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

If you have sold or transferred all your shares in Yangzhou Guangling District Taihe Rural Micro-finance Company Limited (揚州市廣陵區泰和農村小額貸款股份有限公司), you should at once hand this circular to the purchaser(s) or the transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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Yangzhou Guangling District Taihe Rural Micro-finance Company Limited

揚州市廣陵區泰和農村小額貸款股份有限公司

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

(Stock Code: 1915)

PROPOSED CHANGE OF AUDITORS AND NOTICE OF THE SECOND EGM OF 2025

Unless otherwise requires, capitalized terms used on this cover shall have the same meanings as those defined in the circular.

The second extraordinary general meeting of 2025 of the Company (“**Second EGM**”) will be held at 10:30 a.m. (or immediately after the conclusion of the first extraordinary general meeting of 2025 of the Company to be held at 10:00 a.m. on Thursday, 16 January 2025, whichever is later) on Thursday, 16 January 2025 at 2/F, No. 1 Hongqi Avenue, Jiangwang Town, Hanjiang District, Yangzhou City, Jiangsu Province, the PRC. The notice of the Second EGM is set out on pages Second EGM-1 to Second EGM-3 of this circular.

A form of proxy for the Second EGM is enclosed with this circular. Such form of proxy is also published on the respective websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.gltaihe.com). Whether or not you intend to attend the Second EGM in person, you are advised to complete the proxy form. The proxy form for holders of H Shares should be returned to Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, and the proxy form for holders of Domestic Shares should be returned to the principal place of business of the Company in the PRC at 2/F, No. 1 Hongqi Avenue, Jiangwang Town, Hanjiang District, Yangzhou City, Jiangsu Province, the PRC, either by hand or by post by 24 hours before the time fixed for holding the Second EGM or any adjourned meeting thereof. Completion and return of the proxy form will not preclude you from attending and voting at the Second EGM, or any adjourned meeting, in person, if you so wish.

24 December 2024

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DEFINITIONS

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

“Articles of Association”	the articles of association of the Company prevailing from time to time
“Audit Committee”	the audit committee of the Board from time to time
“Board”	the board of Directors
“CICPA”	Confucius International CPA Limited
“Company”	Yangzhou Guangling District Taihe Rural Micro-finance Company Limited (揚州市廣陵區泰和農村小額貸款股份有限公司), whose H Shares are listed and traded on the Main Board of the Stock Exchange on 17 July 2019 (stock code: 1915)
“Director(s)”	director(s) of the Company from time to time
“Domestic Share(s)”	the ordinary shares in issue in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed in RMB and/or credited as fully paid in RMB by PRC natural persons or entities established under the laws of the PRC and all of such shares have not been listed on the Stock Exchange
“Domestic Shareholder(s)”	holder(s) of Domestic Share(s)
“EY”	Ernst & Young
“Group”	the Company and its subsidiaries
“H Share(s)”	the ordinary shares in issue in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in HK Dollars and listed on the Main Board of the Stock Exchange
“H Share Registrar”	Tricor Investor Services Limited
“H Shareholder(s)”	holder(s) of H Share(s)
“HK\$” or “HK Dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	24 December 2024, being the latest practicable date prior to the publication of this circular for the purpose of ascertaining certain information contained in this circular

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, modified or otherwise supplemented from time to time
“PRC”	The People’s Republic of China which, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Proposed Appointment”	the proposed appointment of CICPA as the new auditors of the Company
“Proposed Change of Auditors”	collectively, the Proposed Dismissal and the Proposed Appointment
“Proposed Dismissal”	the proposed dismissal of EY as the auditors of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Second EGM”	the second extraordinary general meeting of 2025 of the Company to be convened and held at 10:30 a.m. (or immediately after the conclusion of the first extraordinary general meeting of 2025 of the Company to be held at 10:00 a.m. on Thursday, 16 January 2025, whichever is later) on Thursday, 16 January 2025 at 2/F, No. 1 Hongqi Avenue, Jiangwang Town, Hanjiang District, Yangzhou City, Jiangsu Province, the PRC to consider and, if thought fit, approve the Proposed Change of Auditors
“Share(s)”	the Domestic Share(s) and/or the H Share(s)
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.



**Yangzhou Guangling District Taihe Rural Micro-finance
Company Limited**

揚州市廣陵區泰和農村小額貸款股份有限公司

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

(Stock Code: 1915)

Executive Directors:

Mr. Bo Wanlin (*Chairman*)

Ms. Bai Li

Mr. Zhang Yi

Registered Office:

Beizhou Road, Lidian Town

Guangling District

Yangzhou City, Jiangsu Province

the PRC

Non-executive Directors:

Mr. Bo Nianbin

Mr. Zhang Zhuo

Principal Place of Business in Hong Kong:

40th Floor, Dah Sing Financial Centre

No. 248 Queen's Road East

Wanchai

Hong Kong

Independent non-executive Directors:

Ms. Zhang Lingling

Ms. Wang Chunhong

24 December 2024

To the Shareholders

Dear Sir or Madam,

**PROPOSED CHANGE OF AUDITORS
AND
NOTICE OF THE SECOND EGM OF 2025**

1. INTRODUCTION

Reference is made to the announcement of the Company dated 24 December 2024 in relation to the Proposed Change of Auditors. The purpose of this circular is to provide you with, among other things, (i) further information on the Proposed Change of Auditors; and (ii) a notice convening the Second EGM.

2. PROPOSED DISMISSAL OF EY

EY was re-appointed as the auditors of the Company at the last annual general meeting of the Company held on 7 June 2024 to hold office until the conclusion of the next annual general meeting of the Company. However, the Company and EY have been unable to reach a consensus on the audit fee of EY for the financial year ending 31 December 2024.

LETTER FROM THE BOARD

After considering the facts and circumstances, the Audit Committee, having been delegated the power to oversee the effectiveness of the external auditors, was of the view that it would be in the best interest of the Company and its Shareholders as a whole to replace EY with another sizeable accounting firm, and therefore made a recommendation to the Board to seek the approval of the Shareholders regarding the Proposed Change of Auditors.

The Board proposes to seek the approval of the Shareholders regarding the Proposed Dismissal by way of an ordinary resolution at the Second EGM. The Proposed Dismissal shall come into effect upon the passing of such ordinary resolution by the Shareholders at the Second EGM pursuant to the Articles of Association.

The Board believes that the Proposed Dismissal would allow the Company to implement effective cost control measures and reduce operating expenses, thereby enhancing the Group's ability to adapt to future business development. The Board considers this decision to be in the best interest of the Company and its Shareholders as a whole.

The Company confirms that, save as the audit fee, there is no disagreement between the Company and EY. The Company has received a letter from EY confirming that, save for the outstanding audit fees due and payable by the Company, there are no matters in connection with the Proposed Dismissal that need to be brought to the attention of the holders of securities of the Company. To the best of the Directors' knowledge, information and belief, save as disclosed above, there are no other circumstances or matters that need to be brought to the attention of the Shareholders in relation to the Proposed Dismissal.

3. PROPOSED APPOINTMENT OF CICPA

The Audit Committee has considered a number of factors in assessing the appointment of CICPA as the auditors, including but not limited to (i) the audit proposal of CICPA; (ii) the proposed audit fees respectively provided by EY and CICPA; (iii) the experience and technical competence of CICPA in handling audit works for companies listed on the Stock Exchange; (iv) CICPA's independence and objectivity; (v) the resources and capabilities of CICPA in providing audit services to listed companies; and (vi) the relevant guidelines issued by the Accounting and Financial Reporting Council. Based on the Audit Committee's evaluation, the Audit Committee considered that CICPA is eligible, qualified and suitable to carry out duties of the auditors of the Company, the audit fees proposed by CICPA is commensurate with the extent of audit work required and is more cost-effective, taking into account the current macroeconomic environment and the financial expenditures of the Group and the Proposed Change of Auditors will not have any impact on the audit work of the Company for the financial year ending 31 December 2024.

The Board, with the recommendation of the Audit Committee, is of the view that CICPA is a sizeable accounting firm which should be able to devote appropriate and adequate resources to handle the Company's audit work for the financial year ending 31 December 2024, and therefore proposes to appoint CICPA as the new auditors of the Company to hold office until the conclusion of the next annual general meeting of the Company.

LETTER FROM THE BOARD

The Board proposes to seek the approval of the Shareholders regarding the Proposed Appointment by way of an ordinary resolution at the Second EGM. The Proposed Appointment is subject to the Proposed Dismissal becoming effective, the passing of an ordinary resolution in respect of the Proposed Appointment at the Second EGM pursuant to the Articles of Association and the completion of the relevant audit engagement acceptance procedures of CICPA.

Implications of the Listing Rules

Pursuant to Article 170 of the Articles of Association, the appointment, dismissal or no re-appointment of an accounting firm by the Company shall be decided upon by the general meeting and reported to the securities regulatory and management authorities under the State Council for the filing and record.

Pursuant to Rule 13.88 of the Listing Rules, (a) the Company must not remove its auditor before the end of the auditor's term of office without first obtaining Shareholders' approval at a general meeting; (b) the Company must send a circular proposing the removal of the auditor to the Shareholders with any written representations from the auditor not less than 10 business days before the general meeting; and (c) the Company must allow the auditor to attend the general meeting and make written and/or verbal representations to the Shareholders at the general meeting.

In compliance with the Articles of Association and the Listing Rules, each of the Proposed Dismissal and the Proposed Appointment will be proposed at the Second EGM as an ordinary resolution, and a copy of this circular will be despatched to EY to invite them to attend the Second EGM and make written and/or verbal representations (if any) to the Shareholders at the Second EGM.

The Board confirms that, save as disclosed in this circular, there are no other circumstances or matters in connection with the Proposed Change of Auditors that should be brought to the attention of the Shareholders.

4. SECOND EGM AND PROXY ARRANGEMENT

(a) Notice of the Second EGM

The Company will convene the Second EGM at 10:30 a.m. (or immediately after the conclusion of the first extraordinary general meeting of 2025 of the Company to be held at 10:00 a.m. on Thursday, 16 January 2025, whichever is later) on Thursday, 16 January 2025 at 2/F, No. 1 Hongqi Avenue, Jiangwang Town, Hanjiang District, Yangzhou City, Jiangsu Province, the PRC to consider and, if thought fit, to pass resolutions in respect of the matters set out in the notice of the Second EGM. The notice of the Second EGM is set out on pages Second EGM-1 to Second EGM-3 of this circular. The circular is also published on the respective websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.gltaihe.com).

LETTER FROM THE BOARD

(b) Closure of books

In order to determine the eligibility of the Shareholders to attend the Second EGM, the register of members of the Company will be closed from Monday, 13 January 2025 to Thursday, 16 January 2025, both days inclusive, during which period no transfer of Shares will be registered. Only Shareholders whose names appear on the register of members of the Company on Thursday, 16 January 2025 or their proxies or duly authorised corporate representatives are entitled to attend the Second EGM. In order to qualify for attending and voting at the Second EGM, all properly completed transfer documents accompanied with relevant share certificates must be lodged with the Company's H Share Registrar, 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 principal place of business in the PRC at 2/F, No. 1 Hongqi Avenue, Jiangwang Town, Hanjiang District, Yangzhou City, Jiangsu Province, the PRC (for holders of Domestic Shares) not later than 4:30 p.m. on Friday, 10 January 2025.

(c) Proxy form

Shareholders who intend to attend the Second EGM by proxy are required to complete and return the proxy form, in accordance with the instructions printed thereon as soon as possible and in any event not later than 24 hours before the time appointed for the holding of the Second EGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the Second EGM or any adjournment thereof should you so wish.

(d) Voting by poll at the Second EGM

Pursuant to Rule 13.39(4) of the Listing Rules, the resolutions to be proposed at a general meeting must be taken by poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

On a poll, every Shareholder present in person or by proxy or (being a corporation) by its duly authorised representative shall have one vote for each Share registered in his or her or its name in the register of Shareholders. A Shareholder entitled to more than one vote need not use all his or her or its votes or cast all the votes he or she or it uses in the same way.

5. 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.

LETTER FROM THE BOARD

6. RECOMMENDATION

The Board considers that the resolutions set out in the notice of the Second EGM for Shareholders' consideration and approval are in the interests of the Company and the Shareholders as a whole. As such, the Board recommends the Shareholders to vote in favor of the resolutions set out in the notice of the Second EGM which are to be proposed at the Second EGM.

By Order of the Board
Yangzhou Guangling District Taihe Rural
Mirco-finance Company Limited
Bo Wanlin
Chairman

NOTICE OF THE SECOND EGM

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Yangzhou Guangling District Taihe Rural Micro-finance Company Limited

揚州市廣陵區泰和農村小額貸款股份有限公司

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

(Stock Code: 1915)

NOTICE OF THE SECOND EXTRAORDINARY GENERAL MEETING OF 2025

NOTICE IS HEREBY GIVEN that the second extraordinary general meeting (the “**Second EGM**”) of 2025 of Yangzhou Guangling District Taihe Rural Micro-finance Company Limited (the “**Company**”) will be held at 10:30 a.m. (or immediately after the conclusion of the first extraordinary general meeting of 2025 of the Company to be held at 10:00 a.m. on Thursday, 16 January 2025, whichever is later) on Thursday, 16 January 2025 at 2/F, No. 1 Hongqi Avenue, Jiangwang Town, Hanjiang District, Yangzhou City, Jiangsu Province, the PRC for the following purpose:

ORDINARY RESOLUTIONS

1. “**THAT** Ernst & Young be and are hereby dismissed as the auditors of the Company pursuant to Article 170 of the articles of association of the Company with immediate effect after the conclusion of the Second EGM (the “**Removal**”), and any one of the directors of the Company (the “**Directors**”) be and are hereby authorised to exercise such discretion to complete and do all such acts and things, including without limitation, to sign, execute and deliver all such documents and deeds, and to approve any amendment, alteration or modification to any document, as they may consider necessary, desirable or expedient or in the interest of the Company to give effect to the Removal.”
2. “**THAT** conditional upon the passing of the ordinary resolution numbered 1 above, (i) Confucius International CPA Limited (“**CICPA**”) be and are hereby appointed as the auditors of the Company with immediate effect after the conclusion of the Second EGM, and to hold office until the conclusion of the next annual general meeting of the Company (the “**Appointment**”); (ii) any one of the directors of the Company (the “**Directors**”) be and are hereby authorised to exercise such discretion to complete and do all such acts and things, including without limitation, to sign,

NOTICE OF THE SECOND EGM

seal, execute and deliver all such documents and deeds, and to approve any amendment, alteration or modification to any document, as they may consider necessary, desirable or expedient or in the interest of the Company to give effect to the Appointment; and (iii) the board of Directors be and is hereby authorised to fix the remuneration of CICPA.”

By Order of the board of directors
**Yangzhou Guangling District Taihe Rural
Mirco-finance Company Limited**
Bo Wanlin
Chairman

Yangzhou, the People’s Republic of China, 24 December 2024

Notes:

1. In order to determine the eligibility of the Shareholders to attend the Second EGM, the register of members of the Company will be closed from Monday, 13 January 2025 to Thursday, 16 January 2025, both days inclusive, during which no transfer of shares of the Company (the “**Shares**”) will be registered. Only Shareholders whose names appear on the register of members of the Company on Thursday, 16 January 2025 or their proxies or duly authorised corporate representatives are entitled to attend the Second EGM. In order to qualify for attending and voting at the Second EGM, all properly completed transfer documents accompanied with relevant Share certificates must be lodged with the Company’s H Share registrar, 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 principal place of business in the PRC at 2/F, No. 1 Hongqi Avenue, Jiangwang Town, Hanjiang District, Yangzhou City, Jiangsu Province, the PRC (for holders of domestic Shares) not later than 4:30 p.m. on Friday, 10, January 2025.
2. A Shareholder entitled to attend and vote at the Second EGM may appoint one or more person (whether he/she/it is a Shareholder or not) to attend at the Second EGM and speak and vote for any matters at the same on his or her or its behalf.
3. The instrument appointing a proxy must be in writing and signed by a Shareholder or his/her duly authorised attorney. If the Shareholder is a corporation, such instrument must be either under its common seal or duly signed by its legal representative, director(s) or duly authorised attorney(s).
4. Shareholders who intend to attend the Second EGM by proxy should complete the proxy form. For holders of H Shares, the proxy form should be returned to Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong and for holders of domestic Shares, the proxy form should be returned to the Company’s principal place of business in the PRC at 2/F, No. 1 Hongqi Avenue, Jiangwang Town, Hanjiang District, Yangzhou City, Jiangsu Province, the PRC, in person or by post not less than 24 hours before the time fixed for holding the Second EGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending the Second EGM or any adjournment thereof and voting in person, but your proxy’s authority to vote on a resolution is to be regarded as revoked if you attend in person at the meeting and vote on that particular resolution.
5. Shareholders shall provide their identity documents when attending the Second EGM. A proxy who attends the Second EGM on behalf of a Shareholder shall produce his/her identification document. If a Shareholder who is a legal person appoints its legal representative to attend the meeting, the legal representative shall produce his/her identification document and a notarially certified copy of the resolution or form of proxy of the board of directors or other governing body of the legal person (other than a recognised clearing house or its nominee) authorising the legal representative.

NOTICE OF THE SECOND EGM

6. Shareholders (in person or by proxy) attending the Second EGM are responsible for their own transportation and accommodation expenses. Shareholders or their proxies attending the Second EGM shall present their identity certifications.
7. In case of joint holders of a Share, any one of such holders is entitled to vote at the meeting either in person or by proxy for such Share, as if he/she/it is the only one entitled to do so among the joint holders. However, only the vote of the person whose name stands first on the register of members in respect of such Share shall be accepted if more than one joint holder attend the meeting personally or by proxy.
8. The resolutions as set out above are required to be determined by way of poll under the Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.
9. Please refer to the Company's circular of the Second EGM dated 24 December 2024 for the content of the resolutions in this notice.
10. The contact information of the Company is as follows:

Contact person: Ms. Zhou Yinqing/ Mr. Pete Lau

Contact Tel: 86 514 8794 7629 / 852 3912 0876

As at the date of this notice, the Board comprises three executive Directors, namely Mr. Bo Wanlin, Ms. Bai Li and Mr. Zhang Yi; two non-executive Directors, namely Mr. Bo Nianbin and Mr. Zhang Zhuo; and two independent non-executive Directors, namely Ms. Zhang Lingling and Ms. Wang Chunhong.