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

If you have sold or transferred all your shares in Zhejiang Shibao Company Limited you should at once hand this circular and the accompanying proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

**(1) RE-ELECTION AND ELECTION OF DIRECTORS AND
SUPERVISORS FOR THE FORTHCOMING SESSION,
(2) PROPOSED CHANGE OF DIRECTORS
AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

A letter from the Board is set out on pages 3 to 9 of this circular.

A notice convening the AGM to be held at the conference room of the Company at 3rd Floor of Office Building No. 6, 17th Avenue, Hangzhou Economic and Technological Development Zone, Hangzhou, Zhejiang Province, China on Wednesday, 30 June 2021 at 2:00 p.m. is set out on pages 15 to 18 of this circular. A proxy form for use at the AGM is also enclosed. Such proxy form is also published on the designated website of Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (www.zjshibao.com).

Whether or not you are able to attend the AGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 24 hours before the time appointed for the holding of the AGM (or any adjournment thereof). Completion and return of the form of proxy will not affect your rights to attend in person and vote at the AGM (or any adjournment thereof) should you so wish.

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DEFINITIONS

In this circular, the following expressions shall have the meanings set out below unless the context requires otherwise:

“A Share(s)”	PRC listed A Shares of the Company, with nominal value of RMB1.00 each, which are listed and traded on the Shenzhen Stock Exchange
“AGM”	the annual general meeting of the Company to be held at the conference room of the Company at 3rd Floor of Office Building No. 6, 17th Avenue, Hangzhou Economic and Technological Development Zone, Hangzhou, Zhejiang Province, China on Wednesday, 30 June 2021 at 2:00 p.m. or, where the context so admits, any adjournment of such annual general meeting
“AGM Notice”	the notice convening the AGM as set out on pages 15 to 18 of this circular
“Articles of Association”	the articles of association of the Company
“Beijing Autonics”	Beijing Autonics Technology Co., Ltd., a wholly-owned subsidiary of the Company since 30 November 2016
“Board”	the board of Directors
“Company”	浙江世寶股份有限公司 (Zhejiang Shibao Company Limited*), a joint stock company incorporated in the PRC with limited liability
“CSRC”	China Securities Regulatory Commission
“Director(s)”	director(s) of the Company
“H Share(s)”	overseas listed foreign Shares of the Company, with nominal value of RMB1.00 each, which are listed and traded on Hong Kong Stock Exchange
“Hangzhou New Shibao”	Hangzhou New Shibao Electric Power Steering Co., Ltd., a subsidiary controlled by the Company
“Hangzhou Shibao”	Hangzhou Shibao Auto Steering Gear Co., Ltd., a wholly-owned subsidiary of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

* For identification purposes only

DEFINITIONS

“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Jilin Shibao”	Jilin Shibao Machinery Manufacturing Co., Ltd., a wholly-owned subsidiary of the Company
“Latest Practicable Date”	13 May 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on Hong Kong Stock Exchange
“Nomination Committee”	the nomination committee of the Company
“PRC”	The People’s Republic of China excluding, for the purpose of this circular only, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Shanghai Stock Exchange”	The Shanghai Stock Exchange of the PRC
“Share(s)”	A Share(s) and/or H Share(s)
“Shareholder(s)”	Holder(s) of Shares
“Shenzhen Stock Exchange”	The Shenzhen Stock Exchange of the PRC
“Shibao Holding”	Zhejiang Shibao Holding Group Co., Ltd., the controlling Shareholder of the Company
“Supervisor(s)”	supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company
“Wuhu Sterling”	Wuhu Sterling Steering System Co., Ltd., a subsidiary controlled by the Company

LETTER FROM THE BOARD



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)

Board of Directors:

Executive Directors:

Mr. Zhang Bao Yi (*General Manager*)

Mr. Tang Hao Han

Ms. Zhang Lan Jun

Ms. Liu Xiao Ping

Non-executive Directors:

Mr. Zhang Shi Quan (*Chairman*)

Mr. Zhang Shi Zhong

Independent non-executive Directors:

Mr. Gong Jun Jie

Mr. Lin Yi

Mr. Shum Shing Kei

Registered Office:

No. 1 Shuanglin Road

Fotang Town

Yiwu City

Zhejiang Province

China (Postal Code 322002)

*Head Office and Principal Place of
Business in Hong Kong:*

Room 1204

C C Wu Building

302-308 Hennessy Road

Wanchai

Hong Kong

14 May 2021

To Shareholders:

Dear Sir/Madam,

**(1) RE-ELECTION AND ELECTION OF DIRECTORS AND
SUPERVISORS FOR THE FORTHCOMING SESSION,
(2) PROPOSED CHANGE OF DIRECTORS
AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with details of the resolutions regarding (i) the re-election of the retiring Directors and Supervisors; and (ii) the change of Directors.

* For identification purposes only

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS AND SUPERVISORS

A. Re-election of retiring Directors

The 6th session of the Board currently consists of nine Directors, including four executive Directors, two non-executive Directors and three independent non-executive Directors, namely Mr. Zhang Bao Yi, Mr. Tang Hao Han, Ms. Zhang Lan Jun and Ms. Liu Xiao Ping as executive Directors; Mr. Zhang Shi Quan and Mr. Zhang Shi Zhong as non-executive Directors; and Mr. Gong Jun Jie, Mr. Lin Yi and Mr. Shum Shing Kei as independent non-executive Directors. Pursuant to clause 135 of the Articles of Association, the term of service of Directors is three years and retiring Directors are entitled to re-election.

The term of the members of the 6th session of the Board will expire on the AGM and all incumbent Directors shall retire from offices and be eligible for re-election at the AGM, except Mr. Shum Shing Kei has applied for resignation as he has served the Board for six years. As Mr. Shum has served the Board for six years as of 30 June 2021, according to the “Guidelines on the Establishment of Independent Directorship of Listed Companies” issued by the CSRC, he cannot continue to serve as an independent Director of the Company. Therefore, Mr. Shum will retire from his position as independent non-executive Director and will not offer himself for re-election at the AGM.

The following persons have been nominated for and agreed to their re-election as the members of the 7th session of the Board.

Proposed Directors	Proposals
Mr. Zhang Shi Quan	To be re-elected as non-executive Director
Mr. Zhang Bao Yi	To be re-elected as executive Director
Mr. Tang Hao Han	To be re-elected as executive Director
Ms. Zhang Lan Jun	To be re-elected as executive Director
Ms. Liu Xiao Ping	To be re-elected as executive Director
Mr. Zhang Shi Zhong	To be re-elected as non-executive Director
Mr. Lin Yi	To be re-elected as independent non-executive Director
Mr. Gong Jun Jie	To be re-elected as independent non-executive Director

Pursuant to clause 135 of the Articles of Association, the term of service of the newly elected Directors is three years, which commences from the conclusion of the AGM and will expire at the 2023 annual general meeting of the Company (excluding the actual annual general meeting date). Separate ordinary resolutions to approve their re-election will be proposed at the AGM for the Shareholders’ consideration and approval.

In accordance with the nomination policy of the Company, the Nomination Committee, after due consideration of the nomination policy, Board diversity policy and corporate governance standards of the Company, shall identify qualified Board candidates, assess the independence of the proposed independent non-executive

LETTER FROM THE BOARD

Directors and make recommendations to the Board. After taking due consideration of the nomination policy, Board diversity policy and corporate governance standards of the Company as well as the candidates recommended by the Nomination Committee, the Board shall recommend the proposed independent non-executive Directors to stand for re-election and election at a general meeting.

Mr. Lin and Mr. Gong have given to the Company a confirmation of his independence pursuant to rule 3.13 of the Listing Rules respectively. The Nomination Committee assessed and reviewed the independence of Mr. Lin and Mr. Gong. The Nomination Committee is of the view that Mr. Lin and Mr. Gong have satisfied all the criteria for independence set out in rule 3.13 of the Listing Rules.

The Nomination Committee and the Board have reviewed and considered the experience, skills and knowledge of Mr. Lin and Mr. Gong. Mr. Lin has many years of experience in automotive lightweight technology and automotive engineering. Mr. Gong has been engaged in investment banking business in securities companies for over 10 years, gaining extensive experience in corporate governance, corporate restructuring, capital market financing, risk management and other fields. The Nomination Committee has recommended to the Board that the re-election of Mr. Lin and Mr. Gong as an independent non-executive Director are to be proposed for the Shareholders' approval at the AGM. In addition to Mr. Lin's and Mr. Gong's experience, skills and knowledge as mentioned above, the Board has also taken into consideration that their cultural and educational background and professional experience will contribute to the diversity of the Board.

The above proposed Directors have entered into service contracts with the Company. Such service contracts will continue to be effective upon successful re-election in accordance with the Articles of Association.

Details of the retiring Directors proposed to be re-elected at the AGM are set out in Appendix I to this circular.

B. Re-election of retiring Supervisors

The 6th session of the Supervisory Committee currently consists of five Supervisors, namely Mr. Yang Di Shan as shareholder representative Supervisor; Mr. Shen Song Sheng and Ms. Feng Yan as independent Supervisors; and Mr. Du Min and Mr. Wu Lang Ping as staff representative Supervisors. Pursuant to clause 190 of the Articles of Association, shareholder representative Supervisor and independent Supervisor are elected and removed by Shareholders' meetings while staff representative Supervisor is elected and removed by the staff of the Company. Pursuant to clause 182 of the Articles of Association, the term of service of Supervisors is three years and retiring Supervisors are entitled to re-election.

The term of the members of the 6th session of the Supervisory Committee will expire on the AGM and all incumbent Supervisors shall retire from offices and be eligible for re-election at the AGM. Pursuant to clause 111 and 190 of the Articles of Association, the staff representative Supervisor shall be elected by the staff of the

LETTER FROM THE BOARD

Company. Pursuant to these clauses, Mr. Du Min and Mr. Wu Lang Ping were re-elected as staff representative Supervisors at the workers' congress of the Company held on 13 May 2021.

The following persons have been nominated for and agreed to their re-election as the members of the 7th session of the Supervisory Committee.

Proposed Supervisors	Proposals
Mr. Yang Di Shan	To be re-elected as shareholder representative Supervisor
Mr. Shen Song Sheng	To be re-elected as independent Supervisor
Ms. Feng Yan	To be re-elected as independent Supervisor

Pursuant to clause 182 of the Articles of Association, the term of service of the newly elected Supervisors is three years, which commences from the conclusion of the AGM and will expire at the 2023 annual general meeting of the Company (excluding the actual annual general meeting date). Separate ordinary resolutions will be proposed at the AGM to re-elect the shareholder representative Supervisor and independent Supervisors.

All of the above proposed Supervisors and the re-elected staff representative Supervisors have entered into service contracts with the Company. Such service contracts will continue to be effective upon successful re-election in accordance with the Articles of Association.

Details of the retiring Supervisors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

C. Remuneration of retiring Directors and Supervisors

All retiring Directors and Supervisors for re-election have entered into service contracts with the Company and such service contracts will continue to be effective upon successful re-election. The remuneration for the year of 2020 of all retiring Directors and Supervisors for re-election is set out in Appendixes I and II to this circular, which is determined with reference to their responsibilities, experience, workload and time devoted to the Company.

Based on the Company's future development plans and performance targets, a resolution will be proposed at the AGM to approve the annual remuneration of the Directors and Supervisors for the year of 2021 of not exceeding RMB4,000,000 in total (before tax).

LETTER FROM THE BOARD

3. PROPOSED CHANGE OF DIRECTORS

As at the Latest Practicable Date, the executive Directors were Mr. Zhang Bao Yi, Mr. Tang Hao Han, Ms. Zhang Lan Jun and Ms. Liu Xiao Ping; the non-executive Directors were Mr. Zhang Shi Quan and Mr. Zhang Shi Zhong; and the independent non-executive Directors were Mr. Gong Jun Jie, Mr. Lin Yi and Mr. Shum Shing Kei.

Mr. Shum Shing Kei has applied for resignation as he has served the Board for six years. As he has served the Board for six years as of 30 June 2021, according to the “Guidelines on the Establishment of Independent Directorship of Listed Companies” issued by the CSRC, he cannot continue to serve as an independent Director of the Company. Therefore, he will retire from his position as independent non-executive Director and will not offer himself for re-election at the AGM. Mr. Shum Shing Kei has confirmed that he has no disagreement with the Board and there are no matters that need to be brought to the attention of the Shareholders and Hong Kong Stock Exchange in relation to his retirement.

To fulfill the requirement on the number of independent non-executive Director pursuant to clause 144 of the Articles of Association and rules 3.10(1) and 3.10A of the Listing Rules, the Board proposed to appoint Mr. Tsui Chun Shing (“Mr. Tsui”) as independent non-executive Director for a term commencing on the date of the AGM to the conclusion of the 2023 annual general meeting of the Company. The proposed appointment of Mr. Tsui is subject to the approval by the Shareholders at the AGM.

Mr. Tsui has given to the Company a confirmation of his independence pursuant to rule 3.13 of the Listing Rules. The Nomination Committee has assessed and reviewed the independence of Mr. Tsui. The Nomination Committee is of the view that Mr. Tsui has satisfied all the criteria for independence set out in rule 3.13 of the Listing Rules.

The Nomination Committee and the Board have reviewed and considered the experience, skills and knowledge of Mr. Tsui. Mr. Tsui has extensive experience in financial auditing and corporate financial management. The Nomination Committee has recommended to the Board that the election of Mr. Tsui as an independent non-executive Director is to be proposed for the Shareholders’ approval at the AGM. In addition to Mr. Tsui’s experience, skills and knowledge as mentioned above, the Board has also taken into consideration that his cultural and educational background and professional experience will contribute to the diversity of the Board.

Mr. Tsui will enter into a service contract with the Company upon election. It is proposed that the annual remuneration of Mr. Tsui will be RMB120,000 (including basic salary, other benefits and pension contributions), and the exact amount will be determined by the Board in accordance with the authorization given by the Shareholders at the AGM and with reference to his responsibilities, experience, workload and time devoted to the Company.

The biographical details of Mr. Tsui are set out in Appendix III to this circular.

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4. ANNUAL GENERAL MEETING

No Shareholder is required to abstain from voting in connection with the matters to be resolved at the AGM.

Notices convening the AGM to be held at the conference room of the Company at 3rd Floor of Office Building No. 6, 17th Avenue, Hangzhou Economic and Technological Development Zone, Hangzhou, Zhejiang Province, China on Wednesday, 30 June 2021 at 2:00 p.m. is set out on pages 15 to 18 of this circular. A proxy form for use at the AGM is also enclosed. Such proxy form is also published on the designated website of Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (www.zjshibao.com).

Whether or not you are able to attend the AGM, you are requested to complete and return the form of proxy accompanying this circular in accordance with the instructions printed thereon to the Hong Kong H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited (for holders of H Shares only) at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong or the registered office of the Company (for holders of A Shares only) at No.1 Shuanglin Road, Fotang Town, Yiwu City, Zhejiang Province, China (Postal Code 322002) as soon as possible and in any event not less than 24 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

The register of members of the Company for H Shares will be closed from Monday, 31 May 2021 to Wednesday, 30 June 2021, both days inclusive, during which period no transfer of H Shares of the Company 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 holders of H Shares 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 Friday, 28 May 2021. Shareholders whose names appear on the register of members of the Company on Wednesday, 30 June 2021 are entitled to attend the AGM.

5. RECOMMENDATION

The Board considers that the proposed resolutions referred to in the AGM Notice are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of all the resolutions proposed at the AGM.

LETTER FROM THE BOARD

6. VOTING BY WAY OF POLL

Pursuant to rule 13.39 of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. The chairman of the AGM will therefore demand a poll for every resolution put to the vote at the AGM.

Yours faithfully,
By Order of the Board
Zhejiang Shibao Company Limited
Zhang Shi Quan
Chairman

The English version of this Appendix is an unofficial translation of its Chinese version prepared for reference only. In case of any discrepancy between the two versions, the Chinese version shall prevail.

Mr. Zhang Shi Quan (張世權), aged 71, is the Chairman of the Company. He is a Chinese national with no permanent residence abroad. He is a senior economist. Since 12 June 2004, he has been appointed as the Chairman of the Company. From 12 June 2004 to 27 December 2017, Mr. Zhang was the General Manager of the Company. Mr. Zhang was awarded the title of “China Outstanding Private Entrepreneurs” (中國優秀民營企業家). He was also awarded “Top Ten Distinguished Persons for the Second Year for China’s Industrial Economy” (第二屆中國工業經濟年度十大傑出人物) granted by the Office for Election of Distinguished Persons for China’s Industrial Economy (中國工業經濟年度人物評選辦公室) in 2006. Mr. Zhang’s current term is from 29 June 2018 to 29 June 2021. Mr. Zhang is a director of Shibao Holding; an executive director of Hangzhou Shibao; and a director of Hangzhou New Shibao and Beijing Autonics. Mr. Zhang Shi Quan is the elder brother of Mr. Zhang Shi Zhong, the father of Mr. Zhang Bao Yi and Ms. Zhang Lan Jun, and the father-in-law of Mr. Tang Hao Han. Shibao Holding is the controlling shareholder of the Company, of which Mr. Zhang Shi Quan, Mr. Zhang Bao Yi, Mr. Tang Hao Han, Ms. Zhang Lan Jun and Mr. Zhang Shi Zhong are the actual controllers. As at the Latest Practicable Date, Mr. Zhang directly held approximately 3.34% interest in the entire issued share capital of the Company and indirectly held approximately 4.33% interest in the entire issued share capital of the Company through Shibao Holding. For the year of 2020, the remuneration of Mr. Zhang was RMB600,000.00 in total.

Mr. Zhang Bao Yi (張寶義), aged 48, is a vice Chairman and the General Manager of the Company. He is a Chinese national with no permanent residence abroad. He has a bachelor’s degree. Since 12 June 2004, he has been appointed as a vice Chairman of the Company and since 28 December 2017, he has been appointed as the General Manager of the Company. From 12 June 2004 to 27 December 2017, Mr. Zhang was a deputy general manager of the Company. Mr. Zhang was granted the title of “Labour Model of Yiwu City” (義烏市勞動模範) in 2004. Mr. Zhang’s current term is from 29 June 2018 to 29 June 2021. Mr. Zhang is the chairman of Hangzhou New Shibao and Beijing Autonics; a director of Wuhu Sterling; and the general manager of Hangzhou Shibao. The relationship between Mr. Zhang Bao Yi and the Directors and controlling shareholder of the Company is disclosed in the foregoing paragraph about Mr. Zhang Shi Quan. As at the Latest Practicable Date, Mr. Zhang indirectly held approximately 12.99% interest in the entire issued share capital of the Company through Shibao Holding. For the year of 2020, the remuneration of Mr. Zhang was RMB800,000.04 in total.

Mr. Tang Hao Han (湯浩瀚), aged 53, is a vice Chairman and deputy general manager of the Company. He is a Chinese national with no permanent residence abroad. He has a doctor's degree. Since 12 June 2004, he has been appointed as a vice Chairman and deputy general manager of the Company. Mr. Tang was awarded the "Outstanding Entrepreneur of Jilin Province" (吉林省優秀企業家), "Labour Model of Jilin Province" (吉林省勞動模範), "National Outstanding Youth Entrepreneur Leader" (全國青年興業領頭人), "Outstanding Entrepreneur of National Privately-Owned Technological Enterprises" (全國優秀民營科技企業家) and "National Labour Day Medal" (國家「五一」勞動獎章). Mr. Tang's current term is from 29 June 2018 to 29 June 2021. The relationship between Mr. Tang and the Directors and controlling shareholder of the Company is disclosed in the foregoing paragraph about Mr. Zhang Shi Quan. As at the Latest Practicable Date, Mr. Tang indirectly held approximately 10.82% interest in the entire issued share capital of the Company through Shibao Holding. For 2020, the remuneration of Mr. Tang was RMB491,428.62 in total.

Ms. Zhang Lan Jun (張蘭君), aged 46, is the finance Director of the Company. She is a Chinese national with no permanent residence abroad. She has a master's degree. Since 12 June 2004, she has been appointed as the finance Director of the Company. Ms. Zhang has over 10 years of experience in finance and accounting. Ms. Zhang's current term is from 29 June 2018 to 29 June 2021. Ms. Zhang is the finance manager of Hangzhou Shibao. The relationship between Ms. Zhang and the Directors and controlling shareholder of the Company is disclosed in the foregoing paragraph about Mr. Zhang Shi Quan. As at the Latest Practicable Date, Ms. Zhang indirectly held approximately 10.82% interest in the entire issued share capital of the Company through Shibao Holding. For the year of 2020, the remuneration of Ms. Zhang was RMB399,999.96 in total.

Ms. Liu Xiao Ping (劉曉平), aged 50, is a Director, a deputy general manager and the Board secretary of the Company. She is a Chinese national with no permanent residence abroad. She has a master's degree. Since 13 May 2011, she has been appointed as the Board secretary of the Company. Since 27 December 2013, she has been appointed as a deputy general manager of the Company. Since 29 June 2018, she has been appointed as a Director of the Company. Between 2006 and 2011, she was the director of securities and investment department of the Company. Ms. Liu's current term is from 29 June 2018 to 29 June 2021. For the year of 2020, the remuneration of Ms. Liu was RMB470,468.04 in total.

Mr. Zhang Shi Zhong (張世忠), aged 60, is a Director of the Company. He is a Chinese national with no permanent residence abroad. Since 12 June 2004, he has been appointed as a Director of the Company. Mr. Zhang's current term is from 29 June 2018 to 29 June 2021. Mr. Zhang is the chairman of Shibao Holding. The relationship between Mr. Zhang Shi Zhong and the Directors and controlling shareholder of the Company is disclosed in the foregoing paragraph about Mr. Zhang Shi Quan. As at the Latest Practicable Date, Mr. Zhang indirectly held approximately 4.33% interest in the entire issued share capital of the Company through Shibao Holding. For the year of 2020, the remuneration of Mr. Zhang was RMB247,478.00 in total.

Mr. Lin Yi (林逸), aged 68, is an independent non-executive Director of the Company. He is a Chinese national with no permanent residence abroad. He has a doctor's degree. Mr. Lin served successively as a professor of Jilin University of Technology, a professor of Beijing Institute of Technology and the deputy Chief Engineer of Beijing Automotive Group Co., Ltd. He then retired from Beijing Automotive Group Co., Ltd. in March 2015. From March 2013 to May 2018, Mr. Lin acted as the manager of China Automobile (Beijing) Automobile Lightweight Technology Research Institute Company Limited and was responsible for the promotion of automobile lightweight technology. From April 2015 to April 2018, Mr. Lin served as an independent director of Zhuzhou Times New Material Technology Co., Ltd. (listed on Shanghai Stock Exchange). Since September 2017, Mr. Lin has been the supervisor of Beijing Automotive Engineering Society. Since 29 June 2018, Mr. Lin has been appointed as an independent non-executive Director of the Company. His current term is from 29 June 2018 to 29 June 2021. Mr. Lin has obtained the Certificate of Independent Director Qualification of Listed Companies (《上市公司獨立董事資格證書》) issued by Shanghai Stock Exchange. Mr. Lin has confirmed that he has met the independence criteria as set out in rule 3.13 of the Listing Rules. For the year of 2020, the fee of Mr. Lin was RMB60,000.12 in total.

Mr. Gong Jun Jie (龔俊傑), aged 38, is an independent non-executive Director of the Company. He is a Chinese national with no permanent residency abroad and holds a master's degree. Mr. Gong graduated from Shanghai University of Finance and Economics with a major in accounting. Mr. Gong currently served as the chief representative and managing director of Shanghai Representative Office of CMB International Capital Corporation Limited. Mr. Gong served as the vice president of the investment banking department of China Galaxy Securities Co., Ltd., the deputy director of the investment banking department of UBS Securities Co., Ltd., the managing director of the investment banking department of Caitong Securities Co., Ltd., and the executive director of the investment banking department and joint director of the Shanghai Branch of Credit Suisse Founder Securities Limited. Since 30 June 2020, Mr. Gong has been appointed as an independent non-executive Director of the Company. His current term is from 30 June 2020 to 29 June 2021. Mr. Gong has obtained the Certificate of Independent Director Qualification of Listed Companies (《上市公司獨立董事資格證書》) issued by Shenzhen Stock Exchange. Mr. Gong has confirmed that he has met the independence criteria as set out in rule 3.13 of the Listing Rules. For the year of 2020, the fee of Mr. Gong was RMB30,000.00 in total.

Save as disclosed above, each of the above Directors (i) has not held any directorship or has not been a supervisor in any other listed companies in the past three years; (ii) as at the Latest Practicable Date, does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO; and (iii) does not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders (within the meaning of Listing Rules) of the Company.

Save as disclosed above, there are no other matters concerning the above Directors that need to be brought to the attention of the Shareholders nor is there any other information which is required to be disclosed pursuant to any of the requirements of the rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

The English version of this Appendix is an unofficial translation of its Chinese version prepared for reference only. In case of any discrepancy between the two versions, the Chinese version shall prevail.

Mr. Yang Di Shan (楊迪山), aged 82, is a Supervisor of the Company. He is a Chinese national with no permanent residence abroad. He has a bachelor's degree and is a senior engineer. Mr. Yang retired from FAW Group in 1998. Since 5 June 2009, Mr. Yang has been appointed as a Supervisor of the Company. His current term is from 29 June 2018 to 29 June 2021. For the year of 2020, the remuneration of Mr. Yang was RMB24,000.00 in total.

Mr. Shen Song Sheng (沈松生), aged 83, is a Supervisor of the Company. He is a Chinese national with no permanent residence abroad. He retired from the Company in 2009. Since 12 June 2004, Mr. Shen has been appointed as a Supervisor of the Company. His current term is from 29 June 2018 to 29 June 2021. For the year of 2020, the remuneration of Mr. Shen was RMB54,000.00 in total.

Ms. Feng Yan (馮燕), aged 56, is a Supervisor of the Company. She is a Chinese national with no permanent residence abroad. She has a bachelor's degree and is an associate professor. She has served as a professor at the Zhejiang University of Finance and Economics since September 2000. Since 30 June 2015, Ms. Feng has been appointed as a Supervisor of the Company. Her current term is from 29 June 2018 to 29 June 2021. For the year of 2020, the remuneration of Ms. Feng was RMB24,000.00 in total.

Save as disclosed above, each of the above Supervisors (i) has not held any directorship or has not been a supervisor in any other listed companies in the past three years; (ii) as at the Latest Practicable Date, does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO; and (iii) does not have any relationship with any other Directors, senior management, substantial Shareholders or controlling Shareholders (within the meaning of Listing Rules) of the Company.

Save as disclosed above, there are no other matters concerning the above Supervisors that need to be brought to the attention of the Shareholders nor is there any other information which is required to be disclosed pursuant to any of the requirements of the rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

* For identification purposes only

APPENDIX III BIOGRAPHY OF THE DIRECTOR PROPOSED TO BE ELECTED

The English version of this Appendix is an unofficial translation of its Chinese version prepared for reference only. In case of any discrepancy between the two versions, the Chinese version shall prevail.

Mr. Tsui Chun Shing (徐晉誠), aged 39, a Chinese national with no permanent residence abroad and holds a bachelor's degree. Mr. Tsui graduated from the University of Melbourne, Australia majoring in Accounting and Finance and obtained the Bachelor of Commerce in 2005. Mr. Tsui is a member of the Hong Kong Institute of Certified Public Accountants and possesses rich experience in the areas of financial accounting and corporate financial management. Mr. Tsui acted as an assistant auditor in Kingston C.P.A. Limited from December 2006 to October 2007, an accountant in HLB Hodgson Impey Cheng Limited from October 2007 to October 2008, the deputy manager of PKF Hong Kong Limited from January 2009 to April 2014, the financial accountant of Opus Group Limited from December 2014 to July 2015, the manager of Crowe (HK) CPA Limited from February 2016 to September 2016, the manager of BDO Limited from December 2016 to January 2019, and the financial controller of SMI Holdings Group Limited from May 2019 to October 2019. Mr. Tsui has been a director of Vision Partners CPA Limited since December 2019. Mr. Tsui was an independent non-executive director of Echo International Holdings Group Limited (a listed company on the GEM of the Hong Kong Stock Exchange) from August 2019 to October 2020. Mr. Tsui has not yet obtained the Certificate of Independent Director Qualification of Listed Companies (《上市公司獨立董事資格證書》) issued by the Shenzhen Stock Exchange, but he has committed to enroll in the latest training course for independent directors organized by the Shenzhen Stock Exchange.

Save as disclosed herein, Mr. Tsui has not held any directorship or has not been a supervisor in any other listed companies in the past three years.

Mr. Tsui does not hold any other appointments in the Company or its subsidiaries in the past and at the present. As at the Latest Practicable Date, Mr. Tsui does not have any interests in the Shares of the Company within the meaning of the Part XV of the SFO. Mr. Tsui has confirmed that he has met the independence criteria as set out in rule 3.13 of the Listing Rules. In addition, Mr. Tsui has confirmed that he has no relationship with any other Directors, senior management, substantial Shareholders and controlling Shareholders (within the meaning of the Listing Rules) of the Company.

Mr. Tsui will enter into a service contract with the Company upon election. It is proposed that the annual remuneration of Mr. Tsui will be RMB120,000 (including basic salary, other benefits and pension contributions) and the exact amount will be determined by the Board in accordance with the authorization given by the Shareholders at the AGM and with reference to his responsibility, experience, workload and time devoted to the Company.

Save as disclosed above, the Board considers that there is no other information relating to the proposed appointment of Mr. Tsui as independent non-executive Director that is required to be disclosed under rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters which need to be brought to the attention of the Shareholders.

NOTICE OF THE ANNUAL GENERAL MEETING



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)

NOTICE OF 2020 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting for 2020 (the “**AGM**”) of Zhejiang Shibao Company Limited* (the “**Company**”) will be held at the conference room of the Company at 3rd Floor of Office Building No. 6, 17th Avenue, Hangzhou Economic and Technological Development Zone, Hangzhou, Zhejiang Province, China on 30 June 2021 (Wednesday) at 2:00 p.m. for the purpose of considering and approving the following resolutions:

ORDINARY RESOLUTIONS

1. To consider and approve the Company’s 2020 Audit Report.
2. To consider and approve the Company’s 2020 Annual Report, Summary of Annual Report and results announcement.
3. To consider and approve the Company’s 2020 Work Report of the board (“**Board**”) of directors (the “**Directors**”) of the Company.
4. To consider and approve the Company’s 2020 Profit Distribution Proposal: not to declare cash dividend, issue bonus shares or increase capital by transferring from capital reserve fund.
5. To consider and approve the Company’s 2020 Corporate Governance Report.
6. To consider and approve the remuneration proposal for Directors and supervisors of the Company (the “**Supervisors**”) for 2021: remuneration to Directors and Supervisors for 2021 does not exceed RMB4,000,000 (before tax) in total; and to authorize the Board to determine their respective remuneration.
7. To consider and approve the re-appointment of Pan-China Certified Public Accountants LLP as the Company’s audit institution for 2021 to hold offices until the conclusion of the next annual general meeting, and to authorize the Board to determine their remuneration.
8. To consider and approve the Company’s 2020 Work Report of the supervisory committee of the Company (“**Supervisory Committee**”).

* For identification purposes only

NOTICE OF THE ANNUAL GENERAL MEETING

9. To consider and approve the election of non-independent Directors of the 7th session of the Board
 - 9.1 To re-elect Mr. Zhang Shi Quan as a non-executive Director.
 - 9.2 To re-elect Mr. Zhang Bao Yi as an executive Director.
 - 9.3 To re-elect Tang Hao Han as an executive Director.
 - 9.4 To re-elect Ms. Zhang Lan Jun as an executive Director.
 - 9.5 To re-elect Ms. Liu Xiao Ping as an executive Director.
 - 9.6 To re-elect Mr. Zhang Shi Zhong as a non-executive Director.
10. To consider and approve the election of independent Directors of the 7th session of the Board
 - 10.1 To re-elect Mr. Lin Yi as an independent non-executive Director.
 - 10.2 To re-elect Mr. Gong Jun Jie as an independent non-executive Director.
 - 10.3 To elect Mr. Tsui Chun Shing as an independent non-executive Director.
11. To consider and approve the election of Supervisors of the 7th session of the Supervisory Committee
 - 11.1 To re-elect Mr. Yang Di Shan as a shareholder representative Supervisor.
 - 11.2 To re-elect Mr. Shen Song Sheng as an independent Supervisor.
 - 11.3 To re-elect Ms. Feng Yan as an independent Supervisor.

NOTICE OF THE ANNUAL GENERAL MEETING

REPORTING MATTERS

The independent Directors will submit their 2020 Work Report to the shareholders of the Company for reporting but not for approval at the AGM.

For details of resolution nos. 1, 2, 3, 5 and 8, please refer to the Company's 2020 Annual Report and the relevant overseas regulatory announcements published on the designated website of Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<http://www.zjshibao.com>). For the Director's and the Supervisor's biography under resolution nos. 9 to 11, please refer to the Company's circular dated 14 May 2021 published on the designated website of Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<http://www.zjshibao.com>).

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

Hangzhou, Zhejiang, the PRC

14 May 2021

Notes:

- (1) All resolutions at the AGM will be taken by poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**") and the results of the poll will be published on the designated website of Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<http://www.zjshibao.com>) in accordance with the Listing Rules.
- (2) Each shareholder of the Company who has the right to attend and vote at the AGM is entitled to appoint in writing one or more proxies, whether a shareholder or not, to attend and vote on his behalf. Where a shareholder of the Company has appointed more than one proxy to attend the AGM, such proxies may only vote on a poll or a ballot. The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorized in writing. In the case that an appointer is a legal person, the power of attorney must be either under the common seal of the legal person or under the hand of its director or other person, duly authorized. If the instrument appointing a proxy is signed by an attorney of the appointor, the power of attorney authorizing that attorney to sign, or other documents of authorization, must be notarially certified. For holders of H Shares, the power of attorney or other documents of authorization and proxy forms must be delivered to the Hong Kong H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no less than 24 hours before the time appointed for the holding of the AGM in order for such documents to be valid.
- (3) Shareholders of the Company or their proxies must present proof of their identities upon attending the AGM. Should a proxy be appointed, the proxy must also present copies of his/her proxy form, or copies of appointing instrument and power of attorney, if applicable.

NOTICE OF THE ANNUAL GENERAL MEETING

- (4) For the purposes of determining shareholders' eligibility to attend, speak and vote at the AGM, the register of members for H Shares of the Company will be closed, as follows:

Latest time to lodge transfer documents for registration	4: 30 p.m. on Friday, 28 May 2021
Closure of register of members	Monday, 31 May 2021 to Wednesday, 30 June 2021 (both dates inclusive)
Record date	Wednesday, 30 June 2021

During the above closure period, no transfer of H Shares will be registered. To be eligible to attend, speak and vote at the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Hong Kong H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than the aforementioned latest time.

- (5) Where there are joint registered holders of any Share, any one of such joint registered holders may vote at the AGM, either in person or by proxy, in respect of such Shares as if he/she were solely entitled thereto; but if more than one of such joint registered holders is present at the AGM in person or by proxy, that one of the said persons so present whose name stands first on the register of members in respect of such Shares shall alone be entitled to vote in respect thereof.
- (6) Shareholders of the Company or proxies attending the AGM are responsible for their own transportation and accommodation expenses.