

STATEMENT OF DISCIPLINARY ACTION

Exchange's Disciplinary Action against a Former Director of Green Future Food Hydrocolloid Marine Science Company Limited (Stock Code: 1084)

SANCTION AND DIRECTION

The Stock Exchange of Hong Kong Limited (**Exchange**)

CENSURES:

Mr Guo Songsen, former non-executive director of the Company (**Mr Guo**).

AND FURTHER DIRECTS:

Mr Guo to attend 17 hours of training on regulatory and legal topics and Listing Rule compliance, including at least three hours on each of (i) directors' duties and (ii) the Corporate Governance Code; and two hours on the Listing Rule requirements for the Model Code.

SUMMARY OF FACTS

Between 29 January to 30 March 2022 and 29 January to 30 March 2023, despite having been notified by the Company about the respective blackout periods preceding the Company's publication of its 2021 annual results and 2022 annual results, Mr Guo, a controlling shareholder of the Company (by virtue of a concert party agreement), made 44 trades in the Company's securities on 18 trading days during the blackout periods (**Dealings**).

- (1) Seven of the Dealings were made on 20 February 2023. On the same day, the Company made an announcement in relation to the unusual price and trading movements. The announcement stated that, "there has been no change in the shareholding of the controlling shareholders of the Company" (**No Change Announcement**); and
- (2) Three of the Dealings were made within seven calendar days before the Company published an inside information announcement relating to its positive profit alert on 5 March 2023 (**Profit Alert Announcement**).

The Company sought confirmation from Mr Guo before it made the No Change Announcement. Mr Guo mistakenly believed that the Model Code provisions did not apply to him as a non-executive director, so he did not inform the Company about his Dealings. After being notified by the Exchange about his obligations under the Model Code, Mr Guo admitted his breaches.

.../2

RULE REQUIREMENTS

Under Rules A.1 and A.3(a)(i) of the Model Code for Securities Transactions by Directors of Listed Issuers (**Model Code**), a director must not deal in any of the securities of the issuer:

- (1) at any time when he possesses inside information in relation to those securities; and
- (2) during the blackout period, which is the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results.

Under Rule B.8 of the Model Code, a director of a listed issuer must not deal in any securities of the issuer without first notifying the Chairman of the board, or a designated director and receiving a dated written acknowledgement.

Under Rule 3.09B, a director has obligations to:

- (a) comply with the Listing Rules to the best of his/her ability; and
- (b) use his/her best endeavors to procure the Company's compliance with the Listing Rules.

SETTLEMENT

Mr Guo has admitted his breaches and accepted the sanction and direction set out in this statement.

LISTING COMMITTEE'S FINDINGS OF BREACH

The Listing Committee found that Mr Guo breached Rules A.1, A.3(a)(i) and B.8 of the Model Code. Mr Guo conducted the Dealings during blackout periods. In respect of some of the Dealings, he possessed inside information about the Profit Alert Announcement. He did not obtain clearance from the Company's designated director.

Mr Guo also breached his obligations, now set out in Rule 3.09B, by failing to (a) comply with the Listing Rules to his best ability and (b) to inform the Company of his Dealings. This led to inaccurate disclosure in the No Change Announcement. Mr Guo failed to ensure that the Company's disclosure in the No Change Announcement was factually correct.

CONCLUSION

The Listing Committee decided to impose the sanction and direction set out in this Statement of Disciplinary Action.

For the avoidance of doubt, the Exchange confirms that the above sanction and direction apply only to Mr Guo, and not to any other past or present directors of the Company.

Hong Kong, 4 July 2024