

China Fangda Group Co., Ltd.

Resolutions of the 16th Meeting of the 9th Board of Directors

The members of the Board and the Company guarantee that the announcement is free from any false information, misleading statement or material omission and are jointly and severally liable for the information's truthfulness, accuracy and integrity.

The Board of Directors of China Fangda Group Co., Ltd. (the "Company") issued this meeting notice in writing and fax on October 20, 2022. The 16th meeting of the 9th Board of Directors was convened on October 26, 2022 to vote by correspondence in accordance with the Company Law and the Articles of Association. Seven directors were supposed to attend the meeting, and seven directors attended the meeting. Convening and holding this meeting complies with the provisions of the *Company Law* and the *Articles of Association*. The following resolutions were reviewed and approved:

1. Proposal regarding the Company's 2022 Q3 Report

For details, please refer to the Company's 2022 Q3 Report.

Voting results: 7 votes in favor, 0 votes against, and 0 abstentions.

2. Proposal on continuing developing derivatives hedging business

In accordance with Shenzhen Stock Exchange's Self-regulatory Guidelines for Listed Companies No. 7 - Transactions and Related Transactions, the Articles of Association and other relevant provisions, the period for carrying out commodity futures option hedging business and foreign exchange derivatives trading business approved at the 11th meeting of the 9th Board of Directors is about to expire. To ensure the sustainability of the above derivatives hedging business, the Company and its holding subsidiaries will continue to carry out derivatives hedging business with their own funds, as follows:

(1) Commodity futures option hedging business

The Company and its holding subsidiaries are engaged in the futures and option hedging of aluminum, steel, glass, and other commodities related to the Company's activities. The investment quota is determined by the total margin and royalty amounts, and a maximum total amount is not to exceed RMB 50 million, which can

be recycled.

(2) Foreign exchange derivatives trading business

In addition, the company and its holding subsidiaries engage in foreign exchange derivatives trading with financial institutions, mainly in forward foreign exchange trading, RMB foreign exchange swap trading, RMB foreign exchange option trading, and non-deliverable forward foreign exchange trading. The maximum balance of foreign exchange derivatives transactions shall not exceed RMB 400,000,000, which may be recycled.

The investment period of the company for the above derivative hedging business shall be twelve months from October 31, 2022.

Voting results: 7 votes in favor, 0 votes against, and 0 abstentions.

3. Proposal on continue using of idle self-owned funds for cash management

In accordance with Shenzhen Stock Exchange's Self-regulatory Guidelines for Listed Companies No. 7 - Transactions and Related Transactions, the Articles of Association and other relevant provisions, the time limit for using idle self owned funds for cash management approved at the 11th meeting of the 9th Board of Directors of the Company is about to expire. In order to ensure the sustainability of the Company's cash management business, without affecting the normal operation and under the premise of controllable risks, the Company and its subsidiaries continue to use idle self owned funds for cash management according to their business development plans and capital status. The accumulated amount does not exceed RMB800 million yuan, which can be recycled within the limit. This cash management is used to purchase securities, products of banks and their financial management subsidiaries, asset management plans, bonds, funds, and other financial products, as well as other investment behaviors approved by the Shenzhen Stock Exchange. The company will strictly control the risks associated with financial products purchased, strictly evaluate the financial products, and select financial products with relatively good liquidity and investment returns. The period begins on October 31, 2022, and the management of the company will be responsible for specific implementation.

Voting results: 7 votes in favor, 0 votes against, and 0 abstentions.

The independent directors of the Company expressed their independent opinions on the second and third proposals above.

Company's 2022 Q3 Report, *Feasibility Analysis Report on the Derivative Hedging Business*, *Notice on Continuing Developing Derivatives Hedging Business* and *Notice on Using Part of Idle*

Self-Owned Funds for Cash Management, and Independent Directors' Independent Opinions on Matters Related to the 16th Meeting of the 9th Board of Directors are published on <http://www.cninfo.com.cn> on October 28, 2022.

The above is for the attention of the shareholders.

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China Fangda Group Co.,

Board of Directors

October 28, 2022