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港譽城市服務集團
GANGYU URBAN SERVICES GROUP

GANGYU SMART URBAN SERVICES HOLDING LIMITED
港譽智慧城市服務控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 265)

**APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR;
AND
CHANGE IN COMPOSITION OF BOARD COMMITTEE**

The board (the “**Board**”) of directors (the “**Director(s)**”) of Gangyu Smart Urban Services Holding Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that, with effect from 30 June 2025, Mr. Yao Gang (“**Mr. Yao**”) has been appointed as (i) an independent non-executive Director; (ii) the chairman of the audit committee of the Board (the “**Audit Committee**”); and (iii) a member of the nomination committee of the Board (the “**Nomination Committee**”). The biographical details of Mr. Yao are set out below:

Mr. Yao Gang (姚剛先生), aged 51, graduated from the Business School of Central South University (中南大學商學院) in China in 2003 with a master’s degree in management, and obtained his Ph.D. in Management from the Chinese Academy of Fiscal Sciences (中國財政科學研究院) in 2012. Mr. Yao possesses the qualifications of a member of the Chinese Institute of Certified Public Accountants (中國註冊會計師協會), an associate of the Institute of Chartered Accountants in England and Wales (ICAEW) and full membership of CPA Australia.

He is currently an independent director of Feitian Technologies Co., Ltd. (飛天誠信科技股份有限公司), whose shares are listed on the Shenzhen Stock Exchange (“**SZEX**”) with stock code SZ300386.

Mr. Yao founded his own business in Beijing and has served as the legal representative of Lv Dong Mei (Beijing) Intelligent Technology Co., Ltd.* (律動美(北京)智能科技有限公司) since 2017, and as the legal representative of Beijing Lv Dong Philharmonic Culture Media Co., Ltd.* (北京律動愛樂文化傳媒有限公司) since 2023. Prior to joining the Group, he had the following work experience:

| Period | Company | Position |
|---------------------------------------|--|---|
| From January to December 2024 | Beijing Huatu Education Group (北京華圖教育集團), whose shares were listed on the National Equities Exchange and Quotations (“ NEEQ ”) with stock code 830858. Beijing Huatu Education Group was delisted from NEEQ in 2018 on its own accord | Financial advisor |
| From September 2016 to September 2019 | Hainan Jingliang Holdings Co., Ltd. (海南京糧控股股份有限公司), whose shares are listed on SZEX with stock code SZ000505 | Independent director |
| From January 2012 to April 2018 | Hanwang Technology Co., Ltd. (漢王科技股份有限公司), whose A Shares are listed on SZEX with stock code SZ002362 | Includes independent director, general manager and director |
| From April 2015 to December 2016 | Qingdao Zhongzi Zhongcheng Group Co., Ltd. (青島市恒順眾昇集團股份有限公司) (“ Qingdao Zhongzi ”), whose shares are listed on SZEX with stock code SZ300208 | General manager and director |
| From November 2010 to April 2015 | Qingdao Zhongzi | Independent director |
| From July 2003 to December 2010 | Baker Tilly International Accountants (special general partnership) | With last position being a partner of the International Business Department |

Mr. Yao's appointment takes effect from 30 June 2025. He was appointed without a specific term but is subject to retirement by rotation at least once every three years and re-election at the annual general meetings of the Company in accordance with the Articles of Association of the Company (the "**Articles**") or any other applicable laws from time to time whereby he shall vacate his office. The Company has entered into a letter of appointment with Mr. Yao, pursuant to which he is entitled to receive an annual director's fee of HK\$150,000 which is determined by remuneration committee of the Board and the Board with reference to his qualification and experience, responsibilities to be undertaken, the Company's remuneration policies and the prevailing market conditions. In accordance with the Articles, Mr. Yao will hold office until the next following general meeting of the Company and will then be eligible for re-election at that meeting.

As at the date of this announcement, Mr. Yao does not have, and is not deemed to have, any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

Matters that need to be brought to the attention of shareholders

On 11 April 2018, Mr. Yao received the Administrative Penalty Decision (No. [2018] 31) (the "**Decision**") issued by the China Securities Regulatory Commission ("**CSRC**"), which imposed an administrative penalty consisting of a warning and a fine of RMB150,000.

The Decision involved non-disclosures to the public certain information related to Qingdao Zhongzi occurring between 2014 and 2015.

As explained by Mr. Yao, he fulfilled his independent director duties diligently per the corporate governance standards of that era, with no intentional misconduct or gross negligence. A decade ago (at the time of CSRC's investigation in 2015 and earlier), China's A-share market governance was nascent. The independent director system remained underdeveloped, with independent directors holding limited substantive influence in board decisions. Prevailing board practices at the time effectively precluded dissenting votes; differing opinions were typically relegated to post-meeting discussions and treated as advisory suggestions.

During the CSRC's stringent enforcement campaign, all investigated companies faced blanket penalties against directors and senior management regardless of individual culpability. Mr. Yao's extended tenure and senior positions (notably as General Manager, though the violations occurred before his term of office) resulted in disproportionately severe penalties due to circumstantial attribution.

The View of the Nomination Committee

In determining whether Mr. Yao is appropriate to be appointed as an independent non-executive Director; the chairman of the Audit Committee and a member of the Nomination Committee, the Nomination Committee had considered the following factors:

- (i) At the material time, the corporate governance in China's A-share market is still in its early stages of development, and the independent director system is not yet fully established;
- (ii) Independent directors do not have genuine decision-making power within the board, and given the prevailing board culture and practices at the material time, they were essentially unable to voice dissenting opinions;
- (iii) The Decision has not affected Mr. Yao's current position as a director, supervisor, or senior executive in listed companies of mainland China; and
- (iv) Mr. Yao has ample experience in accounting and finance sectors.

Based on the above factors, the Nomination Committee is of view that, despite the Decision, Mr. Yao is still appropriate to be appointed as an independent non-executive Director; the chairman of the Audit Committee and a member of the Nomination Committee.

Save as disclosed above, Mr. Yao has confirmed each of the following that:

- (i) he has not held any other directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years;
- (ii) he has not held any other positions in the Group or other major appointments and professional qualifications;
- (iii) he does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company;
- (iv) he is independent as regards each of the factors referred to in Rules 3.13(1) to (8) of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**");
- (v) he has no past or present financial or other interest in the business of the Group or any connection with any core connected person (as such term is defined in the Listing Rules) of the Company;

- (vi) there are no other factors that may affect the his independence at the time of his appointment;
- (vii) there are no other matters that need to be brought to the attention of shareholders in connection with his appointment; and
- (viii) there is no other information that should be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

The Board would like to take this opportunity to welcome Mr. Yao for joining the Board as an independent non-executive Director.

By order of the Board
Gangyu Smart Urban Services Holding Limited
Mo Yueming
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 30 June 2025

As at the date of this announcement, the Board comprises three executive Directors, being Mr. Mo Yueming, Ms. Hao Ying and Mr. Xue Fei; two non-executive Directors, being Mr. He Qi and Mr. Sui Feng-jih; and three independent non-executive Directors, being Mr. Lin Hua Rong, Harry, Ms. Juliett Jing Dong and Mr. Yao Gang.

* denotes an English translation of the Chinese name for identification purpose only.