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Ko Yo Chemical (Group) Limited
玫源化工(集團)有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 00827)

**CHANGE OF EXECUTIVE DIRECTORS, CHAIRMAN OF THE
BOARD, AUTHORISED REPRESENTATIVE AND
COMPLIANCE OFFICER
AND
REDESIGNATION OF CHIEF EXECUTIVE OFFICER**

The Board is pleased to announce that with effect from 20 July 2018:

1. Mr. Wu Tianran has resigned as an executive Director, the Chairman of the Board and an Authorised Representative of the Company;
2. Mr. Wan Congxin has resigned as an executive Director and the compliance officer of the Company;
3. Mr. Yuan Bai has resigned as an executive Director;
4. Mr. Tang Guoqiang has been appointed as an executive Director, the Chairman of the Board and an Authorised Representative;
5. Mr. Zhang Weihua has been appointed as an executive Director and the compliance officer of the Company;
6. Mr. Shi Jianmin has been appointed as an executive Director and Chief Executive Officer of the Company; and
7. Mr. Li Ciping has been re-designated from the Chief Executive Officer of the Company to a Managing Vice President of the Company.

A. Change of Executive Directors, Chairman of the Board, Authorised Representative and Compliance Officer

The board (the “**Board**”) of directors (the “**Directors**”) of Ko Yo Chemical (Group) Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) announces that with effect from 20 July 2018:

- (a) Mr. Wu Tianran (“**Mr. Wu**”) has resigned as an executive Director, the chairman of the Board and an authorised representative (the “**Authorised Representative**”) of the Company under Rule 3.05 of the Rules Governing the Listing (the “**Listing Rules**”) of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), due to his decision to devote more time to his other business commitments. Mr. Wu has confirmed that he has no disagreement with the Board and is not aware of any matters relating to his resignation that need to be brought to the attention of the shareholders of the Company (the “**Shareholders**”) or the Stock Exchange.
- (b) Mr. Wan Congxin (“**Mr. Wan**”) has resigned as an executive Director and the compliance officer of the Company, due to his decision to devote more time to his other business commitments. Mr. Wan has confirmed that he has no disagreement with the Board and is not aware of any matters relating to his resignation that need to be brought to the attention of the Shareholders or the Stock Exchange.
- (c) Mr. Yuan Bai (“**Mr. Yuan**”) has resigned as an executive Director, due to his decision to devote more time to his other business commitments. Mr. Yuan has confirmed that he has no disagreement with the Board and is not aware of any matters relating to his resignation that need to be brought to the attention of the shareholders of the Company or the Stock Exchange.
- (d) Mr. Tang Guoqiang (“**Mr. Tang**”) has been appointed as an executive Director, the Chairman of the Board.

Mr. Tang, aged 60, has over 28 years of management experience. He obtained a high school diploma from Jiangsu Province Liyang Middle School (江蘇省溧陽中學) in 1977. Mr. Tang was previously the general manager of Liyang Economic Development Corporation (溧陽經濟發展總公司) from May 1990 to August 1996. From November 2003 to April 2007,

he was an executive director of Zhenjiang Runfeng Real Estate Development Co., Ltd. (鎮江潤豐房地產開發有限公司). He was the chairman of Shunfeng International Clean Energy Ltd. (stock code: 1165), a listed company on the Main Board of the Stock Exchange, from July 2011 to July 2013. Since March 2015, he has been the chairman of Liyang Huakan Jianda Health Co., Ltd. (溧陽華康健達養生有限公司).

Mr. Tang is expected to enter into a service contract with the Company for a term of three years commencing from 20 July 2018 and is subject to retirement from office and re-election at the next annual general meeting of the Company and to subsequent retirement and re-election at least once every three years in accordance with the articles of association of the Company. The remuneration of Mr. Tang will be determined by the remuneration committee of the Board (the “**Remuneration Committee**”) and approved by the Board with reference to the prevailing market conditions, his experience, duties and responsibilities with the Company.

As at the date of this announcement, Mr. Tang does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as defined in Listing Rules) of the Company. Mr. Tang is interested or deemed to be interested in 100,000,000 shares of the Company, representing approximately 2.33% of the issued share capital of the Company. Save as aforesaid, Mr. Tang does not 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) (the “**SFO**”).

Save as disclosed above, (i) Mr. Tang has confirmed that he does not hold any position with the Company nor any other directorship in any other listed public companies in the last three years; (ii) there is no other information to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules; and (iii) there is no other matters which needs to be brought to the attention of the shareholders of the Company (the “**Shareholders**”) and the Stock Exchange in relation to Mr. Tang’s appointment.

- (e) Mr. Zhang Weihua (“**Mr. Zhang**”) has been appointed as an executive Director and the compliance officer of the Company.

Mr. Zhang, aged 56, has over 33 years of management experience. He has been the deputy chairman and general manager of Changzhou Kangmei Chemical Industry Co., Ltd. (常州康美化工有限公司) since 1995, the chairman of Jiangsu Kangtai Biomedical Science Technology Co., Ltd. (江

蘇康泰生物醫學技術有限公司) since 2009, and the chairman of Jiangsu Kangtai Holdings Group Co., Ltd. (江蘇康泰控股集團有限公司) since 2011. Mr. Zhang was a member of the National People's Congress representing Jintan city (金壇市人大代表) from 2003 to 2017.

Mr. Zhang is expected to enter into a service contract with the Company for a term of three years commencing from 20 July 2018 and is subject to retirement from office and re-election at the next annual general meeting of the Company and to subsequent retirement and re-election at least once every three years in accordance with the articles of association of the Company. The remuneration of Mr. Zhang will be determined by the Remuneration Committee and approved by the Board with reference to the prevailing market conditions, his experience, duties and responsibilities with the Company.

As at the date of this announcement, Mr. Zhang does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as defined in Listing Rules) of the Company, and he does not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, (i) Mr. Zhang has confirmed that he does not hold any position with the Company nor any other directorship in any other listed public companies in the last three years; (ii) there is no other information to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules; and (iii) there is no other matters which needs to be brought to the attention of the Shareholders and the Stock Exchange in relation to Mr. Zhang's appointment.

- (f) Mr. Shi Jianmin (“**Mr. Shi**”) has been appointed as an executive Director and the Chief Executive Officer of the Company.

Mr. Shi, aged 51, has over 22 years of management experience. He obtained a diploma in business administration from the E-learning College, Shanghai Jiao Tong University in July 2007 and studied an EMBA business course in Xiamen University in the autumn of 2011. He was previously the president of Guanghua Sub-branch of ICBC Changzhou and the general manager of the electronic bank department of ICBC Changzhou. From September 2011 to June 2017, Mr. Shi was the deputy chairman and executive director of Shunfeng International Clean Energy Ltd (stock code: 1165), a

company listed on the Stock Exchange. Since August 2017, Mr. Shi has been an executive director of Jiangsu Wei Lan Photovoltaic System Integrated Ltd. (江蘇蔚藍光伏系統集成有限公司) in the People's Republic of China.

Mr. Shi is expected to enter into a service contract with the Company for a term of three years commencing from 20 July 2018 and is subject to retirement from office and re-election at the next annual general meeting of the Company and to subsequent retirement and re-election at least once every three years in accordance with the articles of association of the Company. The remuneration of Mr. Shi will be determined by the Remuneration Committee and the Board with reference to the prevailing market conditions, his experience, duties and responsibilities with the Company.

As at the date of this announcement, Mr. Shi does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as defined in Listing Rules) of the Company. Mr. Shi is interested or deemed to be interested in zero coupon convertible bonds with a conversion price of HK\$0.40 amounted to HK\$12,000,000 issued by the Company on 15 January 2016, which can convert into 30,000,000 shares of the Company representing approximately 0.70% of the issued share capital of the Company. Save as aforesaid, Mr. Shi does not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, (i) Mr. Shi has confirmed that he does not hold any position with the Company nor any other directorship in any other listed public companies in the last three years; (ii) there is no other information to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules; and (iii) there is no other matters which needs to be brought to the attention of the Shareholders and the Stock Exchange in relation to Mr. Shi's appointment.

B. Re-designation of Chief Executive Officer

The Board announces that with effect from 20 July 2018, Mr. Li Ciping (“**Mr. Li**”), the chief executive officer of the Company has been re-designated to the managing vice president of the Company. Mr. Li has confirmed that he has no disagreement with the Board and is not aware of any matters relating to his re-designation that need to be brought to the attention of the Shareholders or the Stock Exchange.

The Board would like to take this opportunity to express its sincere gratitude to Messrs. Wu, Wan, Yuan and Li for their valuable contributions to the Company during their tenure of office as Director and Chief Executive Officer (as the case may be) and would like to welcome Messrs. Shi, Tang and Zhang on their new appointments with the Company.

By Order of the Board
Ko Yo Chemical (Group) Limited
Tang Guoqiang
Chairman

Hong Kong, 20 July 2018

As at the date of this announcement, the Board comprises four executive directors, being Mr. Tang Guoqiang, Mr. Shi Jianmin, Mr. Li Weiruo, and Mr. Zhang Weihua, one non-executive director being Mr. Zhang Fubo and three independent non-executive directors being, Mr. Hu Xiaoping, Mr. Shi Lei and Mr. Xu Congcai.