, the Shenzhen Municipal Administration for Industry and Commerce issued the Business License for Corporation to Hirisun (predecessor), specifying altered registered capital.

4. Change of type of company of Hirisun

On April 2, 2008, Shenzhen Municipal Administration for Industry and Commerce examined

and approved an increase of registered capital of Hirisun (predecessor) from USD 2.5 million to RMB 20 million, and change in type of company from foreign-funded enterprise to domestic-funded enterprise, and change in name of company from "Hirisun Information Network Technology (Shenzhen) Co., Ltd." to "Shenzhen Hirisun Technology Co., Ltd.". Later on the day, Shenzhen Municipal Administration for Industry and Commerce issued *Business License for Corporation* to Hirisun (predecessor), specifying altered type of company and other contents approved.

5. Capital increase of Hirisun in April 2008

On April 19, 2008, according to the Capital Increase Agreement of Shenzhen Hirisun Technology Co., Ltd. signed by Yang Deguang and Hirisun, the registered capital of Hirisun was changed from RMB 20 million to RMB 21.6 million.

On May 5, 2008, Shenzhen Municipal Administration for Industry and Commerce issued the Business License for Corporation No.: 440301503239472 to Hirisun (predecessor), specifying the capital increase and altered registered capital.

6. In May 2008, Hirisun changed as a whole

On May 18, 2008, all initiators signed the Agreement of Initiators on Restructuring Shenzhen Hirisun Technology Co., Ltd. into Shenzhen Hirisun Technology Inc., in approval of the company restructured into an incorporated company by converting net assets on the book into shares. Hirisun's registered capital was RMB 36.7 million when it was founded.

On May 30, 2008, the Shenzhen Municipal Administration for Market Regulation issued the changed Business License of Enterprise Legal Person to Hirisun, with registration number: 440301503239472.

7. Capital increase of Hirisun in July 2008

On July 22, 2008, Shenzhen SMEs Credit Guarantee Center Co., Ltd. and Shenzhen Hirisun Technology Inc. signed Agreement on Increase of Capital and Shareholders, Upon the capital increase, Hirisun saw an increase of its registered capital from RMB 36.7 million to RMB 37.9

million.

On August 5, 2008, Shenzhen Municipal Administration for Industry and Commerce issued the Business License for Corporation No.: 440301503239472 to Hirisun, specifying the increase of shareholders and capital and altered registered capital.

8. Capital increase of Hirisun in June 2010

On June 29, 2010, Hirisun convened the second interim shareholders' meeting in 2010, approving that Hirisun proportionally transferred RMB 12,100,000.00 of its capital reserves in the amount of RMB 27,879,469.87 up to December 31, 2009 by RMB 1/share to shareholders of record of December 31, 2009 for capital increase. Upon the capital increase, capital stock totaled RMB 50,000,000.00. Upon the capital increase, Hirisun saw an increase of its registered capital from RMB 37.9 million to RMB 50 million.

On December 7, 2010, the Shenzhen Municipal Administration for Market Regulation issued the changed Business License of Enterprise Legal Person to Hirisun, with registration number: 440301503239472.

9. IPO and listing in 2011

On November 3, 2011, as approved by China Securities Regulatory Commission in the “ZJXK [2011] Document No.1736” Consent to IPO and ChiNext Listing of Shenzhen Hirisun Technology Inc., 17 million common shares in RMB (par value per share: RMB 1) were issued to the public, for adding RMB 17 million to the registered capital. The registered capital was then altered to RMB 67 million.

On November 23, 2011, as specified by Shenzhen Stock Exchange in the “SZS [2011] Document No. 352” Notice on ChiNext Listing of Shenzhen Hirisun Technology Inc. with Ordinary Shares in RMB, Hirisun went public on SZSE ChiNext with ordinary shares in RMB.

(II) Hirisun's change of capital stock upon its IPO

1. Capital reserves transferred for increase of capital stock in 2012

In June 2012, Hirisun, according to resolutions of the Board and General Meeting of Stockholders, carried out the 2011 equity distribution plan, whereby capital reserves were transferred for increase of 10 shares per 10 shares distributed to all shareholders, on the basis of 67 million shares in total. Increased shares through transfer totaled 67 million. Upon the increase through transfer, the company's total capital stock rose to 134,000,000 shares;

2. Capital reserves transferred for increase of capital stock in 2016

On April 21, 2016, Hirisun convened the 2015 general meeting of shareholders. According to the resolution of the meeting, the company, on the basis of 134,000,000 shares in total, increased 15 shares per 10 shares through transfer to all shareholders. The increase shares through transfer totaled 201,000,000. Upon the increase through transfer, the company's total capital stock rose to 335,000,000 shares;

And thereafter till the signing date of the plan, there was no change incurred to Hirisun's total capital stock.

Up to the signing date of the plan, Hirisun's capital stock totaled 335,000,000 shares, and the top ten shareholders held shares as follows:

In 10,000 shares

No	Shareholder	Number of shares	Holding ratio (%)
1	Hangzhou State-owned Capital Investment and Operation Co., Ltd.	9,983.00	29.80
2	Zhuhai Abama Assets Management Co., Ltd. — Abama Dividend No.39 PE Fund	1,197.45	3.57
3	Zhang Feng	1,185.02	3.54
4	Kong Biao	1,057.39	3.16
5	Su Hongyu	713.40	2.13
6	Xing Wenbiao	636.81	1.90
7	Wang Lugui	519.03	1.55
8	Shenzhen Pangu Tiandi Industrial Investment Co., Ltd.	500.58	1.49
9	Li Ping	172.29	0.51
10	Chen Xiaorong	163.67	0.49

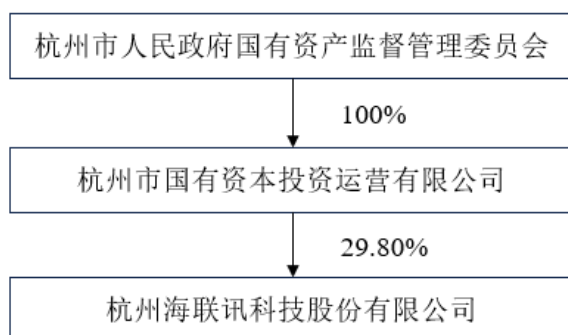
No	Shareholder	Number of shares	Holding ratio (%)
	Total	16,128.64	48.15

III. Acquirer's equity control

(I). Acquirer's equity control

Till the signing date of the plan, Hirisun's dominant shareholder was Hangzhou Capital, and actual controller was State-owned Assets Supervision and Administration Commission of Hangzhou.

Till the signing date of the plan, Hirisun's equity control relation schema is shown as follows:



(II) Controlling shareholder

Hirisun's Controlling shareholder is Hangzhou Capital, whose basic information is briefed as follows:

Name of company	Hangzhou State-owned Capital Investment and Operation Co., Ltd.
Domicile	Room 201, No.19 Liuying Alley, Zhejiang
Workplace	10/F, State-owned Capital Investment Building, No.68 Qingchun East Road, Kaixuan Sub-district, Shangcheng District, Hangzhou, Zhejiang
Legal representative	Sun Gangfeng
Type of company	Limited liability company (solely state-owned)
Registered capital	RMB 10,000 million
Unified social credit code	91330100MA2CFRGP3C

Date of establishment	November 28, 2018
Business scope	Operation of state-owned assets within scope of authority of the municipal government, assets under mandated operation by the municipal government and related authorities, investment and investment management and consulting services, asset management and disposal, equity management and PE fund management (without approval of financial and other regulators, engagement in public financing and depositing, financing assurance, financial management and other financial services will be disallowed); wholesale and retail: coal (storage-free), nonferrous metals, steel materials and products, timber, coke, pulp, chemical products and materials, asphalt (except for hazardous chemicals and precursor chemicals), gold products, plastic materials and products, ordinary machinery, building materials, cement, rubber products, primary edible agricultural products (except for medicines), cotton, fodder, fuel oil, petroleum products (except for refined oil, hazardous chemicals and precursor chemicals), glass products, paper products, hardware and electrical equipment, mechanical equipment, water heating devices, auto parts, instruments and apparatuses, computer software and hardware and parts, electronics, needles, textiles; food operation; import and export of cargo and technology (except for programs of business banned by laws and administrative regulations, programs of business restrained by laws and administrative regulations shall be carried out with permission); all the other legitimate programs required of no approval. (For programs required of approval by law, relevant operating activities shall not be carried out unless with consent of related authorities)

(III) Actual controller

Hirisun's dominant shareholder is Hangzhou Capital, and State-owned Assets Supervision and Administration Commission of Hangzhou, with 100% equity of Hangzhou Capital, is actual controller of Hirisun.

(IV) Change of power of control in the latest thirty-six months

Hirisun's former dominant shareholder is Hangzhou Financial Investment (HFI) and actual controller is State-owned Assets Supervision and Administration Commission of Hangzhou. In February 2024, HFI voluntarily transferred all 99,830,000 shares of Hirisun held (representing 29.80% of Hirisun's total capital stock) to Hangzhou Capital. Till the signing date of the plan, HFI no longer held shares of Hirisun, and Hangzhou Capital held 99,830,000 non-selling-restricted tradable shares of Hirisun, accounting for 29.80% of Hirisun's total capital stock. Hirisun's dominant shareholder is thus altered from HFI to Hangzhou Capital.

IV. Acquirer’s material asset restructuring in the latest three years

Up to the signing date of the plan, Hirisun had no material asset restructuring in the latest three years.

V. Acquirer’s main business development

Hirisun is a national hi-tech enterprise, specializing in electric power information system integration. Targeting electric power enterprises, it, by delivering integrated solutions, practices in information development of electric power enterprises and provides relevant technology and consulting services. The electric power information solutions extensively work in power generation, power transmission, power transformation, power distribution, power consumption and dispatching in the electric power industry chain.

Hirisun is mainly engaged in system integration, software development and marketing, technology and consulting services. For system integration, Hirisun, by leverage of communication technology, network technology, computer software technology, security, host and storage technology, keeps furnishing customers with the best solutions, depending on customers’ actual businesses. Tapping advanced technology and capacity of management implementation, it brings solutions acknowledged by customers into a reality. In other words, it turns software and hardware portfolios into practical and cost-effective complete systems, making customers’ information resources fully shared and achieving centralized, efficient, and convenient management. In the latest three years, there were no major changes to Hirisun’s main business.

VI. Acquirer’s financial data

(I) Consolidated balance sheet

In RMB 10,000

Item	September 30,2024	December 31,2023	December 31, 2022	December 31,2021
Total assets	68,719.23	69,399.92	67,485.28	71,241.42
Total liabilities	18,271.69	18,421.50	16,961.29	20,835.24
Owners ‘equity	50,447.54	50,978.42	50,523.98	50,406.18
Owners’ equity attributable to parent company	48,712.70	48,930.79	48,519.86	48,499.08

Note: Financial data for 2021, 2022 and 2023 have been audited, Financial data for January-September 2024 are unaudited (the same below).

(II) Consolidated income statement

In RMB 10,000

Item	January-September 2024	2023	2022	2021
Operating revenue	13,089.77	21,303.49	24,177.89	23,430.35
Total profits	795.18	2,015.22	2,108.80	2,434.12
Net profits	678.12	1,761.44	1,780.49	2,228.85
Net profits attributable to parent company	451.91	1,080.93	1,028.84	1,428.15

(III) Consolidated cash flow statement

In RMB 10,000

Item	January-September 2024	2023	2022	2021
Net amount of cash flow from operating activities	2,031.65	3,513.25	-1,863.55	627.84
Net amount of cash flow from investment activities	-1,865.29	-151.97	3,166.90	2,693.74
Net amount of cash flow from fund-raising activities	-1,850.89	-1,237.55	-1,775.59	-2,927.73
Net increase in cash and cash equivalents	-1,684.54	2,123.72	-472.23	393.85

(IV) Key financial indicators

Key financial indicators	September 30, 2024/ January-September 2024	December 31, 2023/ 2023	December 31, 2022/ 2022	December 31, 2021/ 2021
Asset-liability ratio (consolidated)	26.59%	26.54%	25.13%	29.25%
Weighted average return on equity	0.92%	2.22%	2.13%	2.95%

Note: Weighted average return on equity for January-September 2024 is not annualized

VII. Acquirer's compliance with laws and regulations and integrity

Up to the signing date of the plan, Hirisun and incumbent directors, supervisors and senior

executives thereof were not investigated and put on file by judiciary on suspicion of crime or inquired and put on file by the CSRC on suspicion of breach against laws or regulations. In the latest five years, Hirisun and incumbent directors, supervisors and senior executives thereof were put under no administrative penalty (except for those apparently irrelevant with the securities market) or criminal penalty; they involved no major civil lawsuit or arbitration in connection with any economic disputes; in the latest five years, they encountered no administrative regulation measures of the CSRC or disciplinary sanctions of the stock exchange for failing to repay large debt or to honor promises; in the latest twelve months, they were not denounced in public by the stock exchange or committed other dishonest acts, nor did they have other records of bad conduct.

Chapter III Acquiree's Basic Information

I. Profile of acquiree

Chinese name	杭州汽轮动力集团股份有限公司
Stock abbreviation	Hangqilun B
Stock code	200771.SZ
Date of establishment	April 23, 1998
Listing date	April 28, 1998
Listed on	Shenzhen Stock Exchange
Registered capital	RMB 117,500,959,700
Type of company	Incorporated company (Hong Kong, Macao or Taiwan-funded, listed)
Unified Social Credit Code:	913300007042026204
Legal representative:	Ye Zhong
Domicile	Building 1, No. 608, Kangxin Road, Linping District, Hangzhou City, Zhejiang Province
Workplace	No.1188, Dongxin Road, Gongshu District, Hangzhou, Zhejiang
Business scope:	Design, manufacture, sales, after-sales service and related product technology development, trade, transfer and consulting services for turbines, gas turbines and other rotating and reciprocating machinery and equipment and auxiliary equipment, spare parts. Wholesale, import and export and after-sales service of complete sets of engineering equipment in the fields of power generation, industrial drive and industrial turbine, general contracting of energy conservation and environmental protection projects.

II. Acquiree's incorporation and change of capital stock

(I) HTC's establishment and IPO

1. Founded and listed in 1998

Solely initiated by Turbine Holdings, HTC is an incorporated company established with funds raised from issuing listed foreign shares (B-shares) at home and abroad, with ZWF [2008]

Document No.8 issued by the Securities Commission of the State Council. Incorporated on April 23, 1998, the company was listed for trading on Shenzhen Stock Exchange on April 28, 1998. On December 2, 1998, the company was approved by China's Ministry of Foreign Trade and Economic Cooperation as foreign-invested incorporated company, or precisely a Sino-foreign joint venture established with funds raised from issuing listed foreign shares (B-shares) at home and abroad. And the Administration for Market Regulation of Zhejiang Province, under mandate of the State Administration for Industry and Commerce of the People's Republic of China, handled registration for the company.

(II) HTC's change of capital stock upon its IPO

1. First capital increase in December 2006

On June 8, 2006, HTC convened the 2005 general meeting of shareholders, adopting the 2005 Profit Distribution Plan through deliberation. As agreed upon in the plan, capital reserves were transferred for increase of capital stock, with 3 shares increased per 10 shares to all shareholders. Upon the increase through transfer, the company's total capital stock was altered to 286,000,000 shares. Later on December 20, the Ministry of Commerce of the People's Republic of China issued the SZP [2006] Document No.2392 Consent of the Ministry of Commerce to Capital Increase of Hangzhou Turbine Co., Ltd., for approval of HTC's increase of registered capital through transfer of capital reserves. The company's registered capital was then increased to 286,000,000 shares. On December 31, 2006, HTC handled industrial and commercial changed registration regarding the matters of capital increase.

2. Second capital increase in December 2007

On June 15, 2007, HTC convened the 2006 general meeting of shareholders, adopting the 2006 Profit Distribution Plan through deliberation. As agreed upon in the plan, 3 bonus shares (tax-inclusive) per 10 shares were distributed through transfer of undistributed profits to all shareholders for increase of capital stock. On September 4, 2007, the Ministry of Commerce of the People's Republic of China issued the SZP [2007] Document No.1525 Consent of the Ministry of Commerce to Capital Increase of Hangzhou Turbine Co., Ltd., for approval of HTC's increase of

registered capital through transfer of undistributed profits. with total capital stock up to 371,800,000 shares. On December 29, 2007, HTC handled industrial and commercial changed registration regarding the matters of capital increase.

3. Third capital increase in November 2010

On June 2, 2010, HTC convened the 2009 general meeting of shareholders, adopting the 2009 Profit Distribution Plan through deliberation. As agreed upon in the plan, the company, based on its present total capital stock of 371,800,000 shares, distributed 3 bonus shares (tax-inclusive) per 10 shares through transfer of undistributed profits, hence increasing total capital stock to 483,340,000 shares. On August 10, 2010, Hangzhou Bureau of Foreign Trade and Economic Cooperation issued HWJMWFX [2010] Document No.230 Decision of Administrative License for Approval of Alteration of Hangzhou Turbine Co., Ltd. As agreed upon in the decision, the company, on the basis of total capital stock of 371,800,000 shares by the end of 2009, distributed 3 bonus shares (tax-inclusive) per 10 shares, with total capital stock up to 483,340,000 shares. On November 10, 2010, HTC handled industrial and commercial changed registration regarding the matters of capital increase.

4. Fourth capital increase in December 2011

On May 11, 2011, HTC convened the 2010 general meeting of shareholders, adopting the *2010 Profit Distribution Plan* through deliberation. As agreed upon in the plan, the company, based on its present total capital stock of 483,340,000 shares, distributed 3 bonus shares (tax-inclusive) per 10 shares through transfer of undistributed profits, hence increasing total capital stock to 628,342,000 shares. On September 7, 2011, Hangzhou Bureau of Foreign Trade and Economic Cooperation issued HWJMWFX [2011] Document No.183 Decision of Administrative License for Approval of Alteration of Hangzhou Turbine Co., Ltd. As agreed upon in the decision, the company, on the basis of total capital stock of 483,340,000 shares by the end of 2010, distributed 3 bonus shares (tax-inclusive) per 10 shares, with total capital stock up to 628,342,000 shares. On December 26, 2011, HTC handled industrial and commercial changed registration regarding the matters of capital increase.

5. Fifth capital increase in October 2012

On May 18, 2012, HTC convened the 2011 general meeting of shareholders, adopting the 2011 Profit Distribution Plan through deliberation. As agreed upon in the plan, the company, based on its present total capital stock of 628,342,000 shares, distributed 2 bonus shares (tax-inclusive) per 10 shares through transfer of undistributed profits, hence increasing total capital stock to 754,010,400 shares. On July 20, 2012, Hangzhou Bureau of Foreign Trade and Economic Cooperation issued HWJMWFX [2012] Document No.83 Decision of Administrative License for Approval of Alteration of Hangzhou Turbine Co., Ltd. As agreed upon in the decision, the company, on the basis of total capital stock of 628,342,000 shares by the end of 2011, distributed 2 bonus shares (tax-inclusive) per 10 shares, with total capital stock up to 754,010,400 shares. On October 23, 2012, HTC handled industrial and commercial changed registration regarding the matters of capital increase.

6. Sixth capital increase in September 2022

On April 27, 2022, HTC convened the 2021 general meeting of shareholders, adopting the 2021 Profit Distribution Plan through deliberation. As agreed upon in the plan, the company, on the basis of total capital stock of 754,010,400 shares, minus 111,800 treasury shares bought back on the date of record of equity distribution, distributed 3 bonus shares (tax-inclusive) per 10 shares through transfer of undistributed profits, thus increasing total capital stock to 980,179,980 shares. On September 5, 2022, HTC handled industrial and commercial changed registration regarding the matters of capital increase.

7. First and second share buyback and cancellation in July 2023

On March 27, 2023, the first partial restricted stock repurchase cancellation of HTC was completed. On December 21, 2022, the board of directors of HTC held a board meeting and deliberated and passed the "Proposal on Repurchasing and Canceling Part of the Restricted Shares". The buyback and cancellation of restricted shares involved 10 targets of incentive in total, and restricted shares bought back and canceled totaled 531,180 shares, representing 0.054% of the company's total capital stock before buyback and cancellation. The buyback amounted to RMB

2,197,649. Upon the buyback and cancellation, the company's total capital stock decreased from 980,179,980 shares to 979,648,800 shares. As ascertained and acknowledged by the Shenzhen Branch, China Securities Depository and Clearing Corporation Limited (CSDC), the company completed the transaction of relevant matters on March 27, 2023.

On June 21, 2023, the cancellation of the remaining shares of the special securities account for the second repurchase of HTC was completed. On March 27, 2023, the board of directors of HTC held a meeting, in which it deliberated and passed the "Proposal on Canceling the Remaining Shares in the Special Securities Account for Repurchase", and agreed that the company would cancel the remaining 111,800 shares in the special securities account for repurchase and reduce the registered capital. After the completion of the aforesaid share cancellation, the total share capital of the company was reduced to 1,175,444,400 shares. Confirmed by China Securities Depository and Clearing Co., Ltd. Shenzhen Branch, the cancellation of the repurchased shares had been completed on June 21, 2023.

On July 13, 2023, HTC completed the registration of industrial and commercial changes for the two repurchases and cancellations mentioned above.

8. Seventh capital increase in September 2023

On April 19, 2023, HTC convened the 2022 general meeting of shareholders, adopting the 2022 Profit Distribution Plan through deliberation. As agreed upon in the plan, the company, on the basis of total capital stock of 980,179,980 shares by the end of 2022, minus 111,800 treasury shares bought back on the date of record of equity distribution and 531,180 shares canceled due to retirement or dismissal of targets of incentive by December 2022, i.e., 979,537,000 shares, distributed cash dividend of RMB 3 and 2 bonus shares per 10 shares to all shareholders, involving no increase of capital stock through transfer of capital reserves. Upon the bonus distribution, the total capital stock was increased to 1,175,556,200 shares. Due to the completion of the second repurchase and cancellation of 111,800 shares by the company on June 21, 2023, the total share capital of the company has been changed to 1,175,444,400 shares after deducting the above-mentioned cancelled shares. On September 12, 2023, HTC handled industrial and

commercial changed registration regarding the matters of capital increase.

9. Third share buyback and cancellation in January 2024

On January 2, 2024, HTC completed buyback and cancellation of restricted shares in part. The buyback and cancellation of restricted shares involved 19 targets of incentive in total, and restricted shares bought back and canceled totaled 434,803 shares, representing 0.037% of the company's total capital stock before buyback and cancellation. The buyback amounted to RMB 1,394,403. Upon the buyback and cancellation, the company's total capital stock decreased from 1,175,444,400 shares to 1,175,009,597 shares. As ascertained and acknowledged by the Shenzhen Branch, China Securities Depository and Clearing Corporation Limited (CSDC), the company completed the transaction of relevant matters on January 2, 2024. On January 2, 2024, HTC completed the registration of industrial and commercial changes for the repurchases and cancellations mentioned above.

And thereafter till the signing date of the plan, there was no change incurred to HTC's total capital stock.

Up to September 30, 2024, HTC's capital stock totaled 1,175,009,600 shares, and the top ten shareholders held shares as follows:

In 10,000 shares

No.	Shareholder	Number of shares	Holding ratio
1	Hangzhou Turbine Holdings Co., Ltd.	68,971.59	58.70
2	Hangzhou Qitong Equity Investment Partnership (LP)	5,881.08	5.01
3	China Merchants Securities (Hong Kong) Co., Ltd.	920.23	0.78
4	Zhou Jie	842.25	0.72
5	Guotai Junan Securities (Hong Kong) Limited	834.64	0.71
6	iShares Core MSCI Emerging Markets ETF	668.53	0.57
7	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	620.90	0.53
8	SCBHK A/C BBH S/A VANGUARD EMERGING MARKETS STOCK INDEX FUND	523.27	0.45
9	Norges Bank	392.27	0.33
10	Xia Zulin	381.00	0.32

No.	Shareholder	Number of shares	Holding ratio
Total		80,035.77	68.11

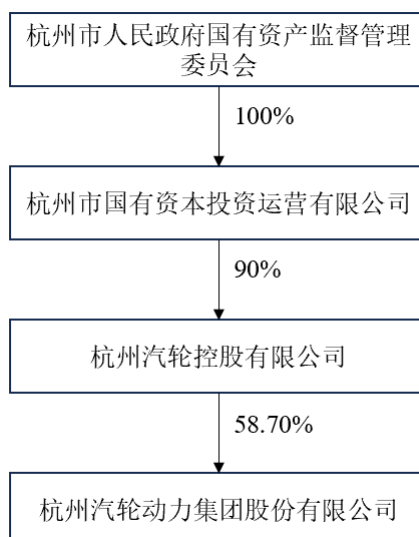
III. Acquiree's equity control

(I) Acquiree's equity control relation

Till the signing date of the plan, HTC's dominant shareholder was Turbine Co., Ltd., and actual controller was State-owned Assets Supervision and Administration Commission of Hangzhou.

Turbine Holdings held 58.70% of equity of HTC, and Hangzhou Capital held 90% of equity of Turbine Holdings.

Till the signing date of the plan, HTC's equity control relation schema is shown as follows:



(II) Dominant shareholder

HTC's dominant shareholder is Turbine Holdings, whose basic information is briefed as follows:

Name of company	Hangzhou Turbine Holdings Co., Ltd.
Domicile	No.357 Shiqiao Road, Gongshu District, Hangzhou, Zhejiang
Workplace	Room 1001, 1-68 Qingchun East Road, Shangcheng District, Hangzhou, Zhejiang
Legal representative	Hua Wei
Type of company	Limited liability company (solely state-owned)
Registered capital	RMB 800 million

Unified social credit code	91330100143071842L
Date of establishment	December 14, 1992
Business scope	Manufacture and machining: textile machinery, papermaking machinery, pumps, castings, electric tools, variable gears, heat exchangers, digital control and display devices, and spare parts of such devices (confined to operations by affiliates); contracting of foreign mechanical engineering projects and national/international bidding projects, and export of devices and materials needed for the projects, export of materials, and labor dispatching for implementation of the projects overseas; thermal engineering project contracting and complete equipment; wholesale and retail: products and spare parts made by member companies of the Group, and product-related technology development, consulting and services; procurement of raw and auxiliary materials, devices and spare parts for production needed by member companies of the Group, provision of water, electricity and gas and relevant services for affiliates of the Group (except for installation, repair and commissioning of electric power facilities); including business scope of affiliates.

(III) Actual controller

Hangzhou Capital holds 90% of equity of Turbine Holdings, and State-owned Assets Supervision and Administration Commission of Hangzhou holds 100% of equity of Hangzhou Capital, making it actual controller of HTC.

(IV) Change of power of control in the latest thirty-six months

Till the signing date of the plan, Actual controller was State-owned Assets Supervision and Administration Commission of Hangzhou in the latest thirty-six months. The actual controller is the Hangzhou State-owned Assets Supervision and Administration Commission, which has not changed.

HTC's dominant shareholder was Turbine Holdings, and actual controller was State-owned Assets Supervision and Administration Commission of Hangzhou in the latest thirty-six months.

IV. Acquiree's material asset restructuring in the latest three years

Up to the signing date of the plan, HTC had no material asset restructuring in the latest three years.

V. Acquiree's main business development

HTC is a leading industrial turbine equipment and service provider in China, specializing in

design and manufacture of industrial turbines, gas turbines and other rotary industrial turbines.

HTC's staples include industrial turbines and gas turbines. Industrial turbines fall into industrial drive turbines and industrial power generation turbines. The former, intended for driving compressors, fans, pumps, squeezers and other rotary machines, is a key power equipment in all manner of large industrial plant and applies to oil refining, chemical, fertilizer, building materials, metallurgy, power, light industry, environmental protection and other industrial fields; the latter, engineered to drive power generators and supply thermal energy, mainly works in companies' own power stations, regional combined heat and power generation projects, waste heat recovery for power generation in the industrial process, urban waste power plants, and combined cycle power plants in all industrial sectors. Cooperate with well-known foreign companies on the advanced SGT-800 model natural gas turbine that is efficient, reliable, and low emission. High reliability and low emissions, has made a foray into natural gas distributed energy sector, with SGT-300, SGT-700, SGT5-2000E models launched progressively.

In the latest three years, there were no major changes to HTC's main business.

VI. Acquiree's financial data

(I) Consolidated balance sheet

In RMB 10,000

Item	September 30, 2024	December 31, 2023	December 31, 2022	December 31, 2021
Total assets	1,627,169.90	1,592,768.01	1,537,499.96	1,631,966.76
Total liabilities	752,028.14	738,756.32	647,580.69	799,011.71
Owners' equity	875,141.76	854,011.69	889,919.27	832,955.05
Owners' equity attributable to parent company	820,921.18	789,927.59	832,848.11	792,748.58

Note: Financial data for 2021, 2022 and 2023 have been audited, but financial data for January-September 2024 are not audited (similarly hereinafter)

(II) Consolidated income statement

In RMB10,000

Item	January-September 2024	2023	2022	2021
Operating revenue	261,166.38	592,423.80	551,884.19	578,828.86
Total profits	18,821.35	73,551.80	70,793.16	83,254.75

Net profits	18,093.97	66,621.93	62,523.94	72,724.78
Net profits attributable to parent company	19,149.96	51,768.05	52,239.68	64,999.25

(II) Consolidated income statement

In RMB10,000

Item	January-September 2024	2023	2022	2021
Net amount of cash flow from operating activities	-33,358.56	87,720.95	32,414.08	7,180.95
Net amount of cash flow from investment activities	14,339.50	19,252.00	41,241.07	-19,303.29
Net amount of cash flow from fund-raising activities	-70,497.27	-21,972.48	-42,813.80	-25,856.39
Net increase in cash and cash equivalents	-89,596.68	85,658.82	33,748.94	-38,281.57

(IV) Key financial indicators

Key financial indicators	September 30, 2024/ January-September 2024	December 31, 2023/ 2023	December 31, 2022/ 2022	December 31, 2021/ 2021
Asset-liability ratio (Consolidated)	47.36%	46.38%	42.12%	48.96%
Weighted average return on equity	2.29%	6.38%	6.47%	8.01%

Note: Weighted average return on equity for January-September 2024 is not annualized

VII. Acquiree's compliance with laws and regulations and integrity

Up to the signing date of the plan, HTC and incumbent directors, supervisors and senior executives thereof were not investigated and put on file by judiciary on suspicion of crime or inquired and put on file by the CSRC on suspicion of breach against laws or regulations. Additionally, in the latest five years, HTC and incumbent directors, supervisors and senior executives thereof were not put under any other administrative penalty (except for those apparently irrelevant with the securities market) or criminal penalty; they involved no major civil lawsuit or arbitration in connection with any economic disputes; in the latest five years, they encountered no administrative regulation measures of the CSRC or disciplinary sanctions of the stock exchange for failing to repay large debt or to honor promises; in the latest twelve months, they were not denounced in public by the stock exchange or committed other dishonest acts, nor did they have other records of bad conduct.

VIII. Acquiree's affiliates

As of September 30, 2024, HTC's holding subsidiaries within scope of consolidated statements are listed as follows:

In RMB 10,000

No.	Name of subsidiary	Registered capital	Holding ratio	
			Direct	Indirect
1	Hangzhou Turbine Auxiliary Machinery Co., Ltd.	8,000	87.53%	
2	Hangzhou Guoneng Turbine Engineering Co., Ltd. (HGT)	4,000		100%
3	Zhejiang Turbine Packaged Technology Development Co., Ltd.	5,100	75.86%	
4	Hangzhou Turbine Machinery Equipment Co., Ltd.	3,000	100%	
5	Zhejiang Huayuan Steam Turbine Machinery Co., Ltd	2,100		100%
6	Zhejiang Turbine Import & Export Co., Ltd.	2,000	100%	
7	杭 Hangzhou Zhongneng Turbine Machinery Equipment Co., Ltd.	12,000	46.89%	
8	Hangzhou Hangfa Power Generation Equipment Co., Ltd.	8,000		100%
9	Hangzhou Steam Turbine Casting Co., Ltd.	2,950	38.03%	
10	Anhui Hangqi Casting Technology Co., Ltd.	13,000		51.54%
11	Hangzhou Turbine New Energy Co., Ltd.	50,000	100%	
12	Zhejiang Ranchuang Turbine Machinery Co., Ltd.	15,500	100%	
13	Pengzhou Western Power Blue Technology Co., Ltd.	14,300		56.64%

Chapter IV Particulars of Transaction Agreement

On November 8, 2024, Hirisun and HTC signed the Agreement on Stock-for-stock Merger, outlined as follows:

Acquirer: Hirisun, Party A

Acquiree: HTC, Party B

Signed date: November 8, 2024

I. Arrangement on the merger

(I) Pattern of merger

In the stock-for-stock merger, the acquirer is Hirisun and acquiree is HTC.

The M&A Parties agree to carry out the merger through stock-for-stock merger, i.e., Party A issues A-shares to all shareholders of Party B, which is taken as consideration for stock-for-stock merger of Party B. By then, shares held by all shareholders of Party B will be proportionally converted into Party A's A-shares.

Party A, as the acquirer and surviving company in the merger, will inherit and take on all Party B's assets, liabilities, businesses, human resources, and all the other rights and obligations; Party B, as the acquiree in the merger, will be delisted and disqualified from being a corporation.

Upon the completion of the stock-for-stock merger, all shares issued by Party B (including Party B's relevant shares transferred to the provider of cash-based option) will be converted into A-shares issued by Party A for stock-for-stock merger as agreed upon.

After the delivery date, Party A will go through the industrial and commercial change registration procedures related to the company name and registered capital. After the merger, the surviving company will adopt a new company name, and a series of measures will be taken to establish a new corporate governance structure, management structure, development strategy and corporate culture in accordance with the applicable laws and regulations at that time and the main business of the surviving company after the merger.

(II) Type and face value of shares issued for stock-for-stock merger

For the stock-for-stock merger, Hirisun issues China-listed RMB ordinary shares (A-shares), in the face value of RMB 1.00 per share.

(III) Stock-for-stock target and date of record of stock-for-stock merger

For the stock-for-stock merger, shares are issued to all HTC shareholders registered after stock market closes on the date of record of stock-for-stock merger, namely, HTC shareholders that make no request, request in part, are ineligible or invalid in request for exercising the cash-based option on the date of record of stock-for-stock merger, and the provider of cash-based option (if the party has paid cash consideration to the shareholders exercising the cash-based option and been transferred HTC shares). HTC shares held by targets of stock-for-stock merger will be proportionally converted into A-shares issued by Hirisun for the stock-for-stock merger in whole.

After the transaction is approved by the SZSE and accepted and put on file by the CSRC, the boards of the M&A Parties will otherwise determine and announce the date of record of stock-for-stock merger through negotiation.

(IV) Arrangement on accumulated undistributed profits

Except for profit distribution plans adopted by the M&A Parties at relevant general shareholders' meetings, Hirisun's and HTC's accumulated undistributed profits up to the date of exercising the stock-for-stock merger will be proportionally shared by new and old shareholders of the surviving company.

II. Stock-for-stock

(I) Price and ratio of stock-for-stock

Before the notice date of Party A's first board resolution on the transaction-related matters through deliberation, the stock price averaged RMB 9.56/share within 20 trading days. In view of historical stock price, business performance, market value and scale among other factors, Party A's stock-for-stock price is finally determined at RMB 9.56/share through fair negotiation between

Party A and Party B in accordance with the Measures for the Administration of Restructuring.

From the base date of pricing till the date of exercising the stock-for-stock merger (both dates included), Party A's stock-for-stock price will be adjusted subject to Party A's distribution of cash dividends, stock dividends, transfer of capital reserves for increase of capital stock, allotment of shares and other ex-right and ex-dividend matters, if any.

Before the notice date of Party B's first board resolution on the stock-for-stock merger through deliberation, the stock price averaged HKD 7.77/share within 20 trading days. Converted by the middle rate between RMB and HKD (HKD 1=RMB 0.91496) disclosed by the People's Bank of China on the trading day prior to Party B's stock delisting, i.e., October 25, 2024, the stock price is RMB 7.11/share. On that basis, in light of historical stock price, business performance, market value and scale and other factors, 34.46% premium is defined by Party A and Party B through fair negotiation as per *Measures for the Administration of Restructuring*. In the end, Party B's stock-for-stock price is HTC's average transaction price of RMB 7.11/share * (1+premium rate)=RMB 9.56/share.

From the base date of pricing till the date of exercising the stock-for-stock merger (both dates included), Party B's stock-for-stock price will be adjusted subject to Party B's distribution of cash dividends, stock dividends, transfer of capital reserves for increase of capital stock, allotment of shares and other ex-right and ex-dividend matters, if any.

As priced for the stock-for-stock merger, the number of Hirisun shares per HTC share in exchange=HTC's stock-for-stock price/Hirisun's stock-for-stock price, Under the formula, the stock-for-stock ratio of HTC and Hirisun is 1:1, i.e., 1 HTC share is in exchange for 1 Hirisun shares.

From the base date of pricing till the date of exercising the stock-for-stock merger (both dates included), the stock-for-stock ratio will not be adjusted under any circumstances, except for occurrence of distribution of cash dividends, stock dividends, transfer of capital reserves for increase of capital stock, allotment of shares or any other ex-right or ex-dividend matters to either M&A Party.

(II) Number of shares issued for stock-for-stock merger

Till the signing date of the agreement, HTC's capital stock totaled 1,175,009,597 shares, with 1,175,009,597 HTC shares involved in the stock-for-stock merger. Calculated by the stock-for-stock ratio, Hirisun's shares issued for the stock-for-stock merger totaled 1,175,009,597 shares.

From the base date of pricing till the date of stock-for-stock merger (both dates included), the number of shares issued for the stock-for-stock merger will be adjusted, subject to occurrence of distribution of cash dividends, stock dividends, transfer of capital reserves for increase of capital stock, allotment of shares or any other ex-right or ex-dividend matters to either M&A Party or occurrence of share buyback and cancellation to HTC.

The number of Hirisun's A-shares issued to each HTC shareholder concerned in the stock-for-stock merger shall be an integer. If the figures of HTC shares held multiplied by stock-for-stock ratio are not an integer, these figures will be sorted by decimal places. And one share will be issued to shareholders in an orderly manner, till actual number of shares for stock-for-stock merger tallies with the planned number of shares issued. If the number of those with the same last decimal places is higher than that of remaining shares, the shares will be randomly issued by computer system, till actual number of shares for stock-for-stock merger tallies with the planned number of shares issued.

(III) Handling of right-restricting Party B's shares

For HTC's shares that have a pledge, are frozen by judiciary, or restricted from transfer by law, such shares shall be converted into Hirisun's shares, and the pledge, judicial freezing or other right-restricting circumstances regarding HTC's shares will remain in force to relevant Hirisun's shares in stock-for-stock merger.

(IV) Listing of shares issued for stock-for-stock merger

Upon the completion of the stock-for-stock merger, all shares issued by Party B (including Party B's relevant shares transferred to the provider of cash-based option) will be converted into A-shares issued by Party A for stock-for-stock merger as agreed upon.

Party A will request for listing and circulating A-shares issued for the stock-for-stock merger on SZSE ChiNext market.

In the merger, matters of equity registration and management which related to A-shares issued by Party A to shareholders concerned for the stock-for-stock merger shall be handled in accordance with relevant resolutions of boards of shareholders of the M&A Parties, merger report and plan, etc.

III. Right of claim for acquisition granted to Party A's dissenting shareholders

To safeguard the interest of Hirisun's shareholders, and mitigate effects of Hirisun's fluctuating stock price on investors upon the merger, Hirisun's dissenting shareholders shall be granted the right of claim for acquisition in the merger in accordance with the Company Law and Articles of Association of Hangzhou Hirisun Technology Inc

(I) Hirisun's dissenting shareholders

Hirisun's dissenting shareholders eligible for exercising the right of claim for acquisition are defined by Hirisun shareholders who give valid dissenting votes against proposals of the merger plan, relevant proposals on terms of voting and proposals of the merger agreement made by and between the M&A Parties at the Hirisun shareholders' meeting convened for the voting of the stock-for-stock merger, and retain shares with the right to dissent till the date of exercising the right of claim for acquisition, while carrying out relevant request procedures within the prescribed time frame.

(II) Provider of right of claim for acquisition

Hangzhou Capital, as the provider of right of claim for acquisition, grants Hirisun's dissenting shareholders the right of claim for acquisition. Hirisun's dissenting shareholders shall no longer claim the right of claim for acquisition to Hirisun or any other Hirisun's shareholders approving the merger. After the transaction is put on file by the CSRC, the provider of right of claim for acquisition gives a pledge to be unconditionally transferred Hirisun's shares held by Hirisun's dissenting shareholders that have successfully requested for exercising the right of claim for acquisition, and to pay appropriate cash consideration to Hirisun's dissenting shareholders by price of right of claim for acquisition on the date of exercising the right of claim for acquisition.

(III) Price of right of claim for acquisition

The price of right of claim for acquisition granted to Hirisun's dissenting shareholders is defined of average trading price of A-shares within 20 trading days (namely, the 20 trading days before the base date of pricing), i.e., RMB 9.56/share.

From the base date of pricing till the date of exercising the stock-for-stock merger (both dates included), the price of right of claim for acquisition will be adjusted subject to Hirisun's distribution of cash dividends, stock dividends, transfer of capital reserves for increase of capital stock, allotment of shares and other ex-right and ex-dividend matters, if any.

(IV) Mechanism for adjusting price of right of claim for acquisition

1. Target of adjustment

The adjustment targets the price of right of claim for acquisition granted to Hirisun's dissenting shareholders.

2. Conditions for validating plan for price adjustment

(1) The competent authority of state-owned assets supervision and administration approves the plan for price adjustment;

(2) Hirisun adopts the plan for price adjustment through deliberation at the shareholders' meeting;

(3) HTC adopts the plan for price adjustment through deliberation at the shareholders' meeting.

3. Period of price adjustment

From the notice date of Hirisun's resolution of the merger adopted at the shareholders' meeting through deliberation till CSRC approves and puts on file the transaction.

4. Triggering conditions

From the notice date of Hirisun's resolution of the transaction at the first board meeting till

CSRC approves and puts on file the transaction, Hirisun's board of directors will have the right to convene a meeting for deliberating on whether an adjustment to the price of right of claim for acquisition is needed during the period of price adjustment, in either case below:

A. The daily closing ChiNext index (399006.SZ) for 10 trading days in the minimum within the 20 consecutive trading days drops over 20% from the closing index on the trading day prior to Hirisun's delisting on A-share market; and before the very trading day, Hirisun's daily average trading price on A-share market for 10 trading days in the minimum within the 20 consecutive trading days prior to Hirisun's delisting on A-share market (namely, the 20 trading days prior to the base date of pricing) drops over 20% from Hirisun's average trading price on A-share market;

Or alternatively

B. The daily closing Wind IT Service Index (866311.WI) for 10 trading days in the minimum within the 20 consecutive trading days drops over 20% from the closing index on the trading day prior to Hirisun's delisting on A-share market; and before the very trading day, Hirisun's daily average trading price on A-share market for 10 trading days in the minimum within the 20 consecutive trading days prior to Hirisun's delisting on A-share market (namely, the 20 trading days prior to the base date of pricing) drops over 20% from Hirisun's average trading price on A-share market.

5. Adjustment mechanism and base date of price adjustment

Hirisun shall convene a board meeting within time frame of 20 trading days, precisely on the initial date of triggering price adjustment or the effective date of plan for price adjustment, whichever is later, for deliberating on whether to adjust the price of right of claim for acquisition granted to Hirisun's dissenting shareholders in accordance with the plan for price adjustment. During the period of price adjustment, Hirisun will adjust the price of right of claim for acquisition granted to dissenting shareholders for once only. If Hirisun has decided to adjust the price of right of claim for acquisition granted to dissenting shareholders through deliberation at the board meeting and thus re-triggers conditions for price adjustment, no more adjustments will be needed; if Hirisun has decided not to adjust the price of right of claim for acquisition granted to dissenting shareholders

through deliberation at the board meeting and re-triggers conditions for price adjustment, no more adjustments will be needed either.

The base date of price adjustment is defined by the trading day that follows the date when Hirisun triggers the conditions as stated above. Upon the adjustment, the price of right of claim for acquisition granted to Hirisun's dissenting shareholders shall be the average trading price within 20 trading days prior to the base date of price adjustment.

(V) Execution of right of claim for acquisition

After the transaction is put on file by the CSRC, Hirisun will determine the date of record of exercising the right of claim for acquisition. Hirisun's dissenting shareholders that exercise the right of claim for acquisition may be paid cash consideration or price of right of claim for acquisition by the provider of right of claim for acquisition on the date of exercising the right of claim for acquisition, regarding every single share of Hirisun in valid application. Besides, they shall transfer relevant shares under the name of the provider of right of claim for acquisition. The provider of right of claim for acquisition shall, on the date of exercising the right of claim for acquisition, be transferred all Hirisun's shares by Hirisun's dissenting shareholders for exercising the right of claim for acquisition, and pay cash consideration accordingly.

For exercising the right of claim for acquisition, registered Hirisun's dissenting shareholders shall meet the following conditions: ① Hirisun's shareholders give valid dissenting votes against proposals of the merger plan, relevant proposals on terms of voting and proposals of the merger agreement made by and between the M&A Parties at the Hirisun shareholders' meeting convened for the voting of the stock-for-stock merger; ② Since Hirisun deliberates on the date of record at the shareholders' meeting on the merger, Hirisun's shareholders put on file shall retain shares with the right to dissent till the date of exercising the right of claim for acquisition; ③ relevant request procedures are successfully carried out during the period of request for right of claim for acquisition. Only shareholders that meet the above conditions have the right to request for exercising the right of claim for acquisition, using shares with the right to dissent. If Hirisun's dissenting shareholders sell shares (including but not limited to mandatory deduction of shares by the judiciary) after the date of

record is determined at Hirisun's shareholders' meeting on the stock-for-stock merger, their shares in connection with the right of claim for acquisition will decrease accordingly; If Hirisun's dissenting shareholders buy shares after the date of record is determined at Hirisun's shareholders' meeting on the stock-for-stock merger, their shares in connection with the right of claim for acquisition will not increase and even be granted no right of claim for acquisition.

Hirisun's dissenting shareholders put on file that hold the following shares have no right to claim for exercising the right of claim for acquisition using their shares held: ① Right-restricting Hirisun's/HTC's shares, such as shares restricted from transfer owing to any pledge, other third party rights, judicial freezing and other circumstances prescribed by laws or regulations; ② Shares whose lawful holders pledge to waive the right of claim for acquisition to Hirisun in writing;; ③ Other shares which the right of claim for acquisition cannot be exercised in accordance with applicable laws.

Hirisun's dissenting shareholders that have handed over Hirisun's shares as the collateral for securities margin trading shall each transfer Hirisun's shares from their credit guarantee account to their ordinary securities account in the securities company before the date of record of right of claim for acquisition, for exercising the right of claim for acquisition. Hirisun's dissenting shareholders that have carried out the agreed buyback securities trading shall complete procedures for advance buyback in time before the date of record of right of claim for acquisition, for exercising the right of claim for acquisition.

Relevant taxes and dues incurred from exercising the right of claim for acquisition shall be borne by Hirisun's dissenting shareholders that exercise the right of claim for acquisition, provider of right of claim for acquisition and other entities in accordance with related laws, regulations, and stipulations of regulators, and securities depository and clearing agency. If it is not explicitly prescribed by laws, regulations, and stipulations of regulators, and securities depository and clearing agency, it shall be resolved by the parties concerned by reference to market practice through negotiation.

If the merger plan is not ratified or approved by the boards of shareholders of the M&A Parties

or related regulators, or government agencies, thus resulting in failed implementation of the merger, Hirisun's dissenting shareholders shall not exercise the right of claim for acquisition, or claim any compensations or indemnities to the M&A Parties.

After the transaction is approved and put on file by the CSRC, Hirisun will otherwise give a notice to Hirisun's dissenting shareholders on details in the plan for the right of claim for acquisition (including but not limited to request for, settlement and delivery of the right of claim for acquisition), and make information disclosure as per laws, regulations and stipulations of SZSE in time.

IV. Cash-based option of Party B's dissenting shareholders

To safeguard the interest of HTC's shareholders, and mitigate effects of HTC's fluctuating stock price on investors upon the merger, HTC's dissenting shareholders shall be granted the cash-based option in the merger in accordance with the Company Law and Articles of Association of Hangzhou Turbine Power Group Co., Ltd.

(I) HTC's dissenting shareholders

HTC's dissenting shareholders eligible for exercising the cash-based option are defined by HTC shareholders who give valid dissenting votes against proposals of the merger plan, relevant proposals on terms of voting and proposals of the merger agreement made by and between the M&A Parties at the HTC shareholders' meeting convened for the voting of the stock-for-stock merger, and retain shares with the right to dissent till the date of exercising the cash-based option, while carrying out relevant request procedures within the prescribed time frame.

(II) Provider of cash-based option

Hangzhou Capital, as the provider of cash-based option, grants HTC's dissenting shareholders the cash-based option. HTC's dissenting shareholders shall not claim the cash-based option to HTC or any other HTC shareholders that approve the merger any longer. After the transaction is put on file by the CSRC, the provider of cash-based option gives a pledge to be unconditionally transferred HTC's shares held by HTC's dissenting shareholders that have successfully requested for exercising the cash-based option, and to pay appropriate cash consideration to HTC's dissenting shareholders

by price of cash-based option on the date of exercising the cash-based option.

(III) Price of cash-based option

The price of cash-based option granted to HTC's dissenting shareholders is defined by average trading price of HTC's B-shares within 20 trading days (namely, the 20 trading days before the base date of pricing), i.e., HKD 7.77/share. Converted by the middle rate between RMB and HKD (HKD 1=RMB 0.91496) disclosed by the People's Bank of China on the trading day prior to B-share delisting, i.e., October 25, 2024, the stock price is RMB 7.11/share. From the base date of pricing till the date of exercising the cash-based option (both dates included), the price of cash-based option will be adjusted subject to HTC's distribution of cash dividends, stock dividends, transfer of capital reserves for increase of capital stock, allotment of shares and other ex-right and ex-dividend matters, if any.

(IV) Mechanism for adjusting price of cash-based option

1. Target of adjustment

The adjustment targets the price of cash-based option granted to HTC's dissenting shareholders.

2. Conditions for validating plan for price adjustment

(1) The competent authority of state-owned assets supervision and administration approves the plan for price adjustment;

(2) Hirisun adopts the plan for price adjustment through deliberation at the shareholders' meeting;

(3) HTC adopts the plan for price adjustment through deliberation at the shareholders' meeting.

3. Period of price adjustment

From the notice date of HTC's resolution of the merger adopted at the shareholders' meeting through deliberation till CSRC approves and puts on file the merger.

4. Triggering conditions

From the notice date of HTC's resolution of the transaction at the first board meeting till CSRC approves and puts on file the transaction, HTC's board of directors will have the right to convene a meeting for deliberating on whether an adjustment to the price of cash-based option is needed during the period of price adjustment, in either case below:

A. The daily closing ChiNext index (399106.SZ) for 10 trading days in the minimum within the 20 consecutive trading days drops over 20% from the closing index on the trading day prior to HTC's delisting on B-share market; and before the very trading day, HTC's daily average trading price on B-share market for 10 trading days in the minimum within the 20 consecutive trading days prior to HTC's delisting on B-share market (namely, the 20 trading days prior to the base date of pricing) drops over 20% from HTC's average trading price on B-share market;

Or alternatively

B. The daily closing Wind Electric Equipment Industry Index (882210.WI) for 10 trading days in the minimum within the 20 consecutive trading days drops over 20% from the closing index on the trading day prior to HTC's delisting on B-share market; and before the very trading day, HTC's daily average trading price on B-share market for 10 trading days in the minimum within the 20 consecutive trading days prior to HTC's delisting on B-share market (namely, the 20 trading days prior to the base date of pricing) drops over 20% from HTC's average trading price on B-share market.

5. Adjustment mechanism and base date of price adjustment

HTC shall convene a board meeting within time frame of 20 trading days, precisely on the initial date of triggering price adjustment or the effective date of plan for price adjustment, whichever is later, for deliberating on whether to adjust the price of cash-based option granted to HTC's dissenting shareholders in accordance with the plan for price adjustment. During the period of price adjustment, HTC will adjust the price of cash-based option granted to dissenting shareholders for once only. If HTC has decided to adjust the price of cash-based option granted to

dissenting shareholders through deliberation at the board meeting and thus re-triggers conditions for price adjustment, no more adjustments will be needed; if HTC has decided not to adjust the price of cash-based option granted to dissenting shareholders through deliberation at the board meeting and re-triggers conditions for price adjustment, no more adjustments will be needed either.

The base date of price adjustment is defined by the trading day that follows the date when HTC triggers the conditions as stated above. Upon the adjustment, the price of cash-based option granted to HTC's dissenting shareholders shall be the average trading price within 20 trading days prior to the base date of price adjustment.

(V) Execution of cash-based option

After the transaction is put on file by the CSRC, HTC will determine the date of record of exercising the cash-based option. HTC's dissenting shareholders that exercise the cash-based option may be paid cash consideration by price of cash-based option by the provider of cash-based option on the date of exercising the cash-based option, regarding every single share of HTC in valid application. Besides, they shall transfer relevant shares under the name of the provider of cash-based option. The provider of cash-based option shall, on the date of exercising the cash-based option, be transferred all HTC's shares by HTC's dissenting shareholders for exercising the cash-based option, and pay cash consideration accordingly. The provider of cash-based option shall proportionally convert all HTC shares held into A-shares issued by Hirisun for the stock-for-stock merger via the cash-based option transferred, on the date of exercising the merger plan.

For exercising the cash-based option, registered HTC's dissenting shareholders shall meet the following conditions: ① HTC's shareholders give valid dissenting votes against proposals of the merger plan, relevant proposals on terms of voting and proposals of the merger agreement made by and between the M&A Parties at the HTC shareholders' meeting convened for the voting of the stock-for-stock merger; ② Since HTC deliberates on the date of record at the shareholders' meeting on the merger, HTC's shareholders put on file shall retain shares with the right to dissent till the date of exercising the cash-based option; ③ relevant request procedures are successfully carried out during the period of request for cash-based option. Only shareholders that meet the above conditions

have the right to request for exercising the cash-based option, using shares with the right to dissent. If HTC's dissenting shareholders sell shares (including but not limited to mandatory deduction of shares by the judiciary) after the date of record is determined at HTC's shareholders' meeting on the stock-for-stock merger, their shares in connection with the cash-based option will decrease accordingly; If HTC's dissenting shareholders buy shares after the date of record is determined at HTC's shareholders' meeting on the stock-for-stock merger, their shares in connection with the cash-based option will not increase and even be granted no cash-based option.

HTC's dissenting shareholders put on file that hold the following shares have no right to claim for exercising the cash-based option using their shares held: ① Right-restricting HTC's shares, such as shares restricted from transfer owing to any pledge, other third party rights, judicial freezing and other circumstances prescribed by laws or regulations; ② Shares whose lawful holders pledge to waive the cash-based option to HTC in writing;; ③ Other shares which the cash-based option cannot be exercised in accordance with applicable laws. The shares with no right to claim for cash-based option will be proportionally converted into shares issued by Hirisun on the date of stock-for-stock merger.

HTC's dissenting shareholders that have handed over HTC's shares as the collateral for securities margin trading shall each transfer HTC's shares from their credit guarantee account to their ordinary securities account in the securities company before the date of record of cash-based option, for exercising the cash-based option. HTC's dissenting shareholders that have carried out the agreed buyback securities trading shall complete procedures for advance buyback in time before the date of record of right of claim for acquisition, for exercising the cash-based option.

Relevant taxes and dues incurred from exercising the cash-based option shall be borne by HTC's dissenting shareholders that exercise the cash-based option, provider of cash-based option and other entities in accordance with related laws, regulations, and stipulations of regulators, and securities depository and clearing agency. If it is not explicitly prescribed by laws, regulations, and stipulations of regulators, and securities depository and clearing agency, it shall be resolved by the parties concerned by reference to market practice through negotiation.

If the merger plan is not ratified or approved by the boards of shareholders of the M&A Parties or related regulators, or government agencies, thus resulting in failed implementation of the merger, HTC's dissenting shareholders shall not exercise the cash-based option, or claim any compensations or indemnities to the M&A Parties.

After the transaction is approved and put on file by the CSRC, HTC will otherwise give a notice to HTC's dissenting shareholders on details in the plan for the cash-based option (including but not limited to request for, settlement and delivery of the cash-based option), and make information disclosure as per laws, regulations and stipulations of SZSE in time.

V. Arrangement in the interim period

During the interim period, for the sake of smooth business transition, if either party requests for cooperation of other party (including but not limited to providing relevant materials, issuing a statement, jointly filing in a request to the competent authority, etc.), if necessary, the other party shall actively give cooperation.

During the interim period, the M&A Parties shall urge all affiliates thereof to: (1) make sustainable and independent operation in line with prior operation management and business practice, and conduct no abnormal transactions or incur no abnormal liabilities in the normal business course; (2) use the best endeavor to retain good condition of all assets in the main business, and continuously get well along with competent government agencies, customers, employees and other related parties; (3) prepare, sort out and keep respective documents and materials, and pay relevant taxes and dues in time.

During the interim period, either M&A Party shall take the initiative to cope with the other party's reasonable requests, and furnish the other party with relevant assets, financial books, minutes of meetings, major credit and debt documents, etc. If either party requests for cooperation of other party (including but not limited to providing relevant materials, issuing a statement, jointly filing in a request to the competent authority, etc.), if necessary, the other party shall actively give cooperation.

VI. Arrangement on the transfer or delivery of the transaction-related assets

(I) Delivery condition

After this agreement comes into force, the merger will be delivered on the delivery date. The M&A Parties shall fulfill the obligation of delivery specified in this agreement and sign a document for validating the asset delivery on the delivery date.

(II) Asset delivery

As from the delivery date, the ownership of HTC's all assets (including but not limited to properties, trademarks, patents, franchises, works in process and other assets) and relevant rights, benefits, liabilities and obligations will be attributable to Hirisun. HTC agrees to assist Hirisun in handling HTC's all formal assets (concerning any assets, special procedures are prescribed by law for the granting or transfer of rights of such assets or rights in connection with such assets as from the delivery date, including but not limited to procedures for transfer of land, property, vehicle/ship, trademarks, patents from HTC to Hirisun. Failure to perform formal handover procedures for reasons attributable to procedures for alteration of registration will not affect Hirisun's asset-related rights and obligations.

Upon the completion of the merger, held shares of affiliates of HTC will be attributable to the surviving company, and relevant affiliates will be altered and put on file under the name of the surviving company. HTC's affiliates (if any) will be attributable to the surviving company, altered and put on file as affiliates of the surviving company.

(III) Debt inheritance

Except for liabilities repaid in advance within statutory period at request of creditors, all outstanding liabilities of the M&A Parties shall be inherited by Hirisun as from the delivery date in the merger.

(IV) Contract inheritance

As from the delivery date in the stock-for-stock merger, the subject of all contracts/agreements

in force concluded by HTC with relevant rights, obligations and benefits will be altered from HTC to Hirisun.

(V) Handover of materials

HTC shall, on the delivery date, hand over all the materials and seal impressions of its bank account opened, and all its seals to Hirisun. HTC shall, as from the delivery date, hand over any and all documents which may make a difference in Hirisun's subsequent operation to Hirisun.

(VI) Transfer of shares

Hirisun shall, on the date of stock-for-stock merger, put on file A-shares issued to HTC shareholders as consideration for the merger under the name of HTC shareholders. HTC shareholders shall become Hirisun shareholders immediately after the newly increased shares are put on file under their name.

VII. Handling of transaction-related credit and debt

As from the delivery date, Hirisun will inherit and take on all HTC's assets, liabilities, businesses, human resources, contracts and all the other rights and obligations.

Pursuant to relevant laws and regulations, Hirisun and HTC will carry out procedures of notification and announcement to creditors, and depending on requirements raised by respective creditors within statutory period, repay the debt in advance or otherwise provide guarantee for respective creditors, or urge third party to do so. Within the statutory period, if relevant creditors make no claim for repaying the debt in advance or providing guarantee to the M&A Parties, related outstanding debt will be borne by Hirisun upon the completion of the stock-for-stock merger.

VIII. Placement of employees

From the date of closing, the labor contracts of all employees of Hirisun will continue to be performed by the surviving company, and the labor contracts of all employees of HTC will be inherited and continued to be performed by the surviving company. All the rights and obligations of HTC as the employer of its existing employees will be enjoyed and assumed by the surviving

company from the date of the merger and acquisition.

Before convening the shareholders' meeting for deliberating on the merger, the M&A Parties shall separately convene a congress of workers and staff or workers' congress for deliberating on the plan for placement of employees concerned in the merger.

IX. Validation and termination of this agreement

(I) Validation of agreement

This agreement shall come into force immediately after being signed and affixed with respective official seals by the parties, with all prerequisite stated below are met:

1. Hirisun's board of directors and board of shareholders separately approve the formal plan for the stock-for-stock merger;

2. HTC's board of directors and board of shareholders separately approve the formal plan for the stock-for-stock merger;

3. With consent of Hirisun's board of shareholders, Hangzhou Capital will be exempted from increasing shares of Hirisun by means of offer;

4. The competent authority of state-owned assets supervision and administration approves the stock-for-stock merger;

5. The transaction shall be examined and approved by SZSE and put on file by CSRC;

6. The stock-for-stock merger shall be approved, permitted or accepted by other related competent authorities prescribed by laws and regulations (if any).

If the above prerequisites are not met in whole, this agreement will become null and void, putting an end to the merger. If the above prerequisites are not met, not for reasons attributable to breach of contract by either party or the parties, the parties will separately afford fees for signing and preparing for performing this agreement and bear no liability for each other.

(II) Termination or rescission of agreement

In one of the following cases, this agreement will be terminated or rescinded:

1. The parties agree to terminate/rescind this agreement through negotiation;
2. The transaction cannot be carried out owing to force majeure or any objective causes other than the parties under the agreement.

Chapter V Risk Factors

For evaluation of the transaction, investors shall carefully take the following risk factors into account:

I. Transaction-related risks

(I) The risk of the transaction being suspended, halted or called off

Though the M&A Parties take precautions for secrecy, take the initiative to manage insider information and narrow down scope of people aware of insider information amid the planning and implementation of the transaction for avoidance of communication of insider information, it cannot rule out the possibility that related agencies and individuals engage in insider trading using the transaction-related insider information. Therefore, the transaction is at a risk of being suspended, halted or called off owing to abnormal fluctuation of stock price or abnormal trading, on suspicion of insider trading.

In view of the complexity of the transaction, there is a certain span from the signing of the transaction-related agreement till the completion of the transaction, relevant policy changes, contingencies or force majeure factors on stock market may affect the progress of the transaction, thus making the transaction at risk of being suspended, halted or called off.

If the transaction is suspended, halted or called off for the above reason, and transaction-related parties plan to restart the transaction, major changes may happen to the transaction plan and other transaction-related terms and conditions relative to the disclosed restructuring plan in the plan, so investors should be on the alert for relevant risks.

(II) Risk of approval of the transaction

The transaction-related proposals have been put under deliberation at the fourth interim session of the sixth board of Hirisun and tenth session of the ninth board of HTC in 2024. Till the signing date of the plan, the transaction is yet to meet a plurality of conditions for implementation, as shown in the plan's "Notification of Material Matters" - "VIII. Completed and outstanding transaction-related procedures" - "(II) Pending approval for the transaction".

The transaction shall not be carried out until it is ratified or approved as stated above. There is uncertainty about whether and when the transaction is ratified or approved, thus investors should be on the alert for relevant risks.

(III) Risk in connection with right of claim for acquisition and cash-based option

To fully safeguard the benefits of shareholders of Hirisun and of HTC, eligible Hirisun's dissenting shareholders shall be granted right of claim for acquisition and eligible HTC's dissenting shareholders shall be granted cash-based option in the stock-for-stock merger. If the stock-for-stock merger cannot be carried out at last, dissenting Hirisun's and HTC's shareholders shall not exercise the right of claim for acquisition or cash-based option, and claim any compensations or indemnities to the M&A Parties on that account.

If Hirisun's stock price is above the price of the right of claim for acquisition when Hirisun's dissenting shareholders request for exercising the right of claim for acquisition, or HTC's stock price is above the price of the cash-based option when HTC's dissenting shareholders request for exercising the cash-based option, Hirisun's and HTC's dissenting shareholders may have their benefits impaired in request for exercising the right of claim for acquisition or cash-based option. In addition, dissenting shareholders who request for exercising the right of claim for acquisition or cash-based option may also be deprived of the opportunity of benefiting from further rise of stock price of the surviving company.

Investors should be on the alert for relevant risks.

(IV) Risk of forced stock-for-stock merger

The transaction is yet to be approved by Hirisun's and HTC's boards of shareholders through deliberation at relevant meetings. The resolutions adopted at shareholders' meetings of the M&A Parties are binding to all shareholders (including shareholders that vote against, abstain or are absent from the shareholders' meetings and designate no agents for voting) of the M&A Parties. After essential ratification or approval is granted for the plan for stock-for-stock merger, on the date of record of stock-for-stock merger, HTC's shares held by HTC shareholders that make no request,

request in part, are ineligible or invalid in request for exercising the cash-based option, and HTC's shares held by the provider of cash-based option for granting the cash-based option, will be proportionally converted into A-shares issued by Hirisun in whole for the stock-for-stock merger.

For HTC's shares that have a pledge, are frozen by judiciary, or restricted from transfer by law, such shares shall be converted into Hirisun's shares, and the pledge, judicial freezing or other right-restricting circumstances regarding HTC's shares will remain in force to relevant Hirisun's shares in stock-for-stock merger.

Investors should be on the alert for relevant risks.

(V) Risk of creditors' request for paying off debt in advance or providing guarantee

Upon the completion of the stock-for-stock merger, HTC will be delisted and disqualified from being a corporation, while Hirisun will inherit and take on all HTC's assets, liabilities, businesses, human resources, contracts and all the other rights and obligations. Pursuant to relevant laws and regulations, Hirisun and HTC will carry out procedures of notification and announcement to creditors, and depending on requirements raised by respective creditors within statutory period, repay the debt in advance or otherwise provide guarantee for respective creditors, or urge third party to do so.

At the moment, Hirisun and HTC have no external bonds issued, which is indicative of no relevance to matters of convening a meeting of bond holders. Though the M&A Parties will actively seek the understanding and approval of the merger from creditors, there is uncertainty in creditors' opinions about the merger. If creditors of the M&A Parties make a request for repaying the debt in advance or otherwise providing a guarantee, it may make a difference in Hirisun's and HTC's financial conditions in the short term. Investors should be on the alert for relevant risks.

(VI) Risk in connection of delivery of assets

Upon the completion of the stock-for-stock merger, HTC will be delisted and disqualified from being a corporation, while Hirisun will inherit and take on all HTC's assets, liabilities, businesses, human resources, contracts and all the other rights and obligations. Under special circumstances,

some of HTC's assets and contracts cannot be altered or transferred in the course of actual delivery, which may lead to some uncertainties about delivery time of some assets and contracts and specific operating procedures. Investors should be on the alert for relevant risks.

(VII) Risk of the transaction relating to contingency of employees

Upon the completion of the stock-for-stock merger, Hirisun's management and employees will retain their jobs in accordance with employment contracts concluded with Hirisun. HTC's all employees on the payroll will be accepted and properly arranged by the surviving company. All the rights and obligations of HTC as the employer of current employees will be attributable to Hirisun as from the delivery date. Before the relevant general shareholders' meetings to consider the merger, the two parties will hold a staff representative meeting or a staff meeting respectively to review the employee placement plan involved in the merger. However, in the future, if there is a dispute between Hirisun and HTC and its employees due to the Transaction, it may cause the surviving company to bear the corresponding liability for compensation, which will bring relevant risks to the surviving company and its shareholders. Investors should be on the alert for relevant risks.

(VIII) Risk of uncompleted audit and valuation

Till the signing date of the plan, all the work in connection with the transaction is yet to complete, and some data concerned in the plan are not audited by an accounting firm prescribed by the *Securities Law*. So discrete use of relevant information is advised for investors. Hirisun's and HTC's boards of directors and all board members thereof give a pledge on the authenticity and rationality of relevant data cited from the plan.

Upon the completion of all the transaction-related work, Hirisun and HTC shall otherwise convene a board meeting, to deliberate on other unsettled matters regarding the transaction and prepare a report on stock-for-stock merger. Meanwhile, they shall perform relevant procedures for deliberation at shareholders' meeting. The audited historical financial data, financial data for reference and valuation will be disclosed in the report on stock-for-stock merger, and final results may differ from what's disclosed in the plan. Investors should be on the alert for relevant risks.

II. Relevant risks of the surviving company upon stock-for-stock merger

(I) Risk of integration

Upon the completion of the transaction, the surviving company will pool together resources of the M&A Parties and exploit scale effect for complementarily. Nevertheless, the stock-for-stock merger entails a vast quantity and wide scope of assets and businesses. The M&A Parties will be further integrated in terms of assets, businesses, human resources, and organizational structure, and make fair and necessary adjustments to management systems, internal control systems, and business patterns, which may pose certain risks of integration against the surviving company in the short run. Investors should be on the alert for relevant risks.

(II) Macroeconomic and market risk

The surviving company is engaged in the industrial turbine manufacturing industry which is inextricably relevant with economic situation of the world and China, international political situation, equipment investment of industrial enterprises and other factors. In recent years, under a complex international political and economic environment, external uncertainties have been mounting; national "carbon peaking and neutrality" goals put forward have profound and far-reaching impact on downstream sectors, such as petrochemical, steel, power and building materials. A sluggish industry or fiercer market competition may have adverse effects on business performance of the surviving company or put the surviving company at risk of macroeconomic fluctuation and market risk. Investors should be on the alert for relevant risks.

(III) Risk of industrial policy

The industrial turbine manufacturing industry which the surviving company belongs to is highly susceptible to national policy of "carbon peaking and neutrality" , policy of equipment renewal, and global trading policies. China now promotes the strategy of innovation-driven development, keeps improving the green and low-carbon policy, and tightens management of energy saving and emissions reduction, while scaling up equipment renewal and accelerating industrial upgrading. Major adjustments or changes to relevant policies, if any, may make severely

adverse impact on the R&D, production and sales of staples of the surviving company in the future. Investors should be on the alert for relevant risks.

(IV) Risk of management and operation

Upon the completion of the transaction, market size and business scope of the surviving company will conspicuously expand, setting higher bars for the organizational structure, management and control system and decision-making efficiency. The surviving company is required to further tighten regulation while making allowance for business characteristics, human resources, management characteristics, etc., for seeking sound and orderly development in its entirety. Nonetheless, the surviving company may still encounter the risk of management and operation owing to failure to meet higher bars for management efficiency and talent structure. Investors should be on the alert for relevant risks.

III. Other risks

(I) Risk of fluctuating stock price

The stock price of a listed company is swayed by not only profitability and potential of development, but also investor psychology, stock supply-demand relationship, development and integration of the industry, international and national macroeconomic situation, and political, economic and financial policies, and a host of other factors. Thus it could be argued that stock prices of the M&A Parties may fluctuate owing to the factors listed above.

Additionally, some time is needed for completing the transaction-related work, during which, stock prices of the M&A Parties may fluctuate.

Investors should be on the alert for relevant risks.

(II) Other risks

The likelihood that politics, economy, natural disasters or other uncontrollable factors may cause adverse effects to the M&A Parties or the transaction cannot be ruled out, so investors should be on the alert for relevant risks.

Chapter VI Miscellaneous

I. Opinions of principle of dominant shareholders of the M&A Parties and persons acting in concert thereof, and plans for reduction of shares of the dominant shareholders and directors, supervisors and senior executives thereof from the date of restructuring and resumption of trading till the completion of transaction

(I) Opinions of principle of dominant shareholders of the M&A Parties and persons acting in concert thereof, and plans for reduction of shares of the dominant shareholders and directors, supervisors and senior executives thereof from the date of restructuring and resumption of trading till the completion of transaction

Concerning the opinions of principle over the restructuring and plans for reduction of shares from the date of restructuring and resumption of trading till the completion of transaction, Hirisun's dominant shareholder Hangzhou Capital has declared as follows:

1. In principle, the Company approves the transaction.
2. From the date of resumption of trading till completion of transaction, the Company shall not directly or indirectly reduce held shares of Hirisun or HTC. Nor shall the Company have any plans for direct or indirect reduction of shares of Hirisun or HTC.

In violation of the commitment, the Company will bear relevant legal liability.

Concerning the plans for reduction of shares in the transaction from the date of resumption of trading till completion of transaction, Hirisun's directors, supervisors and senior executives have declared as follows:

1. From the date of resumption of trading till completion of transaction, I myself shall not reduce held shares of Hirisun. Nor shall I have any plans for reduction of shares of Hirisun.
2. In violation of the commitment, I myself will bear relevant legal liability.

(II) Opinions of principle of dominant shareholders of the Acquiree and persons acting in concert thereof, and plans for reduction of shares of the dominant shareholders and persons

acting in concert, directors, supervisors and senior executives thereof from the date of resumption of trading till the completion of transaction

Concerning the opinions of principle over the restructuring and plans for reduction of shares from the date of resumption of trading till the completion of transaction, HTC's dominant shareholder Turbine Co., Ltd. has declared as follows

1. In principle, the Company approves the transaction.
2. From the date of resumption of trading till completion of transaction, the Company shall not reduce held shares of HTC. Nor shall the Company have any plans for reduction of shares of HTC.

In violation of the commitment, the Company will bear relevant legal liability.

Concerning the plans for reduction of shares in the transaction from the date of resumption of trading till the completion of transaction, HTC's directors, supervisors and senior executives have declared as follows:

1. From the date of resumption of trading till completion of transaction, I myself shall not reduce held shares of HTC. Nor shall I have any plans for reduction of shares of HTC.
2. In violation of the commitment, I myself will bear relevant legal liability.

II. M&A Parties' purchase and sale of assets within twelve months prior to the transaction

(I) Acquirer's purchase and sale of assets within twelve months prior to the transaction

Up to the signing date of the plan, Hirisun engaged in no purchase or sale of material assets prescribed in the Measures for the Administration of Restructuring, purchase or sale of the transaction-related assets within 12 months prior to the transaction. Nor was the company under any circumstances necessarily included into scope of cumulative calculations.

(II) Acquiree's purchase and sale of assets within twelve months prior to the transaction

1. On October 30, 2023, HTC convened the third session of the ninth board of directors, adopting the Proposal on the Negotiated Transfer of 30% of Equity of Car Dealer and Related Transaction

through deliberation. As agreed upon in the proposal, HTC, through negotiated transfer, transferred 30% of equity of the car dealer to the dominant shareholder Turbine Co., Ltd., at price of RMB 28.92 million. Relevant matters were approved at HTC's second interim general meeting of shareholders in 2023 through deliberation. The equity transfer constitutes related transaction, but does not constitute material asset restructuring stipulated in the Measures for the Administration of Restructuring and is hence of irrelevance with the transaction.

2. On October 30, 2023, HTC convened the third session of the ninth board of directors, adopting the Proposal on the Proposed Takeover of 48% of Equity of Machinery Company and Related Transaction through deliberation. As agreed upon in the proposal, HTC signed an equity transfer agreement with other shareholders of its holding subsidiary Machinery Company, for acquiring 48% of equity of the Machinery Company at price of RMB 194,616,000. Upon the takeover, the Machinery Company became a wholly-owned subsidiary of HTC. Relevant matters were approved at HTC's second interim general meeting of shareholders in 2023 through deliberation. The equity transfer constitutes related transaction, but does not constitute material asset restructuring stipulated in the Measures for the Administration of Restructuring and is hence of irrelevance with the transaction.

Up to the signing date of the plan, HTC engaged in no purchase or sale of material assets prescribed in the Measures for the Administration of Restructuring, purchase or sale of the transaction-related assets within 12 months prior to the transaction. Nor was the company under any circumstances necessarily included into scope of cumulative calculations.

III. Statement on fluctuation of stock prices of the M&A Parties upon initial disclosure of restructuring

(I) Statement on fluctuation of stock prices of the acquirer upon initial disclosure of restructuring

As required by related laws and regulations, Hirisun has conducted self-check on fluctuation of stock price prior to continuous suspension of A-shares. On account of planning on material asset restructuring, Hirisun filed in a request to SZSE for suspending its A-shares as from October 28,

2024. What follows explains the rise and drop of Hirisun’s stock within 20 trading days prior to its suspension and that of stock market index and industry index in the corresponding period:

Item	The 21 st trading day before suspension (September 20, 2024)	The last trading day before suspension (October 25, 2024)	Rise/drop
Closing price (RMB/share)	7.75	12.02	55.10%
ChiNext Index (399006.SZ)	1,536.60	2,238.90	45.70%
Wind IT Service Index (866311.WI)	1,133.74	1,738.61	53.35%
Rise/drop exclusive of impact of market index			9.40%
Rise/drop exclusive of impact of industry segment			1.75%

As shown in the above table, within 20 trading days prior to the first notice date of the transaction, Hirisun’s stock price cumulatively leaped 9.40%, exclusive of impact of market index (ChiNext Index: 399006.SZ), far below 20%; the stock price cumulatively rose 1.75%, exclusive of impact of industry segment (Wind IT Service Index: 866311.WI), equally far below 20%.

In all, Hirisun’s stock price fluctuated below 20% within the first 20 trading days prior to first notice date of the transaction, exclusive of impact of market index and impact of industry segment.

(II) Statement on fluctuation of stock prices of the acquiree upon initial disclosure of restructuring

As required by related laws and regulations, HTC has conducted self-check on fluctuation of stock price prior to continuous suspension of B-shares. On account of planning on material asset restructuring, HTC filed in a request to SZSE for suspending its B-shares as from October 28, 2024. What follows explains the rise and drop of HTC’s stock within 20 trading days prior to its suspension and that of stock market index and industry index in the corresponding period:

Item	The 21 st trading day before suspension (September 20, 2024)	The last trading day before suspension (October 25, 2024)	Rise/drop
Closing price (HKD/share)	6.97	8.17	17.22%

Item	The 21 st trading day before suspension (September 20, 2024)	The last trading day before suspension (October 25, 2024)	Rise/drop
Shenzhen Composite Index (399106.SZ)	1,494.66	1,974.65	32.11%
Wind Electric Equipment Industry Index (882210.WI)	5,565.76	7,323.55	31.58%
Rise/drop exclusive of impact of market index			-14.89%
Rise/drop exclusive of impact of industry segment			-14.36%

As shown in the above table, within 20 trading days prior to the first notice date of the transaction, HTC's stock price cumulatively dropped 14.89%, exclusive of impact of market index (Shenzhen Composite Index: 399106.SZ), far below 20%; the stock price cumulatively dropped 14.36%, exclusive of impact of industry segment (Wind Electric Equipment Industry Index: 882210.WI), equally far below 20%.

In all, HTC's stock price fluctuated below 20% within the first 20 trading days prior to first notice date of the transaction, exclusive of impact of market index and impact of industry segment.

IV. The transaction-related entities are not under circumstances prescribed in Article 12 of Guide to Regulation of Listed Companies No.7 - Regulation of Suspicious Stock Transactions Regarding Material Asset Restructuring by Listed Companies: Not engaged in material asset restructuring by listed companies

The transaction-related entities are not under circumstances prescribed in Article 12 of Guide to Regulation of Listed Companies No.7 - Regulation of Suspicious Stock Transactions Regarding Material Asset Restructuring by Listed Companies: Not engaged in material asset restructuring by listed companies. In other words, the M&A Parties and dominant shareholders and actual controllers of the M&A Parties; directors, supervisors, and senior executives of the M&A Parties, dominant shareholders of the M&A Parties, directors, supervisors and senior executives of the actual controllers; intermediaries serving the transaction and handlers thereof; and other entities are not investigated and put on file or inquired and put on file on suspicion of insider trading. Nor were they imposed any administrative penalty by CSRC or held accountable for criminal liability by judiciary by law on suspicion of insider trading regarding material asset restructuring in the

latest 36 months.

V. Arrangements for protection of rights and interests of small- and medium-sized investors in the restructuring

In the course of the transaction, the M&A Parties will take arrangements and measures below to safeguard legitimate rights and interests of investors, especially small- and medium-sized investors:

(I) Discharge of obligation of information disclosure

To protect legitimate rights and interests of investors and safeguard order of securities market, Hirisun, HTC and related parties of information disclosure will faithfully perform the obligation of information disclosure in accordance with the Securities Law, Measures for the Administration of Information Disclosure by Listed Companies, Measures for the Administration of Restructuring and relevant laws, regulations and normative documents. Disclosing all relevant information which may make a difference in the share trading price of Hirisun or HTC or decisions of investors in an open and fair way, Hirisun, HTC and related parties of information disclosure shall give a pledge on the authenticity, accuracy, integrity and immediacy of the disclosed information.

(II) Implementation of relevant approval requirements

Concerning the transaction, Hirisun and HTC have carried out legal voting procedures and duties of disclosure in compliance with relevant provisions. Since the transaction constitutes a related transaction, related directors have evaded voting. Independent directors have formed a resolutions over relevant proposals at a special meeting. For deliberation on the transaction-related proposals at the meetings of shareholders of Hirisun and HTC, related shareholders will evade voting.

(III) Provision of online voting platform for shareholders' meeting

Pursuant to related regulations of the CSRC and SZSE, Hirisun and HTC will set up an online voting platform for facilitating shareholders attending the shareholders' meeting to vote for the transaction plan, thus ensuring the shareholders can vote and exercise their rights as shareholders online.

(IV) Arrangement on the right of claim for acquisition and cash-based option

To fully safeguard rights and interests of small- and medium-sized investors concerned in the stock-for-stock merger, Hirisun's dissenting shareholders will be granted the right of claim for acquisition and HTC's dissenting shareholders the cash-based option. For details of arrangement, refer to “Chapter I Overview of Transaction” - “II. Concrete transaction plan” - “(II) Merger plan” - “9. Mechanism for protection of interest of Hirisun’s dissenting shareholders” and “10. Mechanism for protection of interest of HTC’s dissenting shareholders” in the plan.

VI. Mechanism for protection of benefit of creditors

Upon the completion of stock-for-stock merger, HTC will be delisted and disqualified from being a corporation, while Hirisun will inherit and take on all HTC’s assets, liabilities, businesses, human resources, contracts and all the other rights and obligations.

Pursuant to relevant laws and regulations, Hirisun and HTC will carry out procedures of notification and announcement to creditors, and depending on requirements raised by respective creditors within statutory period, repay the debt in advance or otherwise provide guarantee for respective creditors, or urge third party to do so. Within the statutory period, if relevant creditors make no claim for repaying the debt in advance or providing guarantee to the M&A Parties, related outstanding debt will be borne by Hirisun upon the completion of the stock-for-stock merger.

Chapter VII Opinions of Independent Directors and Related Service Providers about the Transaction

I. Review opinions of the acquirer's independent directors at a special meeting

Pursuant to relevant provisions and requirements in the CSRC *Rules for Independent Directors of Listed Companies*, ChiNext Listing Rules, Shenzhen Stock Exchange Guide to Self-regulation by ChiNext-listed Companies No.2 - Standardized Operation of ChiNext-listed Companies, as well as Articles of Association of Hangzhou Hirisun Technology Inc., Regulations on Independent Directors of Hangzhou Hirisun Technology Inc., Hirisun's independent directors voice opinions as follows at a special meeting:

"1. The company meets all conditions prescribed in relevant laws, regulations and normative documents for carrying out the transaction.

2. The transaction plan is in line with the Company Law, Securities Law, Measures for the Administration of Material Asset Restructuring by Listed Companies, Guide to Regulation of Listed Companies No.9 - Requirements for Regulation of Listed Companies in Planning and Implementation of Material Asset Restructuring and other laws, regulations and normative documents concerned, without prejudice to the interest of the company and shareholders, especially small- and medium-sized shareholders.

3. In accordance with the Measures for the Administration of Material Asset Restructuring by Listed Companies, Shenzhen Stock Exchange ChiNext Listing Rules and other regulations concerned, the transaction constitutes material asset restructuring, related party transaction and restructuring and listing.

4. Concerning the authenticity, accuracy and integrity of the Plan for Hangzhou Hirisun Technology Inc. Stock-for-stock Merger of Hangzhou Turbine Power Group Co., Ltd. & Related Party Transaction prepared for the transaction and abstract thereof, the company makes full disclosure of the transaction-related risks, which is conducive to safeguarding the interest of the company and shareholders, especially small- and medium-sized shareholders and contains no false records, misleading statements or major omissions.

5. The Agreement on Stock-for-stock Merger between Hangzhou Hirisun Technology Inc. and Hangzhou Turbine Power Group Co., Ltd. made by and between the company and HTC, which comes into force under some conditions, is authentic and effective and breaks no laws, regulations, normative documents or Articles of Association.

In all, we believe the transaction is in line with relevant laws, regulations, normative documents and *Articles of Association*, and the interest of the company and all shareholders, without prejudice to the interest of small- and medium-sized shareholders.

II. Review opinions of the acquiree's independent directors at a special meeting

According to the Listing Rules and Measures for the Administration of Independent Directors of Listed Companies and other laws and regulations concerned, as well as the Articles of Association of Hangzhou Turbine Power Group Co., Ltd., HTC's independent directors voice their opinions as follows at a special meeting:

"1. The company meets all conditions prescribed in relevant laws, regulations and normative documents for carrying out the transaction.

2. In line with the Company Law, Securities Law, Measures for the Administration of Restructuring and other laws, regulations and normative documents concerned, the transaction plan is fair and feasible, without prejudice to the interest of small- and medium-sized shareholders.

3. In accordance with the Measures for the Administration of Restructuring, Shenzhen Stock Exchange Listing Rules and other regulations concerned, the transaction constitutes material asset restructuring, related party transaction and restructuring and listing.

4. In line with Measures for the Administration of Material Asset Restructuring by Listed Companies, Compilation Rules for Information Disclosure by Companies Offering Securities to the Public No.26 - Material Asset Restructuring of Listed Companies and other laws, regulations and normative documents concerned, the Plan for Hangzhou Hirisun Technology Inc. Stock-for-stock Merger of Hangzhou Turbine Power Group Co., Ltd. & Related Party Transaction prepared by the company for the transaction and abstract thereof are authentic, accurate and intact,

disclosing details of due statutory procedures for the transaction and transaction-related risks.

5. The Agreement on Stock-for-stock Merger between Hangzhou Hirisun Technology Inc. and Hangzhou Turbine Power Group Co., Ltd. proposed to be concluded by the company and Hangzhou Hirisun Technology Inc. is in compliance with related laws, regulations and normative documents.

6. The related party transaction concerned in the transaction follows the principles of fairness, openness and justice. The price of the stock-for-stock merger is fair and just, in line with the Measures for the Administration of Restructuring and other laws and regulations.

7. In the transaction, the company's dissenting shareholders will be granted cash-based option, which is conducive to safeguarding the legitimate rights and interests of small- and medium-sized shareholders.

8. The transaction will facilitate the surviving company to improve financial situation with greater capacity of sustainable operation, focus on main business with higher anti-risk ability, become more independent and engage in standardized related party transaction and horizontal competition.

In conclusion, we believe that the transaction conforms to the interest of the company and all shareholders, without prejudice to the interest of small- and medium-sized shareholders; related matters comply with laws, regulations, normative documents and articles of association. We agree that the company conducts the transaction and that relevant proposals are submitted to the company's board of directors for deliberation. But it should be noted that as the company's board of directors is deliberating on the related party transaction, related directors shall evade voting."

Chapter VIII Statement and Commitment

I. Statement of all directors, supervisors and senior executives of the Acquirer

The Company and all directors, supervisors and senior executives thereof give a pledge on the authenticity, accuracy and integrity of the plan and abstract thereof, and bear legal liability for false records, misleading statements or major omissions therein, if any.

All the work of audit and valuation in connection with the transaction is yet to complete, and audited financial data and valuation results regarding relevant assets will be disclosed in the report on stock-for-stock merger. The Company and all board members give a pledge on the authenticity and rationality of relevant data cited from the plan and abstract thereof.

(No text below, page of signature and seal of statement of Hirisun's directors in the Plan for Hangzhou Hirisun Technology Inc. Stock-for-stock Merger of Hangzhou Turbine Power Group Co., Ltd. & Related Party Transaction)

Signature of directors:

_____	_____	_____	_____
Qian Yuchen	Wang Lin	Du Minghui	Zheng Xiaohu
_____	_____	_____	
Lin Xian	Lu Guangjun	Tan Qing	

Hangzhou Hirisun Technology Inc.

November 9, 2024

Plan for Hangzhou Hirisun Technology Inc. Stock-for-stock Merger of Hangzhou Turbine Power Group Co., Ltd.
& Related Party Transaction

(No text below, page of signature and seal of statement of Hirisun's supervisors in the Plan for Hangzhou Hirisun Technology Inc. Stock-for-stock Merger of Hangzhou Turbine Power Group Co., Ltd. & Related Party Transaction)

Signature of supervisors:

Sun Qinghong

Hu Wanrong

Zhang Juncong

Hangzhou Hirisun Technology Inc.

November 9, 2024

(No text below, page of signature and seal of statement of Hirisun's non-director senior executives in the Plan for Hangzhou Hirisun Technology Inc. Stock-for-stock Merger of Hangzhou Turbine Power Group Co., Ltd. & Related Party Transaction)

Signature of non-director senior executives:

Gao Chunfeng

Chen Xiang

Ma Hongjie

Hangzhou Hirisun Technology Inc.

November 9, 2024

II. Statement of all directors, supervisors and senior executives of the Acquiree

The Company and all directors, supervisors and senior executives thereof give a pledge on the authenticity, accuracy and integrity of the plan and abstract thereof, and bear legal liability for false records, misleading statements or major omissions therein, if any.

All the work of audit and valuation in connection with the transaction is yet to complete, and audited financial data and valuation results regarding relevant assets will be disclosed in the report on stock-for-stock merger. The Company and all board members give a pledge on the authenticity and rationality of relevant data cited from the plan and abstract thereof.

(No text below, page of signature and seal of statement of HTC's directors in the Plan for Hangzhou Hirisun Technology Inc. Stock-for-stock Merger of Hangzhou Turbine Power Group Co., Ltd. & Related Party Transaction)

Signature of directors:

Ye Zhong

Li Binghai

Li Shijie

Pan Xiaohui

Li Bo

Zhang Hejie

Xu Yongbin

Yao Jianhua

Jin Yingchun

Hangzhou Turbine Power Group Co., Ltd.

November 9, 2024

(No text below, page of signature and seal of statement of HTC's supervisors in the Plan for Hangzhou Hirisun Technology Inc. Stock-for-stock Merger of Hangzhou Turbine Power Group Co., Ltd. & Related Party Transaction)

Signature of supervisors:

Zhang Weijie

Xie Xueqing

Yan Ying

Hangzhou Turbine Power Group Co., Ltd.

November 9, 2024

Plan for Hangzhou Hirisun Technology Inc. Stock-for-stock Merger of Hangzhou Turbine Power Group Co., Ltd.
& Related Party Transaction

(No text below, page of signature and seal of statement of HTC's non-director senior executives in the Plan for Hangzhou Hirisun Technology Inc. Stock-for-stock Merger of Hangzhou Turbine Power Group Co., Ltd. & Related Party Transaction)

Signature of non-director senior executives:

Wang Gang

Cai Weijun

Kong Jianqiang

Wang Zhengrong

Zhao Jiamao

Liao Weibing

Shao Jianwei

Hangzhou Turbine Power Group Co., Ltd

November 9, 2024

Plan for Hangzhou Hirisun Technology Inc. Stock-for-stock Merger of Hangzhou Turbine Power Group Co., Ltd.
& Related Party Transaction

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Merger of Hangzhou Turbine Power Group Co., Ltd. & Related Party Transaction)

Hangzhou Hirisun Technology Inc.

November 9, 2024

Plan for Hangzhou Hirisun Technology Inc. Stock-for-stock Merger of Hangzhou Turbine Power Group Co., Ltd.
& Related Party Transaction

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Merger of Hangzhou Turbine Power Group Co., Ltd. & Related Party Transaction)

Hangzhou Turbine Power Group Co., Ltd.

November 9, 2024