THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any 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, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in ContiOcean Environment Tech Group Co., Ltd., you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

ContiOcean

上海匯舸環保科技集團股份有限公司
CONTIOCEAN ENVIRONMENT TECH GROUP CO., LTD.

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

(Stock Code: 2613)

(1) APPLICATION FOR THE DELISTING OF DOMESTIC SHARES FROM THE NEEQ;
(2) AUTHORIZATION TO HANDLE MATTERS PERTAINING TO THE APPLICATION FOR THE NEEQ DELISTING;
(3) PROTECTIVE MEASURES IN RELATION TO THE NEEQ DELISTING FOR THE INTERESTS OF THE DISSENTING DOMESTIC SHAREHOLDERS;
(4) PROPOSED ADOPTION OF THE 2025 H SHARE RESTRICTED SHARE SCHEME;
(5) PROPOSED AUTHORIZATION TO THE BOARD TO DEAL WITH MATTERS PERTAINING TO THE 2025 H SHARE RESTRICTED SHARE SCHEME;
AND
(6) NOTICE OF THE 2025 SECOND EXTRAORDINARY GENERAL MEETING

Capitalized terms used in the lower portion of this cover page shall have the same respective meanings as those defined in the section headed "DEFINITIONS" of this circular.

The Company will convene and hold the EGM at Unit 3002, 30/F, South Tower, Shanghai International Fortune Center, No. 36 Xin Jin Qiao Road, Pudong New District, Shanghai, the PRC on Friday, 1 August 2025 at 10:00 a.m., the notice of which is set out on pages 22 to 23 of this circular. The proxy form for use at the EGM is enclosed herein, which was also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.contioceangroup.com).

If you intend to attend the EGM by proxy, you are required to duly complete the accompanying form of proxy according to the instructions printed thereon and return the same not less than 24 hours before the time fixed for the holding of the EGM or any adjournment thereof (as the case may be) (which is 10:00 a.m. on 31 July 2025 (or other date in the event of any adjournment thereof)). Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment thereof if you so wish.

Reference to times and dates in this circular are to Hong Kong local times and dates.

16 July 2025

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This circular is prepared in both English and Chinese. In the event of any inconsistency, the English text of this circular will prevail.

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

"Adoption Date"	1 August 2025, being the date on which the Scheme is approved and adopted by the Shareholders at the EGM
"Affiliate(s)"	shall include the following: (a) any direct or indirect holding company of the Company; (b) any direct or indirect Subsidiary of any company included in (a) above; and (c) any associated company of the Company, but excluding any members of the Group
"Articles of Association"	the articles of association of the Company currently in force
"Award Letter"	the letter issued by the Company to each Participant in such form as the Board or the Committee may from time to time determine, specifying the grant terms, including the date of grant, the manner of acceptance of the Awards, the number of Restricted Shares underlying the Awards, the vesting dates and conditions, the vesting date, the grant price (if applicable) and such other details, terms and conditions as they may consider necessary and in compliance with the Scheme
"Awards"	the awards granted by the Board or the Committee to an Eligible Participant pursuant to the Scheme
"Board"	the board of Directors
"Business Day"	any day on which the Stock Exchange is open for the business of trading in securities
"Committee"	means the person(s) from time to time delegated by the Board with the power and authority to administer the Scheme

"Company"	ContiOcean Environment Tech Group Co., Ltd. (stock code: 2613), a joint stock company incorporated in the People's Republic of China with limited liability whose H Shares are listed on the Main Board of the Stock Exchange and whose Domestic Shares are quoted on the NEEQ
"controlling shareholder"	has the meaning ascribed thereto under the Listing Rules
"core connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"Date of Grant"	means the date on which the Board or the Committee resolves to make an offer of an Award to an Eligible Participant, which date must be a Business Day
"Director(s)"	the director(s) of the Company
"Dissenting Domestic Shareholder(s)"	dissenting Domestic Shareholder(s) in relation to the NEEQ Delisting
"Domestic Share(s)"	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are quoted on the NEEQ
"Domestic Shareholder(s)"	the holder(s) of the Domestic Shares
"EGM"	the 2025 second extraordinary general meeting of the Company to be held on 1 August 2025
"Eligible Participant(s)"	persons who are eligible to participate in, and be granted Awards under, the Scheme
"Employee Participant(s)"	any employee (excluding core connected persons) of the Company and any of its Subsidiaries (each such person being an "**Employee Participant**")
"Group"	the Company and its subsidiaries
"H Share(s)"	ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which is/are listed on the Stock Exchange
"H Shareholder(s)"	the holder(s) of the H Shares
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC

"Latest Practicable Date"	15 July 2025, 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 the Stock Exchange as amended, supplemented or otherwise modified from time to time
"NEEQ"	the National Equities Exchange and Quotations Co., Ltd.
"NEEQ Delisting"	the delisting of the Domestic Shares from the NEEQ
"Other Participant(s)"	means any person or entity (excluding core connected persons) other than the Employee Participants, the Related Entity Participants and the Service Providers, whom the Board or the Committee in its sole discretion considers may contribute or have contributed to the Group (including but not limited to any consultant, advisor, distributor, contractor, customer, supplier, agent, business partner, joint venture business partner or service provider of any member of the Group or any affiliate of the Group)
"PRC"	the People's Republic of China (which for the purpose of this circular, shall exclude Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan)
"Record Date"	the shareholding record date for Domestic Shareholders for convening the EGM
"Related Entity Participant(s)"	any employee of the Affiliates (each such person being a "**Related Entity Participant**")
"Restricted Shares"	such number of Shares that are conferred on the Grantee pursuant to an Award
"RMB"	Renminbi, the lawful currency of the PRC
"Scheme" or "2025 H Share Restricted Share Scheme"	the 2025 H Share Restricted Share Scheme proposed to be adopted by the Company

"Scheme Period"	subject to any early termination of the Scheme pursuant to terms of the Scheme, the Scheme shall be valid and expiring on the Business Day immediately prior to ten (10) years from the Adoption Date (i.e. 1 August 2025 which is the day on which the Scheme is approved by the Shareholders at the EGM)
"Service Provider(s)"	means any person (including any entity) that provides services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long term growth of the Group including but not limited to person(s) who work for any member of the Group as independent contractors (such as agents, distributors, contractors, vendors, suppliers, advisers, consultants and other service providers of any member of the Group) where the continuity and frequency of their services are akin to those of employees, but excluding placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions or professional service providers such as auditors or valuers who provide assurance, or are required to perform their services with impartiality and objectivity
"Share(s)"	the ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each
"Shareholder(s)"	the holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subsidiary"	means a company which is for the time being and from time to time a subsidiary (within the meaning of the Companies Ordinance) of the Company, whether incorporated in Hong Kong or elsewhere and "**Subsidiaries**" shall be construed accordingly
"Takeovers Code"	the Codes on Takeovers and Mergers and Share Buy-backs, as amended, supplemented, or otherwise modified from time to time

"Trust"	the trust constituted or to be constituted by the Trust Deed
"Trust Deed"	a trust deed entered or to be entered into between the Company and the Trustee (as restated, supplemented and amended from time to time) in respect of the 2025 H Share Restricted Share Scheme
"Trustee"	the trustee (which is independent of and not connected with the Company) appointed or to be appointed by the Company for the administration of the Scheme or any additional or replacement trustee
"%"	per cent.

ContiOcean

上海匯舸環保科技集團股份有限公司
CONTIOCEAN ENVIRONMENT TECH GROUP CO., LTD.

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

(Stock Code: 2613)

Executive Directors:
Mr. Zhou Yang
Mr. Zhao Mingzhu
Mr. Chen Zhiyuan
Mr. Shu Wa Tung, Laurence
Mr. Chen Rui

Independent Non-executive Directors:
Mr. Zhu Rongyuan
Dr. Guan Yanmin
Ms. Ng Sin Kiu

Registered Office:
Room 1101, No. 2 Maji Road
China (Shanghai) Pilot Free Trade Zone
Shanghai

Head Office and Principal Place of Business in PRC:
Unit 3002, 30/F,
South Tower,
Shanghai International Fortune Center,
No. 36 Xin Jin Qiao Road,
Pudong New District,
Shanghai

Principal Place of Business in Hong Kong:
20/F, Silver Fortune Plaza
1 Wellington Street
Central
Hong Kong

16 July 2025

To the Shareholders

Dear Sir or Madam,

**(1) APPLICATION FOR THE DELISTING OF DOMESTIC SHARES FROM THE NEEQ;
(2) AUTHORIZATION TO HANDLE MATTERS PERTAINING TO THE APPLICATION FOR THE NEEQ DELISTING;
(3) PROTECTIVE MEASURES IN RELATION TO THE NEEQ DELISTING FOR THE INTERESTS OF THE DISSENTING DOMESTIC SHAREHOLDERS;
(4) PROPOSED ADOPTION OF THE 2025 H SHARE RESTRICTED SHARE SCHEME;
(5) PROPOSED AUTHORIZATION TO THE BOARD TO DEAL WITH MATTERS PERTAINING TO THE 2025 H SHARE RESTRICTED SHARE SCHEME;
AND
(6) NOTICE OF THE 2025 SECOND EXTRAORDINARY GENERAL MEETING**

I. INTRODUCTION

The EGM will be convened and held at Unit 3002, 30/F, South Tower, Shanghai International Fortune Center, No. 36 Xin Jin Qiao Road, Pudong New District, Shanghai, the PRC on Friday, 1 August 2025 at 10:00 a.m. (Hong Kong time), the notice of which is set out on pages 22 to 23 of this circular.

The purpose of this circular is to provide you with the information reasonably necessary of relevant resolutions to be considered at the EGM, so as to enable you to make an informed decision on whether to vote for or against such resolutions.

II. MATTERS TO BE RESOLVED AT THE EGM

Resolutions to be proposed at the EGM for the Shareholders' consideration and approval by way of special resolutions include:

(1) the application for the delisting of Domestic Shares from the NEEQ;

(2) the authorization to the Board to exercise full power to handle matters pertaining to the application for the NEEQ Delisting;

(3) the protective measures in relation to the NEEQ Delisting for the interests of the Dissenting Domestic Shareholders;

(4) the proposed adoption of the Scheme; and

(5) the authorization to the Board to deal with matters pertaining to the Scheme.

Details of the matters to be resolved at the EGM are set out in the notice of the EGM on pages 22 to 23 of this circular. To enable you to get a better understanding of the resolutions to be proposed at the EGM and make informed decisions with sufficient and necessary information, we have provided particulars thereon in this circular.

Special Resolutions

(1) Application for the Delisting of Domestic Shares from the NEEQ

After fully considering the needs of the Company's business development and long-term strategic planning, the Board considered and resolved on 16 July 2025 to apply for the delisting of the Domestic Shares from the NEEQ. After the NEEQ Delisting, the Company will continue to focus on its core business, continuously strengthen its management capabilities, and enhance the market competitiveness of its products as well as the Company's ability to operate sustainably. The Company will continue to safeguard Shareholders' rights and interests and create long-term value for stakeholders while ensuring steady growth of its main business.

Details of the NEEQ Delisting, including the date of the NEEQ Delisting, will be subject to approval by the NEEQ.

The application for the delisting of the Domestic Shares from the NEEQ is hereby proposed at the EGM as a special resolution for consideration and approval.

(2) Authorization of the Board to exercise full power to handle matters pertaining to the application for the NEEQ Delisting

As the Company proposes to apply for the delisting of Domestic Shares from the NEEQ, in order to ensure the smooth progress of relevant matters, the Board considered and resolved on 16 July 2025 to propose a special resolution at the EGM for consideration and approval of the authorization of the Board to exercise full power to handle all matters pertaining to the application for the NEEQ Delisting, including but not limited to:

(1) preparing the necessary application documents for the NEEQ Delisting;

(2) submitting application materials to the NEEQ for the NEEQ Delisting;

(3) approving, signing, modifying, submitting and executing documents relating to the NEEQ Delisting;

(4) handling relevant matters including changes to the Company's shareholding registration and custody after the approval of the NEEQ Delisting; and

(5) handling all other matters relating to the application for the NEEQ Delisting.

The authorization to the Board to exercise full power to handle matters pertaining to the application for the NEEQ Delisting will be valid commencing from the date of the approval of such authorization by the Shareholders at the EGM and ending on the date of completion of all matters relating to the NEEQ Delisting.

(3) Protective Measures in relation to the NEEQ Delisting for the interests of the Dissenting Domestic Shareholders

Reference is made to the overseas regulatory announcement published by the Company on 16 July 2025 on the Protective Measures (as defined below). As one of the requirements of the NEEQ Delisting, the Board considered and resolved on 16 July 2025 to propose a special resolution at the EGM for consideration and approval of the following protective measures ("**Protective Measures**") in relation to the NEEQ Delisting to protect potential Dissenting Domestic Shareholders by way of share repurchase from the Dissenting Domestic Shareholders:

(1) Main Content

In light of the Company's intention to apply for the delisting of the Domestic Shares from the NEEQ and to protect the legitimate rights and interests of any potential Dissenting Domestic Shareholders of the NEEQ (including those who have not attended the EGM and those who have attended the EGM but did not vote in favour of the relevant resolutions in relation to the NEEQ Delisting), the Company has proposed and formulated the Protective Measures to protect the rights and interests of the Dissenting Shareholders in relation to the proposed NEEQ Delisting whereby Mr. Zhou Yang, Mr. Zhao Mingzhu and Mr. Chen Zhiyuan (being the Company's controlling shareholders and ultimate beneficial owners pursuant to PRC laws) (the "**Repurchase Obligors**") have committed to repurchasing the Domestic Shares held by eligible Dissenting Domestic Shareholders.

(2) Repurchase Obligors

The Repurchase Obligors.

(3) Target of Repurchase

The targets of repurchase are Domestic Shareholders who, as at the Record Date, are registered holders, and who have either not attended the EGM or attended the EGM but did not vote in favour of the relevant resolutions in relation to the NEEQ Delisting.

The eligible target of repurchase must satisfy all the following conditions:

a. Domestic Shareholders who are registered holder on the Record Date (based on the Shareholder register maintained by the Beijing branch of China Securities Depository and Clearing Corporation Limited);

b. Domestic Shareholders who have not attended (nor authorized others to attend) the EGM, or who have attended the EGM but did not vote in favour of the relevant resolutions in relation to the NEEQ Delisting;

c. Domestic Shareholders who have requested the repurchase of their Domestic Shares by personally delivering or mailing a notice in writing to the Company within the application period for repurchase;

d. Domestic Shareholders who have not acted in a manner harmful to the interests of the Company or other Shareholders;

e. there is no litigation, arbitration or enforcement action, and on-going cases pending for conclusion, brought against the Company or the Repurchase Obligors on grounds in connection with the NEEQ Delisting or Share repurchase;

f. the Domestic Shares held are not restricted from trading freely such as being pledged or subject to judicial freezing. If, after the submission of the repurchase application and before completion of the repurchase, the Shares become subject to such restrictions, the repurchasing party will no longer be obligated to repurchase and will not be liable for breach of contract; and

g. there are no abnormal share transfers, malicious price manipulation or other speculative behaviour by the Domestic Shareholder from the date the Domestic Shareholder became aware of the proposed NEEQ Delisting or from the date of the Company's indicative announcement of the NEEQ Delisting (whichever is earlier) until the Domestic Shares are suspended from trading due to the NEEQ Delisting.

Domestic Shareholders who meet all the above conditions may request for the repurchase of up to the number of Shares the Domestic Shareholder held as of the Record Date, as recorded in the Shareholder register maintained by the Beijing branch of China Securities Depository and Clearing Corporation Limited.

(4) Repurchase Quantity

The number of Domestic Shares to be repurchased will be based on the number of Domestic Shares held by the Domestic Shareholder as at the Record Date, as recorded in the Shareholder register maintained by the Beijing branch of China Securities Depository and Clearing Corporation Limited.

(5) Repurchase Price

The repurchase price will be the higher of: (a) the cost of acquiring such portion of Domestic Shares by the Dissenting Domestic Shareholders (excluding transaction fees, financing costs, etc., and subject to ex-right and ex-dividend adjustment), and (b) the Company's most recent audited net asset value per Share attributable to the Shareholders. The actual price and method of repurchase shall be determined through negotiations between the parties. If the Domestic Shares were acquired at a price that is clearly deviated from the market price, the transaction price shall not be used as a reference for the repurchase price.

To prevent malicious price manipulation during the period of the NEEQ Delisting, if, from the date of the Company's indicative announcement of the NEEQ Delisting or from the date the Domestic Shareholder became aware of the proposed NEEQ Delisting (whichever is earlier) until the Domestic Shares are suspended from trading due to the NEEQ Delisting, the cost of acquiring the Shares has obviously deviated from market price, such transaction price will not be used as the repurchase price.

(6) Method for Applying for Repurchase

a. The valid period for the Dissenting Domestic Shareholders to apply for the repurchase of Domestic Shares shall be within one month from the date the Domestic Shares are delisted from the NEEQ. Within the aforementioned application period, the Dissenting Domestic Shareholders shall submit written application materials either in person (based on the time of delivery to the Company) or by mail (based on the time of receipt by the courier), to the Company.

b. The written application materials for repurchase shall include:

   (i) the original repurchase application signed or sealed by the Dissenting Domestic Shareholder which includes the name of the Dissenting Domestic Shareholder, the securities account number, the number of Domestic Shares to be repurchased, contact method of the Dissenting Domestic Shareholder, and other necessary information;

   (ii) a photocopy of the Dissenting Domestic Shareholder's valid identity document (i.e. a signed copy of their identity card bearing the statement "this copy is identical to the original" for individuals or a copy of the business license bearing the official seal and the statement "this copy is identical to the original" for legal entities or other organizations); and

   (iii) a complete transaction statement for all historical transactions involving the Domestic Shares held by the Dissenting Domestic Shareholder, a copy of the payment voucher for the investment of funds, or other materials that can prove the acquisition price of the Domestic Shares (bearing the seal of the securities business department).

c. Any Dissenting Domestic Shareholder who fails to submit its application materials within the aforesaid valid period and in accordance with the specified manner shall be deemed to have consented to continue holding such Shares. The Repurchase Obligors shall cease to undertake the obligation of repurchasing the aforesaid Domestic Shares after the end of the repurchase application period.

(7) Repurchase Fulfilment Period

The repurchase target should submit a Domestic Share repurchase application within one month after the Domestic Shares are delisted from the NEEQ.

The Repurchase Obligors will complete the Domestic Share repurchase within 12 months from the date the repurchase application is submitted in accordance with the details set out in the overseas regulatory announcement published by the Company on 16 July 2025 on the Protective Measures.

(8) Dispute Resolution Mechanism

Any dispute arising from or in connection with the Protective Measures for Dissenting Domestic Shareholders shall be resolved by amicable negotiations. If negotiations are unsuccessful, the parties shall have the right to initiate legal actions in the People's Court of the place where the Company is domiciled.

(9) Contact Method

Contact Person:	Chen Rui
Telephone number:	86-21–50315500
Email address:	ir@contioceangroup.com
Address:	Unit 3002, 30/F, South Tower, Shanghai International Fortune Center, No. 36 Xin Jin Qiao Road, Pudong New District, Shanghai

The above proposed Protective Measures only apply to Domestic Shareholders and are not applicable to H Shareholders.

The actual impact of the shareholding structure of the Company and the mode of implementation of the Protective Measures will be determined after the actual number of Dissenting Domestic Shareholders has been finalized. In the event that, based on the actual number of Dissenting Domestic Shareholders, the Protective Measures may give rise to any implications under the Listing Rules or the Takeovers Code, the Company will comply with all relevant requirements as and when applicable. The Company will make further announcements to provide the H Shareholders with further information about the method of implementation of the Protective Measures as and when appropriate.

In the event of any inconsistency, the Chinese text of the overseas regulatory announcement published by the Company on 16 July 2025 on the Protective Measures shall prevails.

(4) Proposed Adoption of the 2025 H Share Restricted Share Scheme

The Board has proposed to adopt the 2025 H Share Restricted Share Scheme. A special resolution will be proposed at the EGM to consider and approve the proposed adoption of the Scheme in accordance with the requirements of the Articles of Association. The Scheme shall be effective upon the approval of the Scheme by the Shareholders at the EGM.

(1) Purpose of the Scheme

The purpose of the Scheme is to recognise and acknowledge the contributions which the Eligible Participants have made or may make to the Group. The Scheme will provide the Eligible Participants with an opportunity to acquire proprietary interests in the Company, with the view to achieving the following principal objectives:

(1) motivating the Eligible Participants to optimise their performance and efficiency for the benefit of the Group;

(2) rewarding the Eligible Participants who have achieved outstanding performance; and

(3) attracting and retaining or otherwise maintaining ongoing business relationships with the Eligible Participants whose contributions are, or will, or are expected to be, beneficial to the Group.

(2) Administration of the Scheme

The general meeting of the Shareholders as the highest authority of the Company can authorize the Board to handle matters pertaining to the Scheme within the scope of its authority.

In order to implement the Scheme, the general meeting of the Shareholders authorizes the Board and the Committee as authorized by the Board to serve as the administrators of the Scheme, which are responsible for reviewing and approving the implementation, changes and termination of the Scheme, and handling other related matters of the Scheme within the scope as authorized by the general meeting of the Shareholders.

(3) Eligible Participants and the basis of determining the eligibility of the Eligible Participants

The Eligible Participants who may participate in the Scheme shall be the persons who have the right to receive the Award as determined by the Board in accordance with the terms of the Scheme, and the scope of the Eligible Participants include: (i) Employee Participants; (ii) Related Entity Participants; (iii) Service Providers; and (iv) Other Participants.

In determining the basis of eligibility of each Eligible Participant, the Board or the Committee would take into account of, among others, the experience of the Eligible Participant in respect of the business of the Group, the length of service of the Eligible Participant with the Group (if the Eligible Participant is an employee of any member of the Group), and the amount of support, assistance, guidance, advice, efforts and contributions that the Eligible Participant has exerted and given towards the success of the Group and/or the amount of potential support, assistance, guidance, advice, efforts and contributions the Eligible Participant is likely to be able to give or make towards the success of the Group in the future.

(4) Source of the Awards

The Board shall entrust a qualified trust manager to act as the Trustee under the Scheme to establish a trust plan with the objective of implementing equity incentives. The Eligible Participants will be granted the Awards and thus indirectly hold the interest of the Company's shares through the Trust. The Awards will be vested upon the fulfilment of certain conditions. The Awards granted to the Eligible Participants shall be subject to the terms of the Scheme and the restrictive terms as agreed in the Trust Deed. The Eligible Participants shall be entitled to the corresponding rights and interests in accordance with the terms agreed in the Trust Deed.

The Board instructs the Trustee to purchase existing H Shares on the Stock Exchange or off the Stock Exchange from existing Shareholders. Should the Shares be purchased by the Trustee off the Stock Exchange from existing Shareholders, the purchase price must not be higher than the lower of the following: (i) the closing market price on the date of such purchase; and (ii) the average closing market price for the five (5) preceding trading days on which the H Shares were traded on the Stock Exchange.

(5) Life of the Scheme

Subject to any early termination of the Scheme pursuant to the terms of the Scheme, the Scheme shall be valid and effective for ten (10) years commencing from the Adoption Date (i.e. 1 August 2025 which is the day on which the Scheme is approved by the Shareholders at the EGM).

(6) Maximum number of shares of the Scheme

The maximum number of H Shares that the Trustee can acquire and hold from time to time under the Scheme throughout the life of the Scheme shall not exceed 10% of the total number of issued Shares of the Company (excluding treasury shares, if any) (the "**Scheme Mandate Limit**").

As at the Latest Practicable Date, the total number of issued Shares of the Company (excluding treasury shares) was 40,000,000 Shares. Assuming that there is no change in the total number of the issued Shares of the Company during the period between the Latest Practicable Date and the Adoption Date (which may change from time to time), the Scheme Mandate Limit will be 4,000,000 Shares (representing 10% of the total number of the issued Shares of the Company (excluding treasury shares, if any) as at the Adoption Date).

Within the Scheme Mandate Limit, the maximum number of H Shares that may be granted to the Service Providers under the Scheme and all share options and share awards that may be granted under any other share scheme(s) of the Company must not in aggregate exceed 1% of the total number of issued Shares of the Company (excluding treasury shares) (the "**Service Provider Sublimit**"). Assuming that there is no change in the total number of issued Shares of the Company during the period between the Latest Practicable Date and the Adoption Date (which may change from time to time), the Service Provider Sublimit will be 400,000 Shares (representing 1% of the total number of the issued Shares of the Company (excluding treasury shares) as at the Adoption Date).

The Company will take appropriate measures to ensure at least 25% of the Company's total issued Shares are held by the public Shareholders from time to time, and the Company will not make any Award under the 2025 H Share Restricted Share Scheme which will render the Company failing to maintain the public float requirement.

(7) Maximum entitlement to each Eligible Participant

According to the Scheme, the maximum entitlement of the Awards and all share options and share awards that may be granted under any other scheme(s) to be granted to any Eligible Participant (excluding any Awards lapsed in accordance with the terms of the Scheme) in any period of twelve (12) months up to and including the date of such grant shall not in aggregate exceed 1% of the total number of issued Shares of the Company (excluding treasury shares, if any) unless approved by way of special resolution at the general meeting.

(8) Date of grant

The date on which the Awards are granted to the Eligible Participants is the date when the Company signs and issues the Award Letter to the Eligible Participants. The date of grant shall be determined by the Board or the Committee.

(9) Consideration for the grant of the Scheme

According to the provisions of the Scheme, the incentive consideration (if any) of the Eligible Participants shall be determined by the Board or the Committee and shall be agreed in the Award Letter.

The Eligible Participant shall, in accordance with the Scheme, pay the relevant amount of the purchase price, if any, corresponding to the Awards vested and received by the Eligible Participant to the Company or such other entity as the Company may designate in accordance with the instructions as set out in the Award Letter.

(10) Vesting period

Subject to the satisfaction of all vesting conditions as set out in the Award Letter to each Eligible Participant, the Award granted under the Scheme shall be held for not less than twelve (12) months before being vested on the Eligible Participant and in accordance with the applicable vesting schedule as set out in the Award Letter.

However, to ensure the practicability in fully attaining the purpose of the Scheme, the Board and the Remuneration Committee are of the view that (1) there are certain instances where a strict twelve (12) months vesting requirement would not work or would not be fair to the holders of the Awards, (2) there is a need for the Company to retain flexibility in certain cases to provide a competitive remuneration package to attract and retain individuals to provide services to the Group, and (3) the Company should be allowed discretions to formulate its own talent recruitment and retention strategies in response to changing market conditions and industry competition and thus should have flexibility to impose vesting conditions depending on individual circumstances and performance-based vesting conditions, or such other time-based vesting criteria which effectively restricts an Eligible Participant's Award shares for at least 12 months. Hence, the Board and the Remuneration Committee are of the view that the shorter vesting period is in line with the market practice and is appropriate and align with the purpose of the Scheme.

Vesting Date may be less than twelve (12) months from the grant date in the following circumstances:

(1) grants of "make whole" Awards to a new Employee Participant to replace Awards such Employee Participant forfeited when leaving his or her previous employer;

(2) grants of Awards which are subject to the fulfilment of performance targets pursuant to the terms of the Scheme;

(3) grant of Awards that are made in batches during a year for administrative and compliance reasons;

(4) grants of Awards with a mixed vesting schedule such that the Awards vest evenly over a period of 12 months; or

(5) grants of Awards with a total vesting and holding period of more than 12 months.

(11) Vesting conditions of the Scheme and clawback mechanism

The Awards granted to an Eligible Participant shall be vested to the Eligible Participant during the vesting period upon satisfaction of the vesting conditions and the performance targets, if any, set forth in the Scheme. The vesting conditions and the performance targets, if any, shall be determined at the sole discretion of the Board or the Committee in the Award Letter.

The performance targets, if any, shall be based on the performance of the Eligible Participant and/or the operating or financial performance of the Group and/or such other performance target to be determined by the Board or the Committee in its absolute discretion from time to time.

If the Eligible Participant fails to fulfil the vesting conditions applicable to the relevant Awards, the relevant part of the Awards which may otherwise be vested during the respective vesting period shall, unless the Board or the Committee otherwise agrees, lapse forthwith and the relevant Restricted Shares shall not vest on the relevant vesting date. In such case, the Company will give notice of such partial lapse to the Trustee, who will hold the relevant unvested shares as returned shares

("**Returned Shares**") for the purpose of the Scheme and may upon instructions by the Board or the Committee (i) allocate such Returned Shares as Restricted Shares to any Grantees; or (ii) sell or procure to be sold such Returned Shares, in which case the net sale proceeds thereof shall be deemed as income of the trust fund of the Trust and shall be applied in accordance with the Scheme.

Under the Scheme, the Board or the Committee may impose a clawback mechanism for the Company to recover or withhold the remuneration (which may include any Awards granted) to any Eligible Participants in the event of serious misconduct, a material misstatement in the financial statements of the Company or other circumstances in respect of the Awards granted. The Board believes that the aforesaid will provide the Board with more flexibility in setting the terms and conditions of the Restricted Shares under particular circumstances of each grant and facilitate the Board's aim to offer meaningful incentives to attract and retain or otherwise maintain ongoing business relationships that are valuable to the development of the Group and for the benefit of the Group and the Shareholders as a whole.

(12) Rights on voting and dividends

Neither the Eligible Participants nor the Trustee may exercise any voting rights attached to any Shares held by the Trustee under the Trust Deed.

Subject to the provisions of the Scheme, a Grantee shall not have the right to receive dividends prior to the vesting date. Dividends payable in respect of Awards which have not yet vested shall be retained by the Trustee and form part of the trust fund of the Trust.

(13) Restrictions and limitations

A Grant or any instruction from the Board to the Trustee to acquire or sell H Shares may not be made after a price sensitive event or inside information has occurred or a price sensitive matter or inside information has been the subject of a decision until such price sensitive information or inside information has been published in accordance with the Listing Rules. In particular, during the period preceding the publication of financial results in which the Directors are prohibited from dealing in Shares pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as prescribed by the Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company and up to the date of publication of the relevant financial results, no Grant may be made to the Directors or connected persons, and the Board shall not give any instruction to the Trustee to purchase or sell the H Shares.

Upon the sale or purchase of the Awards by the Eligible Participants, such person shall comply with the restrictive requirements under the relevant laws and regulations, including but not limited to the restrictions on inside information and compliance with the restrictions (if any) in the number of Shares to be sold.

(14) Termination of the Scheme

In the event of termination of the Scheme, any ungranted Awards shall lapse and the Restricted Shares underlying the lapsed Awards shall be sold by the Trustee. The Scheme shall terminate on the earlier of: (i) the expiration of the life of the Scheme; or (ii) the date as determined by the Board or the Committee.

(5) Proposed Authorization to the Board to Deal with Matters Pertaining to the 2025 H Share Restricted Share Scheme

A special resolution will be proposed at the EGM to consider and approve the authorization to the Board and/or its authorized Committee to deal with matters pertaining to the Scheme, and such authorization, if granted, shall be valid for the Scheme Period. In order to ensure the successful implementation of the Scheme, the Board proposed that, subject to the approval of the Scheme by the Shareholders at the EGM, the Shareholders shall also grant an authorization to the Board and the Board may further delegate such authorizations to its authorized Committee, to deal with matters pertaining to the Scheme, including but not limited to:

(1) to interpret the terms, formulate the specific rules and take necessary measures to implement the Scheme, including but not limited to assessing the qualifications of the Eligible Participants, determining specific Eligible Participants, grant conditions, vesting conditions, number of Awards to be granted and purchase price of Awards and handling all matters necessary for the grant and vesting of the Awards, including the handling of lapsed Awards;

(2) to determine the adjustments and termination of the Scheme and obtain any approvals from the shareholders' meeting and/or the relevant regulatory authorities necessary for such adjustments as required by law, regulation, or the relevant regulatory authorities;

(3) to engage Trustee, banker(s), accountant(s), lawyer(s), consultant(s) and other professional institutions for the purpose of the Scheme;

(4) to determine all matters in relation to the Trust Deed and execute the Trust Deed on behalf of the Company;

(5) to determine the selection and change of members of the scheme administrators, and the decision-making and supervision mechanism of the scheme administrators of the Scheme; and

(6) to administer and execute other matters necessary for the implementation of the Scheme.

III. IMPLICATIONS OF THE LISTING RULES

The Scheme was contemplated and adopted to be funded solely by the existing Shares to be purchased through the Trustee. The Scheme constitutes a share scheme under Chapter 17 of the Listing Rules and shall be subject to the applicable disclosure requirements under Rule 17.12 of the Listing Rules. However, as the Scheme does not involve the issue of new Shares or the grant of any options to new Shares of the Company, it does not constitute a scheme involving the issue of new shares as referred to in Chapter 17 of the Listing Rules. Therefore, the adoption of the Scheme is not subject to Shareholders' approval pursuant to the Listing Rules. Nonetheless, pursuant to the relevant PRC laws and regulations and in accordance with the Articles of Association, the Scheme and the related matters are subject to the approval of Shareholders at the extraordinary general meeting by way of special resolutions.

IV. THE EGM

The notice convening the EGM at Unit 3002, 30/F, South Tower, Shanghai International Fortune Center, No. 36 Xin Jin Qiao Road, Pudong New District, Shanghai, the PRC on 1 August 2025 at 10:00 a.m. is set out on pages 22 to 23 in this circular. For the purpose of determining the H Shareholders entitled to attend and vote at the EGM, the register of members of H Shares will be closed from 29 July 2025 to 1 August 2025 (both days inclusive). H Shareholders whose names appear on the register of members of the Company on 30 July 2025 are entitled to attend and vote at the EGM. In order to qualify for the entitlement to attend and vote at the above EGM, H Shareholders must lodge all transfer forms accompanied by the relevant H Share certificates with the Company's H Share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by no later than 4:30 p.m. on 28 July 2025.

The proxy form for use at the EGM is enclosed in this circular and published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.contioceangroup.com).

If you intend to attend the EGM by proxy, you are required to return the duly completed accompanying proxy form according to the instructions printed thereon. Shareholders who intend to attend the EGM by proxy are required to duly complete the proxy form and return the same to Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for holders of H Shares) or the Company's office at Unit 3002, 30/F, South Tower, Shanghai International Fortune Center, No. 36 Xin Jin Qiao Road, Pudong New District, Shanghai, the PRC (for holders of Domestic Shares) as soon as practicable but in any event not less than 24 hours before the time appointed for holding the EGM (i.e. 31 July 2025 at 10:00 a.m.), or any adjourned meeting thereof (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM, and will not preclude you from viewing and listening to the EGM online if you so wish.

V. RECOMMENDATIONS

The Directors are of the opinion that, all the resolutions as set out in the notice of the EGM for Shareholders' consideration and approval are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favor of all the resolutions to be proposed at the EGM.

VI. MISCELLANEOUS

Unless otherwise provided herein, the English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully,
For and on behalf of the Board
ContiOcean Environment Tech Group Co., Ltd.
Zhou Yang
Chairman

ContiOcean

上海匯舸環保科技集團股份有限公司
CONTIOCEAN ENVIRONMENT TECH GROUP CO., LTD.

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

(Stock Code: 2613)

NOTICE OF THE 2025 SECOND EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 2025 second extraordinary general meeting (the "**EGM**") of ContiOcean Environment Tech Group Co., Ltd. (the "**Company**") will be held at Unit 3002, 30/F, South Tower, Shanghai International Fortune Center, No. 36 Xin Jin Qiao Road, Pudong New District, Shanghai, the PRC on Friday, 1 August 2025 at 10:00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions. Unless otherwise defined, capitalized terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 16 July 2025.

SPECIAL RESOLUTIONS

1. To consider and approve the application for delisting of Domestic Shares from the NEEQ.

2. To consider and approve the authorization to the Board to exercise full power to handle matters pertaining to the application for the delisting of Domestic Shares from the NEEQ.

3. To consider and approve the protective measures in relation to the delisting of Domestic Shares from the NEEQ for the interests of the Dissenting Domestic Shareholders.

4. To consider and approve the proposed adoption of the 2025 H Share Restricted Share Scheme.

5. To consider and approve the proposed authorization to the Board to deal with matters pertaining to the 2025 H Share Restricted Share Scheme.

By Order of the Board
ContiOcean Environment Tech Group Co., Ltd.
Zhou Yang
Chairman

Shanghai, PRC, 16 July 2025

Notes:

(i) Any Shareholder entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him/her. A proxy need not be a member of the Company.

(ii) The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorized in writing or, if the appointer is a corporation, either under its seal or under the hand of any officer or attorney duly authorized.

(iii) In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority, must be deposited with Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for holders of H Shares) or the Company's office Unit 3002, 30/F, South Tower, Shanghai International Fortune Center, No. 36 Xin Jin Qiao Road, Pudong New District, Shanghai, the PRC (for holders of Domestic Shares) as soon as practicable but in any event not less than 24 hours before the time appointed for holding the EGM (i.e. 31 July 2025 at 10:00 a.m.), or any adjourned meeting thereof (as the case may be).

(iv) Completion and return of the form of proxy shall not preclude the Shareholders from attending and voting in person at the EGM or at any adjourned meeting thereof (as the case may be) should they so wish, and in such event, the form of proxy shall be deemed to be revoked.

(v) Where there are joint registered holders of any Share, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the EGM, whether in person or by proxy, the joint registered holder present whose name stands first on the register of members of the Company in respect of the Shares shall alone be entitled to vote in respect thereof.

(vi) For the purpose of determining the H Shareholders of the Company entitled to attend and vote at the EGM, the register of members of H Shares will be closed from 29 July 2025 to 1 August 2025 (both days inclusive). The record date for determining the entitlement of the Shareholders to attend and vote at the EGM will be 30 July 2025. In order to qualify for the entitlement to attend and vote at the above EGM, the H Shareholders must lodge all transfer forms accompanied by the relevant H Share certificates with the Company's H Share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by no later than 4:30 p.m. on 28 July 2025.

(vii) The EGM is expected to take less than half a day. Shareholders who attend the EGM shall be responsible for their own travel and food and accommodation expenses. Shareholders (or their proxies) attending the meeting shall procure their identity documents.

(viii) All times refer to Hong Kong local time, except as otherwise stated.