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**Zhejiang Shibao Company Limited\***

**浙江世寶股份有限公司**

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

*(Stock Code: 1057)*

**ANNOUNCEMENT IN RELATION TO THE  
PAYMENT OF FINAL DIVIDEND OF H SHARES  
AND  
CHANGE OF PAYMENT DATE OF FINAL DIVIDEND OF H SHARES**

References are made to the announcement of the 2023 audited annual results of Zhejiang Shibao Company Limited (the “**Company**”) dated 28 March 2024 and the announcement of the poll results of the annual general meeting of the Company dated 17 June 2024.

**DIVIDEND RATE PER H SHARE**

The 18th meeting of the 7th session of the board of directors of the Company held on March 28 2024 considered and approved the distribution of cash dividends of RMB20,000,000.00 (tax inclusive) to all shareholders of the Company based on the share capital on the record date at the time of the implementation of the 2023 annual equity distribution (the “**Profit Distribution Proposal**”). The Profit Distribution Proposal was approved by the shareholders at the annual general meeting of the Company held on 17 June 2024.

Based on the total share capital of the Company of 822,632,384 shares as at the date of this announcement, the final cash dividend under the Profit Distribution Proposal is RMB0.0243 per share (tax inclusive) (the “**Final Dividend**”). The Company does not anticipate any changes in its shares before the Record Date (as defined below) for H Shareholders or shareholder record date for A Shareholders.

According to the Articles of Association of the Company, dividends for holders of A Shares of the Company (the “**A Shareholder(s)**”) will be declared and paid in Renminbi (RMB), while dividends for holders of H Shares of the Company (the “**H Shareholder(s)**”) will be declared in RMB but paid in Hong Kong dollars (HKD). The relevant conversion rate is calculated on the average price of the conversion of RMB into relevant foreign currencies in five days as announced by the People's Bank of China five (5) working days preceding dividends are declared. For the purposes of the Final Dividend, the date of declaration is 17 June 2024. The average price of RMB against HKD over a period of five (5) working days preceding the declaration of the Final Dividend is RMB1.00 : HKD1.09806. Applying that average price, the Final Dividend for every H Share of the Company is HKD0.0267 (tax inclusive).

The Company has appointed ICBC (Asia) Trustee Company Limited as the receiving agent in Hong Kong (the “**Receiving Agent**”) and will pay to the Receiving Agent the Final Dividend declared for payment to H Shareholders.

## TAX ON DIVIDENDS OF ORDINARY SHARES

Under the requirements of the Law of the People's Republic of China on Enterprise Income Tax (《中華人民共和國企業所得稅法》) and the Regulations for the Implementation of the Law of the People's Republic of China on Enterprise Income Tax (《中華人民共和國企業所得稅法實施條例》), the Company has the obligation to withhold enterprise income tax at a rate of 10% on dividends when it pays the Final Dividend to the H Shareholders whose names appeared on the H Share register of members on the Record Date (as defined below) who are overseas non-resident enterprises (including HKSCC Nominees Limited, other institutional nominees and trustees, or other organizations or groups).

According to the requirements under Guo Shui Han [2011] No. 348 issued by the State Administration of Taxation (國家稅務總局國稅函[2011]348 號) and the relevant laws and regulations, for individual H Shareholders who are Hong Kong or Macau residents and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of 10%, the Company will withhold the individual income tax at the rate of 10% of dividend. For individual H Shareholders whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate lower than 10%, the Company will withhold the individual income tax at a tax rate of 10% of dividend. For individual H Shareholders whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate higher than 10% but lower than 20%, the Company will withhold the individual income tax at the actual tax rate under the relevant tax treaty. For individual H Shareholders whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate higher than 20%, a country which has not entered into any tax treaties with the PRC, and under any other circumstances, the Company will withhold and pay individual income tax at the rate of 20%.

The Company will determine the country of domicile of the individual H Shareholders based on the registered address as recorded in the H Share register of members of the Company on the Record Date (as defined below). If the country of domicile of an individual H Shareholder is not the same as the registered address or if an individual H Shareholder would like to apply for a refund of the additional amount of tax finally withheld and paid, the individual H Shareholder shall notify and provide relevant supporting documents to the Company on or before Monday, 22 July 2024. Upon examination of the supporting documents by the relevant tax authorities, the Company will follow the guidance given by the tax authorities to implement relevant tax withholding and payment provisions and arrangements. Individual H Shareholders may either personally or appoint a representative to attend to the procedures in accordance with the requirements under the tax treaties notice if they do not provide the relevant supporting documents to the Company within the time period stated above.

For investors through Hong Kong Stock Exchange (including enterprises and individuals) investing in the A Shares of the Company listed on the Shenzhen Stock Exchange (the “**Northbound Trading**”), their dividends will be distributed in RMB by the Company through the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited to the account of the nominee holding such shares. The Company will withhold and pay income taxes at the rate of 10% on behalf of those investors and will report to the tax authorities for the withholding. For investors of Northbound Trading who are tax residents of other countries and whose country of tax residency is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises and individuals may, or may entrust a withholding agent to, apply to the competent tax authorities for the entitlement of the rate under such tax treaty. Upon approval by the tax authorities, the paid amount in excess of the tax payable based on the tax rate according to such tax treaty will be refunded to those enterprises and individuals by the tax authorities. The record date and the date of distribution of cash dividends for the investors of Northbound Trading will be the same as those for the A Shareholders.

For investors through the Shenzhen Stock Exchange (including enterprises and individuals) investing in the H Shares of the Company listed on Hong Kong Stock Exchange (the “**Southbound Trading**”), after receipt of any dividend in a foreign currency from Hong Kong Securities Clearing Company Limited or the listed company, China Securities Depository and Clearing Corporation Limited shall effect currency exchange, clearing and distribution of the cash dividends to the relevant investors of H Shares of Southbound Trading through its depository and clearing system. The cash dividends for the investors of H Shares of Southbound Trading will be paid in RMB. Pursuant to the Notice on Taxation Policies concerning the Pilot Program of an Interconnection Mechanism for Transactions in the Shenzhen and Hong Kong Stock Markets” (Cai Shui [2016] No.127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127 號)) jointly promulgated by the Ministry of Finance, the State Administration of Taxation and the China Securities Regulatory Commission, for dividends derived by Mainland individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, H-share companies shall withhold individual income tax at a tax rate of 20% for the investors. For Mainland securities investment funds investing in shares listed on Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the above rules also apply and individual income tax shall be levied on dividends derived therefrom. Dividends derived by Mainland enterprise investors from investing in shares listed on Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect shall be reported and paid by the enterprise investors themselves. H-share companies will not withhold or pay enterprise income tax on their behalf for the distribution of dividends.

The Company will have no liability in respect of any claims arising from any delay in, or inaccurate determination of the status of its shareholders or any disputes over the mechanism of withholding.

#### **CLOSURE OF REGISTER OF MEMBERS OF H SHARES AND CHANGE OF PAYMENT DATE OF FINAL DIVIDEND OF H SHARES**

For the purposes of determining the eligibility of shareholders for profit distribution, the register of members of the Company for H Shares will be closed from Tuesday, 23 July 2024 to Friday, 26 July 2024 (both dates inclusive), during which period no transfer of H Shares will be registered. All transfers accompanied by the relevant H Share certificates must be lodged with the Hong Kong H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited (for H Shareholders only) at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 22 July 2024. H Shareholders whose names appear on the register of members of the Company on Friday, 26 July 2024 (the “**Record Date**”) are entitled to the Final Dividend.

The board of directors would like to inform the H Shareholders that the payment date of the Final Dividend to H Shareholders will be changed from 30 August 2024 to 16 August 2024.

Relevant cheques will be dispatched to the H Shareholders entitled to receive the Final Dividend by ordinary post at their own risk.

By order of the Board  
**Zhejiang Shibao Company Limited**  
**Zhang Shi Quan**  
*Chairman*

Hangzhou, Zhejiang, the PRC  
8 July 2024

*As at the date of this announcement, the Board comprises Mr. Zhang Bao Yi, Mr. Tang Hao Han, Ms. Zhang Lan Jun and Mr. Zhou Yu as executive Directors; Mr. Zhang Shi Quan and Mr. Zhang Shi Zhong as non-executive Directors; and Mr. Gong Jun Jie, Mr. Min Haitao and Mr. Tsui Chun Shing as independent non-executive Directors.*

*\* For identification purpose only*