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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 a 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 **Jiangsu Innovative Ecological New Materials Limited**, you should at once hand this circular, together with the accompanying form of proxy to the purchaser or the 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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J S C X

Jiangsu Innovative Ecological New Materials Limited

江蘇創新環保新材料有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2116)

- (1) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;
(2) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE NEW
SHARES AND REPURCHASE SHARES;
(3) DECLARATION OF FINAL DIVIDEND;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the AGM to be held at the Company's headquarters and principal place of business in the PRC, at No. 16 West Kaixuan Road, Economic Development Zone, Yixing City, Jiangsu Province, the PRC on Thursday, 23 May 2024 at 3:00 p.m. is set out on pages 17 to 21 to this circular. A form of proxy for use at the AGM is also enclosed. Such form of proxy is also published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.jsctxsh.cn>), respectively.

Whether or not you are able to attend the AGM, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not later than 48 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 preclude Shareholders from attending and voting in person at the AGM if they so wish.

23 April 2024

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at the Company’s headquarters and principal place of business in the PRC, at No. 16 West Kaixuan Road, Economic Development Zone, Yixing City, Jiangsu Province, the PRC on Thursday, 23 May 2024 at 3:00 p.m.
“Articles” or “Articles of Association”	the existing second amended and restated articles of association of the Company
“Board”	the board of Directors
“China” or “PRC”	the People’s Republic of China, but for the purpose of this circular and for geographical reference only and except where the context requires, references in this circular to “China” and the “PRC” do not apply to Taiwan, Macau Special Administrative Region and Hong Kong
“Companies Act”	the Companies Act (as revised) of the Cayman Islands as amended from time to time
“Company”	Jiangsu Innovative Ecological New Materials Limited (江蘇創新環保新材料有限公司), a company incorporated in the Cayman Islands as an exempted company with limited liability on 6 July 2017, the Shares of which are listed on the main board of Hong Kong Stock Exchange (Stock Code: 2116)
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules and, unless the context requires otherwise, refers to Ms. Gu and Innovative Green Holdings
“Director(s)”	the director(s) of the Company
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to authorise them to extend the limit of the Issue Mandate granted by adding it to the total number of Shares repurchased by the Company under the Repurchase Mandate
“Group” or “our”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

DEFINITIONS

“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Innovative Green Holdings”	Innovative Green Holdings Limited, which is 100% owned by Ms. Gu, and was directly interested in approximately 75% of the issued Shares as at the Latest Practicable Date
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to authorise them to allot, issue and otherwise deal with additional Shares up to a maximum of 20% of the total number of the issued Share as at the date of the AGM
“Latest Practicable Date”	17 April 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on Hong Kong Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Mr. Ge”	Mr. Ge Xiaojun (葛曉軍), the chairman, an executive Director, the chief executive officer of the Company and Ms. Gu’s spouse
“Ms. Gu”	Ms. Gu Jufang (顧菊芳), an executive Director of the Company and one of our Controlling Shareholders and Mr. Ge’s spouse
“Notice of AGM”	the notice of AGM as set out on pages 17 to 21 of this circular
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to authorise them to repurchase up to a maximum of 10% of the total number of the issued Share as at the date of the AGM
“RMB”	Renminbi, the lawful currency for the time being of the PRC
“SFC”	the Securities and Futures Commission of Hong Kong

DEFINITIONS

“Share(s)”	ordinary share(s) with nominal value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buybacks issued by the SFC, as amended, supplemented or otherwise modified from time to time
“%”	per cent

LETTER FROM THE BOARD



J S C X

Jiangsu Innovative Ecological New Materials Limited

江蘇創新環保新材料有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2116)

Executive Directors

Mr. Ge Xiaojun *(Chairman and chief executive officer)*

Ms. Gu Jufang

Mr. Huang Lei

Mr. Jiang Caijun

Mr. Fan Yaqiang

Non-executive Director

Mr. Gu Yao

Independent Non-executive Directors

Mr. Fan Peng

Mr. Guan Dongtao

Ms. Wu Yan

Registered Office

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Principal place of business and
headquarters in the PRC*

No. 16 West Kaixuan Road

Economic Development Zone

Yixing City

Jiangsu Province

PRC

*Principal place of business
in Hong Kong*

40/F, Dah Sing Financial Centre

248 Queen's Road East

Wanchai

Hong Kong

23 April 2024

To the Shareholders

Dear Sir or Madam,

- (1) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;
(2) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE NEW
SHARES AND REPURCHASE SHARES;
(3) DECLARATION OF FINAL DIVIDEND;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The Directors will seek the approvals of the Shareholders at the AGM for, among other things: (i) the re-election of retiring Directors; (ii) the Issue Mandate; (iii) the Repurchase Mandate; (iv) the Extension Mandate and (v) the declaration of final dividend. The purpose of

LETTER FROM THE BOARD

this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the AGM to be held on Thursday, 23 May 2024 at 3:00 p.m. and to provide the Notice of AGM.

2. RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 84 of the Articles of Association, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. Accordingly, Mr. Huang Lei (“**Mr. Huang**”), Mr. Jiang Caijun (“**Mr. Jiang**”) and Mr. Fan Yaqiang (“**Mr. Fan**”), shall retire from office at the AGM. All of the above retiring Directors, being eligible, will offer themselves for re-election as the Directors at the AGM.

Details of the retiring Directors for re-election are set out in Appendix I to this circular.

At the AGM, the re-election of the retiring Directors will be voted on individually by a separate resolution as set out in the Notice of AGM.

3. PROCEDURE AND PROCESS FOR NOMINATION OF DIRECTORS

The nomination committee of the Company (the “**Nomination Committee**”) will recommend to the Board for the appointment of a Director including an independent non-executive Director in accordance with the following selection criteria and nomination procedures:

- (a) identify individuals who are suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships, having due regard to the Company’s board diversity policy, the requirements in the Company’s constitution, the Listing Rules and applicable laws and regulations, and the relevant candidates’ contributions to the Board in terms of qualifications, skills, experiences, independence and gender diversity;
- (b) assess the independence of independent non-executive Directors to determine their eligibility with reference to the factors set out in Rule 3.13 of the Listing Rules and any other factors deemed appropriate by the Nomination Committee or the Board. If a proposed independent non-executive Director will be holding their seventh (or more) listed company directorship, to assess his/her ability to devote sufficient time to the Board matters; and
- (c) develop the criteria for identifying and assessing the qualifications of and evaluating candidates for directorship, including but not limited to evaluating the balance of skills, knowledge and experience on the Board, and in the light of this evaluation prepare a description of the role and capabilities required for a particular appointment.

LETTER FROM THE BOARD

4. RECOMMENDATION OF THE NOMINATION COMMITTEE

The Nomination Committee has considered the extensive experiences of Mr. Huang, Mr. Jiang and Mr. Fan, their working profile and other experience and factors as set out in their biographical details in Appendix I to this circular. The Nomination Committee is satisfied that Mr. Huang, Mr. Jiang and Mr. Fan have the required character, integrity and experience to continuously fulfill their roles as executive Directors effectively. The Board believed that their re-election as executive Directors would be in the best interests of the Company and its Shareholders as a whole.

5. GENERAL MANDATES TO ISSUE AND TO REPURCHASE SHARES

To seize market opportunities, ensure flexibility to issue new Shares and further provide financial support for the strategic development of the Company, ordinary resolutions will be proposed at the AGM to grant to the Directors the general mandates:

- (a) to allot, issue and deal with Shares with a total number of not exceeding 20% of the total number of the issued Shares as at the date of passing of the proposed resolution at the AGM; and
- (b) to repurchase Shares with a total number of not exceeding 10% of the total number of the issued Shares as at the date of passing the proposed resolution at the AGM;

and to authorise an extension of the limit of the Issue Mandate granted by adding it to the total number of Shares repurchased by the Company under the Repurchase Mandate.

The Issue Mandate and the Repurchase Mandate shall expire at the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the date by which the Company is required by the applicable law or Articles of Association to hold the next annual general meeting of the Company; or
- (c) when varied or revoked by an ordinary resolution of the Shareholders in a general meeting.

Issue Mandate

The Company had in issue 480,000,000 Shares as at the Latest Practicable Date. Subject to the passing of the proposed resolution approving the Issue Mandate and in accordance with the terms therein, on the basis of 480,000,000 existing Shares in issue and assuming that such number of the issued Shares remains the same at the date of passing the proposed resolution, the Company could under the Issue Mandate allot, issue and deal with up to 96,000,000 new Shares, representing 20% of the total number of the issued Shares at the date of passing of the resolution approving the Issue Mandate.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the Directors have no immediate plan to issue any new Shares under the Issue Mandate.

Details of the Issue Mandate are set out in paragraph 4 of the Notice of AGM.

Repurchase Mandate

Subject to the passing of the proposed resolution approving the Repurchase Mandate and in accordance with the terms therein, on the basis of 480,000,000 existing Shares in issue and assuming that such number of the issued Shares remains the same at the date of passing the proposed resolution, the Company could under the Repurchase Mandate repurchase up to 48,000,000 Shares, representing 10% of the total number of the issued Shares at the time of passing of the resolution approving the Repurchase Mandate.

An explanatory statement as required under the Listing Rules to be sent to the Shareholders with respect to the Repurchase Mandate is set out in Appendix II to this circular. The explanatory statement contains all information reasonably necessary to enable Shareholders to make an informed decision on whether to vote for or against the relevant resolution.

As at the Latest Practicable Date, the Directors have no immediate plan to repurchase any Shares under the Repurchase Mandate.

Details of the Repurchase Mandate are set out in paragraph 5 of the Notice of AGM.

The above resolutions were considered and approved by the Board on 26 March 2024 and are hereby proposed at the AGM for Shareholders' consideration and approval.

6. FINAL DIVIDEND

The Board has recommended the payment of a final dividend of HK\$0.02 per Share for the year ended 31 December 2023 to the Shareholders whose names appear on the register of members of the Company on Tuesday, 4 June 2024 (the "**Proposed Final Dividend**"). An ordinary resolution will be proposed at the AGM for Shareholders' consideration and approval. Subject to approval of Shareholders at the AGM, the Proposed Final Dividend will be paid on or around Wednesday, 19 June 2024.

LETTER FROM THE BOARD

7. ANNUAL GENERAL MEETING

The AGM will be held on Thursday, 23 May 2024. The Notice of AGM for the purpose of considering and approving, among other things, (i) the re-election of retiring Directors; (ii) the Issue Mandate; (iii) the Repurchase Mandate; (iv) the Extension Mandate; and (v) the declaration of final dividend is set out on pages 17 to 21 to this circular.

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.jscxsh.cn) respectively. Whether or not you are able to attend the AGM in person, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not later than 48 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 preclude Shareholders from attending and voting in person at the AGM if they so wish.

8. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. As such, the chairman of the AGM will exercise his power under the Articles of Association to demand a poll for all resolutions proposed at the AGM.

An announcement on the poll results will be made by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules on websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.jscxsh.cn) respectively in due course.

9. CLOSURE OF REGISTER OF MEMBERS

In order to determine the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Monday, 20 May 2024 to Thursday, 23 May 2024, both days inclusive, during which period no transfer of Shares will be registered. In order to be entitled to attend and vote at the AGM, unregistered Shareholders should ensure that all transfers of Shares accompanied by the relevant Share certificates and properly completed transfer forms must be lodged for registration with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Friday, 17 May 2024.

LETTER FROM THE BOARD

For the purpose of determining the entitlement to the Proposed Final Dividend, the register of members of the Company will be closed from Thursday, 30 May 2024 to Tuesday, 4 June 2024, both days inclusive, during which period no transfers of Shares will be registered. In order to be entitled to the Proposed Final Dividend, all properly completed transfer forms accompanied by the relevant Share certificates must be lodged for registration with the Company's Hong Kong share registrar, 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 4:30 p.m. on Wednesday, 29 May 2024.

10. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

11. RECOMMENDATION

The Directors consider that all resolutions set out in the Notice of AGM for consideration and approval by the Shareholders are in the best interests of our Group and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

12. MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully,

By order of the Board

Jiangsu Innovative Ecological New Materials Limited

Ge Xiaojun

Chairman and Chief Executive Officer

The biographical details of the Directors proposed to be re-elected at the AGM are set out as follows:

EXECUTIVE DIRECTORS

Mr. Huang Lei (黃磊), aged 55, is the executive Director and vice general manager of the Company. Mr. Huang is primarily responsible for research and development of our Group, and is currently the executive director of our special team for Environmental, Social and Governance (ESG). Mr. Huang has about 30 years of research and development experience in the oil refining agents and fuel additives industry. Prior to joining our Group, Mr. Huang held various positions in China Petrochemical Corporation Jiujiang Branch* (中國石油化工集團公司九江分公司) from July 1990 to August 2010, where he last served as the vice manager of technology department and was primarily responsible for technology research. Mr. Huang has been the vice general manager of Jiangsu Chuangxin Petrochemical Co., Ltd.* (江蘇創新石化有限公司) since September 2010 and is primarily responsible for technology research and development. Mr. Huang was granted Senior Engineer Qualification by China Petrochemical Corporation* (中國石油化工集團公司) in November 2001. Mr. Huang was one of the main participants of several projects which were issued awards such as Advance Technology Award (Third Class) by China Petrochemical Corporation* (中國石油化工集團公司) in 2007.

Mr. Huang graduated with a bachelor degree of chemical engineering from Dalian University of Technology* (大連理工大學) in July 1990.

Mr. Huang has entered into a service contract with the Company with a term of 3 years. He is not entitled to any Director's emoluments, and only received the salaries and benefits from being in other positions in our Group.

Save as disclosed above, as at the Latest Practicable Date, Mr. Huang (i) has not held any directorship in any public listed companies in the past three years; (ii) does not or is not deemed to have any interest or short position (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)) in any Shares, underlying Shares or debentures of the Company; (iii) does not have any relationship with any Directors, senior management of the Company, substantial Shareholders or Controlling Shareholders; and (iv) does not hold any other positions within our Group.

Mr. Huang has confirmed that there is no other matter that needs to be brought to the attention of the Shareholders and there is no other information that should be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

Mr. Jiang Caijun (蔣才君), aged 54, is the executive Director and vice general manager of the Company. Mr. Jiang is primarily responsible for sales and market development of our Group. Mr. Jiang has about 25 years of sales and management experience. From 1988 to 2002, Mr. Jiang held various positions in Yixing HanGuang Group* (宜興市漢光集團), where he last served as the office manager and the assistant general manager and was primarily responsible for daily administrative affairs. Mr. Jiang has been the vice general manager of Jiangsu Chuangxin Petrochemical Co., Ltd.* (江蘇創新石化有限公司) since January 2003 and is primarily responsible for sales and marketing management.

Mr. Jiang has entered into a service contract with the Company with a term of 3 years. He is not entitled to any Director's emoluments, and only received the salaries and benefits from being in other positions in our Group.

Save as disclosed above, as at the Latest Practicable Date, Mr. Jiang (i) has not held any directorship in any public listed companies in the past three years; (ii) does not or is not deemed to have any interest or short position (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)) in any Shares, underlying Shares or debentures of the Company; (iii) does not have any relationship with any Directors, senior management of the Company, substantial Shareholders or Controlling Shareholders; and (iv) does not hold any other positions within our Group.

Mr. Jiang has confirmed that there is no other matter that needs to be brought to the attention of the Shareholders and there is no other information that should be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

Mr. Fan Yaqiang (范亞強), aged 52, is the executive Director and sales manager of the Company. Mr. Fan is primarily responsible for sales of our products. Mr. Fan has about 20 years of sales experience in the oil refining agents and fuel additives industry. Prior to joining our Group, from September 1998 to December 1999, Mr. Fan served as the sales personnel at the sales department of Yixing HanGuang Group* (宜興市漢光集團). From January 2000 to December 2002, Mr. Fan served as the sales manager of Yixing Chuangxin Lianhua Zhuji Co., Ltd.* (宜興市創新煉化助劑有限公司). Mr. Fan has been the sales manager of Jiangsu Chuangxin Petrochemical Co., Ltd.* (江蘇創新石化有限公司) since January 2003 and is primarily responsible for sales and market development.

Mr. Fan graduated from China University of Petroleum (Beijing)* (中國石油大學(北京)) in July 2016, with a diploma (remote-education) majoring in chemical engineering and technology.

Mr. Fan has entered into a service contract with the Company with a term of 3 years. He is not entitled to any Director's emoluments, and only received the salaries and benefits from being in other positions in our Group.

Save as disclosed above, as at the Latest Practicable Date, Mr. Fan (i) has not held any directorship in any public listed companies in the past three years; (ii) does not or is not deemed to have any interest or short position (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)) in any Shares, underlying Shares or debentures of the Company; (iii) does not have any relationship with any Directors, senior management of the Company, substantial Shareholders or Controlling Shareholders; and (iv) does not hold any other positions within our Group.

Mr. Fan has confirmed that there is no other matter that needs to be brought to the attention of the Shareholders and there is no other information that should be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the AGM in relation to the granting of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 480,000,000 Shares. Subject to the passing of the resolution set out in paragraph 5 of the Notice of AGM in respect of the granting of the Repurchase Mandate and on the basis that no further Shares are issued, allotted or repurchased before the AGM, the Company would be allowed under the Repurchase Mandate to repurchase, during the period in which the Repurchase Mandate remains in force, a maximum of 48,000,000 Shares, representing 10% of the total number of the issued Shares as at the date of the AGM.

2. REASONS FOR REPURCHASE OF SHARES

The Directors believe that it is in the best interests of the Company and its Shareholders as a whole for the Directors to have a general authority from the Shareholders to enable the Company to repurchase Shares in the market. Such repurchases, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or the earnings per Share and will only be made where the Directors believe such repurchases will benefit the Company and Shareholders as a whole.

3. SHARE PRICES

The highest and lowest prices per Share at which the Shares were traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date were as follows:

	Highest <i>(HK\$)</i>	Lowest <i>(HK\$)</i>
2023		
April	0.355	0.310
May	0.350	0.285
June	0.400	0.236
July	0.265	0.230
August	0.280	0.232
September	0.305	0.255
October	0.480	0.265
November	0.550	0.260
December	0.355	0.310
2024		
January	0.355	0.285
February	0.360	0.290
March	0.445	0.305
April (up to the Latest Practicable Date)	0.435	0.320

4. SOURCE OF FUNDS

Repurchases must be funded out of funds legally available for such purpose and in accordance with the Articles of Association, the laws of the Cayman Islands and the Listing Rules. The Company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time. Under the Companies Act, any repurchases by the Company may be made out of profits of the Company, out of the Company's share premium account or out of the proceeds of a fresh issue of Shares made for the purpose of the repurchase or, if so authorised by the Articles of Association and subject to the provisions of the Companies Act, out of capital.

Any premium payable on a redemption or repurchase over the par value of the Shares to be repurchased must be provided for out of the profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorised by the Articles of Association and subject to the provisions of the Companies Act, out of capital.

The Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on our working capital and/or gearing position of the Group, as disclosed in the audited consolidated financial statements of our Group as of 31 December 2023, being the date to which the latest published audited consolidated financial statements of our Group. The Directors, however, do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on our working capital requirements or gearing levels which in the opinion of the Directors are from time to time appropriate for our Group.

5. TRADING RESTRICTIONS

The total number of Shares which we may repurchase is up to 10% of the total number of the issued Shares. The Company may not issue or announce a proposed issue of Shares for a period of 30 days immediately following a repurchase of Shares, without the prior approval of the Stock Exchange. The Company is also prohibited from repurchasing Shares on the Stock Exchange if the repurchase would result in the number of listed Shares which are in the hands of the public falling below the relevant prescribed minimum percentage as required by the Stock Exchange. The Company is required to procure that the broker appointed by the Company to effect a repurchase of Shares discloses to the Stock Exchange such information with respect to the repurchase as the Stock Exchange may require.

As required by the prevailing requirements of the Listing Rules, the Company shall not purchase its Shares on the Stock Exchange if the purchase price is higher by 5% or more than the average closing market price for the five preceding trading days on which its Shares were traded on the Stock Exchange.

6. GENERAL

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules) currently intends to sell any Shares to the Company or its subsidiaries.

The Directors will exercise the Repurchase Mandate in accordance with the Articles of Association, the Listing Rules and the applicable laws and regulations of the Cayman Islands. The Company has not repurchased any Shares since the last annual general meeting of the company held on 25 May 2023 and up to the Latest Practicable Date.

If, as a result of a repurchase of Shares by the Company pursuant to the Repurchase Mandate, a Shareholder’s proportionate interest in the voting rights is increased, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert may obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code unless a whitewash waiver is obtained. Save as aforesaid, the Directors are not aware of any consequence which would arise under the Takeovers Code as a result of a repurchase upon exercise of the Repurchase Mandate.

Any repurchase of Shares which results in the number of Shares held by the public being reduced to less than 25% of the Shares then in issue could only be implemented with the approval of the Stock Exchange to waive the Listing Rules requirements regarding the public shareholding referred to above. It is believed that a waiver of this provision would not normally be given other than in exceptional circumstances.

No core connected person (as defined in the Listing Rules) has notified the Company that he or she has a present intention to sell Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is exercised.

The Company confirms that neither this explanatory statement nor the repurchase of Shares has any unusual features.

7. DISCLOSURE OF INTERESTS AND MINIMUM PUBLIC HOLDING

As at the Latest Practicable Date, based on the disclosures made under Part XV of the Securities and Future Ordinance and to the best knowledge and belief of the Directors, the substantial Shareholders having interests in 10% or more of the issued share capital of the Company were:

Name of Shareholder	Number of Shares held	Approximate% shareholding	
		As at the Latest Practicable Date	If Repurchase Mandate is exercised in full
Ms. Gu	360,000,000	75.0%	83.3%
Innovative Green Holdings	360,000,000	75.0%	83.3%

The Directors have no intention to exercise the Repurchase Mandate to such an extent that may result in the public shareholding of less than 25% of the issued share capital of the Company.

NOTICE OF ANNUAL GENERAL MEETING



J S C X

Jiangsu Innovative Ecological New Materials Limited

江蘇創新環保新材料有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2116)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**AGM**”) of Jiangsu Innovative Ecological New Materials Limited (the “**Company**”) will be held at the Company’s headquarters and principal place of business in the PRC, at No. 16 West Kaixuan Road, Economic Development Zone, Yixing City, Jiangsu Province, the PRC, on Thursday, 23 May 2024 at 3:00 p.m. (or any adjournment thereof) for the following purposes:

ORDINARY RESOLUTIONS

To consider and, if thought fit, pass, with or without modifications, the following resolutions as ordinary resolutions of the Company:

1. To receive and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors of the Company (the “**Director(s)**”) and the auditors of the Company for the year ended 31 December 2023;
2. (a) To re-elect the following retiring Directors (as separate resolutions):
 - (i) Mr. Huang Lei as an executive Director.
 - (ii) Mr. Jiang Caijun as an executive Director.
 - (iii) Mr. Fan Yaqiang as an executive Director.

(b) To authorise the board of Directors (the “**Board**”) to fix the respective Directors’ remuneration;
3. To re-appoint KPMG, Certified Public Accountants, as the auditors of the Company and to authorise the Board to fix their remuneration;

NOTICE OF ANNUAL GENERAL MEETING

4. To consider and, if thought fit, to pass (with or without modifications) the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) below, a general mandate be and is hereby generally and unconditionally granted to Directors to exercise during the Relevant Period (as defined in paragraph (d) below) all the powers of the Company to allot, issue and deal with additional shares in the Company and to make or grant offers, agreements, options, warrants or other securities which would or might require the exercise of such powers;
- (b) the mandate in paragraph (a) shall authorise the Directors during the Relevant Period (as defined in paragraph (d) below) to make or grant offers, agreements, options, warrants and other securities which would or might require the exercise of such powers after the end of the Relevant Period (as defined in paragraph (d) below);
- (c) the aggregate number of shares of the Company allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Directors pursuant to the mandate in paragraph (a), otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) below); or (ii) any option scheme or similar arrangement for the time being adopted by the Company for the purpose of granting or issuing shares or rights to acquire shares of the Company to the Directors, employees, officers, agents, consultants or representatives of the Company and/or any of its subsidiaries; or (iii) any scrip dividend or similar arrangement pursuant to the articles of association of the Company from time to time; or (iv) the exercise of any rights of subscription or conversion attaching to any warrants or other securities which are convertible into shares of the Company from time to time; or (v) a specific authority granted by the shareholders in general meeting, shall not exceed 20% of the aggregate number of the issued shares of the Company as at the date of the passing of this resolution and the said mandate shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(d) for the purpose of this resolution:

“**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the date by which the next annual general meeting of the Company is required by the Company’s articles of association or any applicable laws of the Cayman Islands to be held; or
- (iii) the date on which authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means an offer of shares or offer or issue of options, warrants or other securities giving the right to subscribe for shares of the Company, open for a period fixed by the Directors to holders of shares whose names appear on the register of members of the Company (and, where appropriate, to holders of other securities entitled to the offer) on a fixed record date in proportion to their then holdings of such shares of the Company (or, where appropriate, such other securities), subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of or any recognized regulatory body or any stock exchange in, any territory outside Hong Kong.”

5. To consider and, if thought fit, to pass (with or without amendments) the following resolution as an ordinary resolution:

“**THAT:**

- (a) a general mandate be and is hereby generally and unconditionally given to the Directors of the Company to exercise during the Relevant Period (as defined in paragraph (b) below) all the powers of the Company to repurchase or otherwise acquire shares of the Company in accordance with all applicable laws of Cayman Islands and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, provided that the aggregate number of shares so repurchased or otherwise acquired shall not exceed 10% of the aggregate number of the issued shares of the Company as at the date of the passing of this resolution;

NOTICE OF ANNUAL GENERAL MEETING

(b) for the purpose of this resolution:

“**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the date by which the next annual general meeting of the Company is required by the Company’s articles of association or any applicable laws of the Cayman Islands to be held; or
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

6. To consider and, if thought fit, to pass (with or without amendments) the following resolution as an ordinary resolution:

“**THAT**, conditional upon the passing of the resolutions set out in paragraphs 4 and 5 of the notice of the AGM, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with shares of the Company pursuant to the resolution set out in paragraph 4 of the notice of the AGM be and is hereby extended by the addition thereto of such number of shares of the Company representing the aggregate number of shares of the Company repurchased or otherwise acquired by the Company pursuant to the authority granted to the Directors under the resolution set out in paragraph 5 of the notice of the AGM, provided that such number of shares shall not exceed 10% of the total number of issued shares of the Company as at the date of the passing of this resolution.”

7. To declare a final dividend of HK\$0.02 per share for the year ended 31 December 2023.

By Order of the Board

Jiangsu Innovative Ecological New Materials Limited

GE Xiaojun

Chairman and Chief Executive Officer

Jiangsu Province, PRC, 23 April 2024

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A shareholder entitled to attend and vote at the AGM is entitled to appoint one or more proxy to attend and, subject to the provisions of the articles of association of the Company, vote in his stead. A proxy need not to be a shareholder of the Company.
2. A form of proxy for use at the AGM (or at any adjournment thereof) is dispatched together with this notice of meeting. In order to be valid, the form of proxy, together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, must be completed and lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 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 preclude members from attending and voting at the AGM (or any adjournment thereof), and in such event, the relevant form of proxy shall be deemed revoked.
3. Where there are joint registered holders of any share, any one of such joint holders may attend and vote at the AGM, either in person or by proxy, in respect of such share(s) as if he/she were solely entitled thereto, but if more than one of such joint registered holders are present at the AGM (or any adjournment thereof) (as the case may be), the most senior shall alone be entitled to vote, whether in person or by proxy. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
4. For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Monday, 20 May 2024 to Thursday, 23 May 2024, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for attending and voting at the AGM, shareholders must complete and lodge all transfer documents accompanied by the relevant share certificates with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, 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, 17 May 2024.
5. For the purpose of determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Thursday, 30 May 2024 to Tuesday, 4 June 2024, both days inclusive, during which period no transfer of Shares will be registered. In order to be entitled to the proposed final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong share registrar, 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 4:30 p.m. on Wednesday, 29 May 2024.