

**MING YANG SMART ENERGY GROUP LIMITED**

**(GDR under the symbol: "MYSE")**

*(a joint stock company established under the laws of the People's Republic of China with limited liability)*

**Repurchase and Cancellation of the Restricted Shares  
Granted to Certain Incentive Participants but Remaining  
Locked-up Under the 2019 Restricted Stock Incentive Scheme**

The 14<sup>th</sup> Meeting of the Third Session of the Board and the Ninth Meeting of the Third Session of the Supervisor Committee of Ming Yang Smart Energy Group Limited (hereinafter referred to as "MYSE" or the "Company") were convened on 21 October 2024 for the purposes of considering and approving the "Resolution on Repurchase and Cancellation of Restricted Shares Granted But Not Yet Unlocked from Some Incentive Recipients under the 2019 Restricted Share Incentive Scheme". According to the mandate granted at the 2019 Annual General Meeting of the Company, the repurchase and cancellation of Restricted Shares granted but not yet unlocked from some Incentive Recipients under the 2019 Restricted Share Incentive Scheme was conducted, details of which are described as below:

**I. DECISION-MAKING PROCEDURES COMPLETED AND INFORMATION DISCLOSURE**

1. On 26 August 2019, the 25<sup>th</sup> Meeting of the First Session of the Board and the 18<sup>th</sup> Meeting of the First Session of the Supervisor Committee of the Company were convened, at which the resolutions including the "2019 Restricted Share Incentive Scheme (Draft) and its Summary" and the "Administrative Measures for the Implementation and Appraisal of the 2019 Restricted Share Incentive Scheme" were considered and approved. The independent Directors expressed their consent in their independent opinion in this regard. The Supervisor Committee reviewed the list of Incentive Recipients for the Incentive Scheme and provided their review opinion.

2. On 20 April 2020, the Third Meeting of the Second Session of the Board and the Third Meeting of the Second Session of the Supervisor Committee of the Company were convened, at which the resolutions including the "2019 Restricted Share Incentive Scheme (Revised Draft) and its Summary" and the "Resolution on Proposed Mandate by the General Meeting to the Board to Transact Business Relating to the Restricted Share Incentive Scheme of the Company" were considered and approved. The independent Directors expressed their consent in their independent opinion in this regard. The Supervisor Committee reviewed the list of Incentive Recipients for the Incentive Scheme and provided their review opinion.

3. From 22 April 2020 to 2 May 2020, the Company internally disclosed the names and positions of the proposed Incentive Recipients. Upon the expiry of the disclosure period, the Supervisor Committee reviewed the list of Incentive Recipients under the Initial Grant of the Equity Incentive Scheme and explained on the information as disclosed.

4. On 13 May 2020, the 2019 Annual General Meeting of the Company was convened, at which the resolutions including the "2019 Restricted Share Incentive Scheme

(Revised Draft) and its Summary", the Resolution on the Proposed Mandate by the General Meeting to the Board to Transact Business relating to the Restricted Share Incentive Scheme of the Company" and the "Administrative Measures for the Implementation and Appraisal of the 2019 Restricted Share Incentive Scheme" were considered and approved. Meanwhile, the Company conducted a self-inspection on the trading in the Shares of the Company by insiders of the Equity Incentive Scheme, and no relevant insiders were found to trade in the Shares of the Company based on the insider information.

5. On 20 May 2020, the Fifth Meeting of the Second Session of the Board and the Fifth Meeting of the Second Session of the Supervisor Committee of the Company were convened, at which the resolutions including the "Resolution on the Adjustments to Relevant Matters of the 2019 Restricted Share Incentive Scheme" and the "Resolution on the Grant of Restricted Shares to Incentive Recipients under the Initial Grant" were considered and approved. The independent Directors expressed their independent opinions in this regard, considered that the qualifications of the Incentive Recipients were lawful and valid, and that the grant date determined was in compliance with relevant regulations. The Supervisor Committee reviewed the list of Incentive Recipients for the Incentive Scheme and provided their review opinion.

6. On 7 July 2020, the Company granted a total of 23,340,400 Restricted Shares to 220 Incentive Recipients for the first time and completed the registration with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited (hereinafter referred to as "CSDC").

7. On 12 May 2021, the 20th Meeting of the Second Session of the Board and the 16th Meeting of the Second Session of the Supervisor Committee of the Company were convened, at which the "Resolution on the Reserved Grant of the Restricted Shares to the Incentive Recipients under the 2019 Restricted Share Incentive Scheme" was considered and approved. The independent Directors expressed their consent in their independent opinion in this regard. The Supervisor Committee reviewed the list of Incentive Recipients under the Reserved Grant and TIAN YUAN LAW FIRM issued a legal opinion.

8. From 15 May 2021 to 24 May 2021, the Company internally disclosed the names and positions of the proposed Incentive Recipients under the Reserved Grant. Upon the expiry of the disclosure period, the Supervisor Committee reviewed the list of Incentive Recipients under the Reserved Grant and explained on the information as disclosed.

9. On 9 June 2021, the 21st Meeting of the Second Session of the Board and the 17th Meeting of the Second Session of the Supervisor Committee of the Company were convened, at which the "Resolution on Adjustment to the Grant Price of the Reserved Grant and the Repurchase Price of the Initial Grant of the 2019 Restricted Share Incentive Scheme", the "Resolution on Repurchase and Cancellation of Restricted Shares Granted But Not Yet Unlocked from Some Incentive Recipients" and the "Resolution on the Fulfillment of the Unlocking Conditions for the First Unlocking Period of the Initial Grant of the 2019 Restricted Share Incentive Scheme" were considered and approved. Pursuant to the mandate issued at the 2019 Annual General Meeting of the Company, (1) the grant price for the Reserved Grant of the 2019 Restricted Share Incentive Scheme was adjusted from RMB8.39 per share to RMB8.284 per share, and the repurchase price for the Initial Grant was adjusted from RMB5.222 per share to RMB5.116 per share; (2) the repurchase and cancellation of 100,000 Restricted Shares granted but not yet unlocked held by 3 Incentive Recipients who had resigned was approved, with such Restricted Shares being cancelled on 10 August 2021; and (3) completion of the procedures for unlocking a total of 5,810,100 Restricted Shares held by 217 Incentive Recipients having fulfilled the unlocking conditions was approved, with such Restricted Shares being listed for circulation on 9 July 2021. The independent Directors expressed their consent in their independent opinion, and TIAN

independent Directors expressed their consent in their independent opinion, and TIAN YUAN LAW FIRM issued a legal opinion.

10. On 17 September 2021, the Company granted a total of 5,498,000 Restricted Shares reserved to 103 Incentive Recipients at a grant price of RMB8.284 per share and completed the registration with CSDC.

11. On 21 February 2022, the 28th Meeting of the Second Session of the Board and the 24th Meeting of the Second Session of the Supervisor Committee of the Company were convened, at which the "Resolution on Repurchase and Cancellation of Restricted Shares Granted But Not Yet Unlocked from Some Incentive Recipients under the 2019 Restricted Share Incentive Scheme" was considered and approved. Pursuant to the mandate issued at the 2019 Annual General Meeting of the Company, the repurchase and cancellation of 472,500 Restricted Shares granted but not yet unlocked held by 8 Incentive Recipients who had resigned was approved, with such Restricted Shares being cancelled on 23 May 2022. The independent Directors expressed their consent in their independent opinion, and TIAN YUAN LAW FIRM issued a legal opinion.

12. On 28 June 2022, the 32nd Meeting of the Second Session of the Board and the 28th Meeting of the Second Session of the Supervisor Committee of the Company were convened, at which the "Resolution on Adjustment to the Repurchase Price of the Initial Grant and the Reserved Grant of the 2019 Restricted Share Incentive Scheme" and the "Resolution on the Fulfillment of the Unlocking Conditions for the Second Unlocking Period of the Initial Grant of the 2019 Restricted Share Incentive Scheme" were considered and approved. Pursuant to the mandate issued at the 2019 Annual General Meeting of the Company, (1) the repurchase price for the Initial Grant and the Reserved Grant of the 2019 Restricted Share Incentive Scheme was adjusted from RMB5.116 per share and RMB8.284 to RMB4.895 per share and RMB8.063 per share, respectively; and (2) completion of the procedures for unlocking a total of 5,667,600 Restricted Shares held by 211 Incentive Recipients having fulfilled the unlocking conditions was approved, with such Restricted Shares being listed for circulation on 7 July 2022. The independent Directors expressed their consent in their independent opinion, and TIAN YUAN LAW FIRM issued a legal opinion.

13. On 10 November 2022, the 35th Meeting of the Second Session of the Board and the 31st Meeting of the Second Session of the Supervisor Committee of the Company were convened, at which the "Resolution on the Fulfillment of the Unlocking Conditions for the First Unlocking Period of the Reserved Grant of the 2019 Restricted Share Incentive Scheme" was considered and approved. Pursuant to the mandate issued at the 2019 Annual General Meeting of the Company, completion of the procedures for unlocking a total of 1,628,400 Restricted Shares held by 100 Incentive Recipients having fulfilled the unlocking conditions was approved, with such Restricted Shares being listed for circulation on 23 November 2022. The independent Directors expressed their consent in their independent opinion, and TIAN YUAN LAW FIRM issued a legal opinion.

14. On 17 March 2023, the 37th Meeting of the Second Session of the Board and the 32nd Meeting of the Second Session of the Supervisor Committee of the Company were convened, at which the "Resolution on Repurchase and Cancellation of Restricted Shares Granted But Not Yet Unlocked from Some Incentive Recipients under the 2019 Restricted Share Incentive Scheme" was considered and approved. Pursuant to the mandate issued at the 2019 Annual General Meeting of the Company, the repurchase and cancellation of 102,000 Restricted Shares granted but not yet unlocked held by 6 Incentive Recipients who had resigned was approved, with such Restricted Shares being cancelled on 22 May 2023. The independent Directors expressed their consent in their independent opinion, and TIAN YUAN LAW FIRM issued a legal opinion.

15. On 18 July 2023, the 40th Meeting of the Second Session of the Board and the 35th Meeting of the Second Session of the Supervisor Committee of the Company were convened, at which the "Resolution on Adjustment to the Repurchase Price of the Initial Grant and the Reserved Grant of the 2019 Restricted Share Incentive Scheme" was considered and approved, and it was agreed that the repurchase price for the Initial Grant and the Reserved Grant of the 2019 Restricted Share Incentive Scheme was adjusted from RMB4.895 per share and RMB8.063 to RMB4.591 per share and RMB7.759 per share, respectively. The independent Directors expressed their consent in their independent opinion in respect of the above relevant matters, and TIAN YUAN LAW FIRM issued a legal opinion accordingly.

16. On 11 September 2023, the 42nd Meeting of the Second Session of the Board and the 37th Meeting of the Second Session of the Supervisor Committee of the Company were convened, at which the "Resolution on the Fulfillment of the Unlocking Conditions for the Third Unlocking Period of the Initial Grant of the 2019 Restricted Share Incentive Scheme" was considered and approved, and completion of the procedures for unlocking a total of 5,582,600 Restricted Shares held by 206 Incentive Recipients having fulfilled the unlocking conditions was approved, with such Restricted Shares being listed for circulation on 21 September 2023. The independent Directors expressed their consent in their independent opinion in this regard, and TIAN YUAN LAW FIRM issued a legal opinion.

17. On 26 September 2023, the First Meeting of the Third Session of the Board and the First Meeting of the Third Session of the Supervisor Committee of the Company were convened, at which the "Resolution on Repurchase and Cancellation of Restricted Shares Granted But Not Yet Unlocked from Some Incentive Recipients under the 2019 Restricted Share Incentive Scheme" was considered and approved. Pursuant to the mandate issued at the 2019 Annual General Meeting of the Company, the repurchase and cancellation of 224,500 Restricted Shares granted but not yet unlocked held by 4 Incentive Recipients who no longer qualified as Incentive Recipients due to personal resignation or election as members of the Supervisor Committee was approved, with such Restricted Shares being cancelled on 23 November 2023. The independent Directors expressed their consent in their independent opinion in this regard, and TIAN YUAN LAW FIRM issued a legal opinion.

18. On 28 February 2024, the Sixth Meeting of the Third Session of the Board and the Fourth Meeting of the Third Session of the Supervisor Committee of the Company were convened, at which the "Resolution on the Fulfillment of the Unlocking Conditions for the Second Unlocking Period of the Reserved Grant of the 2019 Restricted Share Incentive Scheme" and the "Resolution on Repurchase and Cancellation of Restricted Shares Granted But Not Yet Unlocked from Some Incentive Recipients under the 2019 Restricted Share Incentive Scheme" were considered and approved, and approval was given to (1) complete the procedures for unlocking a total of 1,589,400 Restricted Shares held by 94 Incentive Recipients having fulfilled the unlocking conditions, with such Restricted Shares being listed for circulation on 12 March 2024; and (2) repurchase and cancel 165,000 Restricted Shares granted but not yet unlocked held by 7 Incentive Recipients who had resigned or failed to meet the assessment criteria, with Restricted Shares being cancelled on 3 June 2024. The independent Directors expressed their consent in their independent opinion in this regard, and TIAN YUAN LAW FIRM issued a legal opinion.

19. On 5 August 2024, the Eleventh Meeting of the Third Session of the Board and the Seventh Meeting of the Third Session of the Supervisor Committee of the Company were convened, at which the "Resolution on Adjustment to the Repurchase Price of the Initial Grant and the Reserved Grant of the 2019 Restricted Share Incentive Scheme" was considered and approved, and it was agreed that the repurchase price for the Initial Grant and the Reserved Grant of the 2019 Restricted Share Incentive Scheme was adjusted from RMB4.591 per share and RMB7.759 to RMB4.287 per share and RMB7.455 per share,

RMB4.291 per share and RMB7.759 to RMB4.287 per share and RMB7.455 per share, respectively. TIAN YUAN LAW FIRM issued a legal opinion accordingly.

20. On 21 October 2024, the 14th Meeting of the Third Session of the Board and the Ninth Meeting of the Third Session of the Supervisor Committee of the Company were convened, at which the "Resolution on the Fulfillment of the Unlocking Conditions for the Fourth Unlocking Period of the Initial Grant and the Third Unlocking Period of the Reserved Grant of the 2019 Restricted Share Incentive Scheme" and the "Resolution on Repurchase and Cancellation of Restricted Shares Granted But Not Yet Unlocked from Some Incentive Recipients under the 2019 Restricted Share Incentive Scheme" were considered and approved, and approval was given to (1) complete the procedures for unlocking 5,287,600 Restricted Shares and 2,111,200 Restricted Shares held by 195 Incentive Recipients under the Initial Grant and 93 Incentive Recipients under the Reserved Grant having fulfilled the unlocking conditions; and (2) repurchase and cancel 97,500 Restricted Shares granted but not yet unlocked held by 6 Incentive Recipients who had resigned due to personal commitments or failed to meet the assessment criteria were approved. TIAN YUAN LAW FIRM issued a legal opinion accordingly.

In summary, the Company has fulfilled the relevant approval procedures for the 2019 Restricted Share Incentive Scheme. For more details, please refer to the relevant announcements and documents disclosed by the Company through designated information disclosure media.

## **II. REASONS FOR, NUMBER OF SHARES INVOLVED IN AND PRICE FOR THE REPURCHASE AND CANCELLATION OF RESTRICTED SHARES**

Pursuant to the relevant provisions of the "Administrative Measures for Equity Incentives of Listed Companies" (hereinafter referred to as the "Administrative Measures") and the "2019 Restricted Share Incentive Scheme (Revised Draft)" (hereinafter referred to as the "Incentive Scheme (Revised Draft)"), (1) for the Incentive Recipients who resign due to resignation or layoffs of the Company, the Restricted Shares granted but not yet unlocked held by them shall not be unlocked and shall be repurchased and cancelled by the Company at the grant price; (2) the Restricted Shares held by the Incentive Recipients that are not eligible for unlocking in the relevant assessment year shall be repurchased and cancelled by the Company at a repurchase price equal to the sum of the grant price plus the interest accrued at the bank's deposit rate for the same period; (3) upon completion of registration of the Restricted Shares granted to the Incentive Recipient, in case of the conversion of capital reserve to share capital, bonus issue, sub-division of share capital, rights issue, share consolidation or dividend distribution or any other actions affecting the Company's total share capital or share price, the Company shall make corresponding adjustments to the repurchase price of the Restricted Shares that have not yet been unlocked.

Four Incentive Recipients under the Initial Grant and one Incentive Recipient under the Reserved Grant of the 2019 Restricted Share Incentive Scheme no longer qualify as Incentive Recipients due to their resignations for personal reasons, and one Incentive Recipient under the Reserved Grant disqualifies due to his/her failure in the performance assessment. As a result, the Company will repurchase and cancel a total of 97,500 Restricted Shares granted but not yet unlocked held by these six Incentive Recipients at a price of RMB4.287 per share for the Initial Grant (adjusted) and RMB7.455 per share for the Reserved Grant (adjusted) (and plus the interest accrued at the bank's deposit rate for the same period, in case of those related to the performance assessment failure, in accordance with regulations).

Pursuant to the mandate issued at the 2019 Annual General Meeting of the Company, the resolution on the repurchase and cancellation is not required to be submitted to the general meeting for consideration.

In summary, the number of Restricted Shares to be repurchased and cancelled is 97,500 shares, with a total repurchase amount of RMB481,343.00 (and plus the interest accrued at the bank's deposit rate for the same period, in case of those related to the performance assessment failure, in accordance with regulations), which will be funded by the Company's own capital.

### **III. EXPECTED CHANGES IN SHAREHOLDING STRUCTURE OF THE COMPANY BEFORE AND AFTER THE REPURCHASE**

Upon completion of the repurchase and cancellation of the Restricted Shares, the number of shares subject to locking-up will be reduced by 97,500, and the total number of shares of the Company will be reduced by 97,500. The changes in the share capital are as follows:

Unit: Share

<b>Category</b>	<b>Before the change</b>	<b>Change</b>	<b>After the change</b>
Shares subject to locking-up	97,500	-97,500	0
Shares not subject to locking-up	2,271,496,706	0	2,271,496,706
Total	2,271,594,206	-97,500	2,271,496,706

Note: as the Company intends to first complete the unlocking procedures for the Restricted Shares before proceeding with the share cancellation procedure, the figures "Before the Change" are based on the expected number of the Shares upon the completion of the unlocking as detailed in the Announcement on the Fulfillment of the Unlocking Conditions for the Fourth Unlocking Period of the Initial Grant and the Third Unlocking Period of the Reserved Grant of the 2019 Restricted Share Incentive Scheme; and the above changes in the share capital structure are subject to the share capital structure table issued by the CSDC upon completion of the repurchase and cancellation.

### **IV. IMPACT ON THE RESULTS OF THE COMPANY**

The repurchase and cancellation of certain Restricted Shares will not have any material impact on the financial position and results of operations of the Company. The management team of the Company will continue to perform its duties diligently to create value for shareholders.

### **V. REVIEW OPINION OF THE REMUNERATION AND EVALUATION COMMITTEE OF THE BOARD**

Four Incentive Recipients under the Initial Grant and one Incentive Recipient under the Reserved Grant of the 2019 Restricted Share Incentive Scheme no longer qualify as Incentive Recipients due to their resignations for personal reasons, and one Incentive Recipient under the Reserved Grant disqualifies due to his/her failure in the performance assessment. As a result, the Company will repurchase and cancel a total of 97,500 Restricted Shares granted but not yet unlocked held by these six former Incentive Recipients at a price of RMB4.287 per share for the Initial Grant (adjusted) and RMB7.455 per share for the Reserved Grant (adjusted) (and plus the interest accrued at the bank's deposit rate for the same period, in case of those related to the performance assessment failure, in accordance with regulations). Given that the said repurchase and cancellation comply with the "Administrative Measures for Equity Incentives of Listed Companies" and the "2019 Restricted Share Incentive Scheme (Revised Draft)" and will not prejudice the interests of the Company and all shareholders, we approve the repurchase and cancellation.

### **VI. OPINION OF THE SUPERVISOR COMMITTEE**

Pursuant to the provisions of the "Administrative Measures for Equity Incentives of

Listed Companies" and the "2019 Restricted Share Incentive Scheme (Revised Draft)", as four Incentive Recipients under the Initial Grant and one Incentive Recipient under the Reserved Grant of the 2019 Restricted Share Incentive Scheme no longer qualify as Incentive Recipients due to their resignations for personal reasons, and one Incentive Recipient under the Reserved Grant disqualifies due to his/her failure in the performance assessment, the Company conducted the repurchase at the corresponding repurchase price, which will not prejudice the interests of the Company and all shareholders. Therefore, the Supervisor Committee agrees with the repurchase and cancellation of the 97,500 Restricted Shares granted but not yet unlocked, held by the aforementioned six individuals.

## **VII. CONCLUSIONS OF THE LEGAL OPINION**

As per the legal opinion issued by TIAN YUAN LAW FIRM, it is believed that (1) MYSE has complied with the completed approval and authorization procedures as required for the Equity Incentive Scheme in accordance with the provisions of the "Company Law", the "Securities Law", the Administrative Measures for Equity Incentives of Listed Companies and other relevant laws, regulations and normative documents, as well as the 2019 Restricted Share Incentive Scheme (Revised Draft); (2) the approval and authorization required for the unlocking and the repurchase and cancellation of the Restricted Shares of MYSE are in compliance with the provisions set forth in the "Company Law", the "Securities Law", the Administrative Measures for Equity Incentives of Listed Companies and other relevant laws, regulations and normative documents, as well as the Incentive Scheme (Revised Draft). MYSE continues to be required to fulfil the obligations of information disclosure and relevant announcement in respect of the said unlocking and repurchase and cancellation of the Restricted Shares within the specified timeframe as prescribed under the "Company Law", the "Securities Law", the Administrative Measures for Equity Incentives of Listed Companies and other relevant laws, regulations and normative documents, as well as the Incentive Scheme (Revised Draft).

Ming Yang Smart Energy Group Limited  
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