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China Medical & HealthCare Group Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 383)

(1) APPOINTMENT OF EXECUTIVE DIRECTOR (2) CHANGE OF NON-EXECUTIVE DIRECTORS (3) CHANGE IN COMPOSITION OF BOARD COMMITTEES AND (4) CHANGE OF AUTHORISED REPRESENTATIVE

The Board is pleased to announce that with effect from 27 October 2022 :

- (i) Mr. Kong Muk Yin will be appointed as an Executive Director of the Company, a member of each of the remuneration committee, executive committee and investment committee of the Company;
- (ii) Mr. Zheng Zhen will resign as a Non-Executive Director of the Company and he will also cease to be a member of each of the audit committee, remuneration committee and investment committee of the Company;
- (iii) Mr. Gao Zhaoyuan will be appointed as a Non-Executive Director of the Company, a member of each of the audit committee, remuneration committee and investment committee of the Company; and
- (iv) Ms. Chong Sok Un, the Deputy Chairman and Executive Director of the Company, will resign as an Authorised Representative of the Company and Mr. Kong Muk Yin will be appointed as an Authorised Representative of the Company.

(1) APPOINTMENT OF EXECUTIVE DIRECTOR

(i) Mr. Kong Muk Yin (“Mr. Kong”)

The board of directors (the “**Board**”) of China Medical & HealthCare Group Limited (the “**Company**”) is pleased to announce that with effect from 27 October 2022, Mr. Kong will be appointed as an Executive Director of the Company, a member of each of the remuneration committee, executive committee and investment committee of the Company.

Set out below are the biographical details of Mr. Kong :

Mr. Kong, aged 56, is currently a director of various subsidiaries and a member of environmental, social and governance committee of the Company and also was an executive director of the Company from 13 May 2002 to 13 May 2021. He was a non-executive director and the company secretary of Pan Asia Data Holdings Inc. (formerly known as Manfield Chemical Holdings Limited, a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Main Board**”), stock code: 1561) from 12 June 2014 to 10 January 2020 and from 12 June 2014 to 31 December 2018 respectively. From 4 July 2007 to 24 June 2014, he was also an executive director and a non-executive director of Alibaba Pictures Group Limited (formerly known as ChinaVision Media Group Limited, a company listed on the Main Board, stock code: 1060). He was an executive director of Landing International Development Limited (formerly known as Greenfield Chemical Holdings Limited, a company listed on the Main Board, stock code: 582) from 13 October 2009 to 21 January 2010 and an executive director of APAC Resources Limited (a company listed on the Main Board, stock code: 1104) from 4 November 2009 to 1 March 2016. From September 2010 to September 2015, he was also a director of Mabuhay Holdings Corporation (a company listed on The Philippine Stock Exchange, Inc. (the “**Philippine Stock Exchange**”), stock code: MHC) and Philippine Infradev Holdings, Inc. (formerly known as IRC Properties, Inc., a company listed on the Philippine Stock Exchange, stock code: INFRA).

Mr. Kong graduated from the City University of Hong Kong with a Bachelor’s Degree in Business Studies. He is a fellow member of The Association of Chartered Certified Accountants (“**ACCA**”), a member of the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and a Chartered Financial Analyst and he has extensive experience in corporate finance, financial management, accounting and auditing.

Mr. Kong will enter into a service agreement with the Company for a term of two years and the term of his service shall be renewed automatically for a successive 2-year term or until terminated in accordance with the said service agreement. His appointment is also subject to the relevant provisions of retirement and re-election at the annual general meetings of the Company. Mr. Kong will hold office until the next following annual general meeting of the Company and will be eligible for re-election at that meeting in accordance with the Bye-laws of the Company or any other applicable laws whereby he shall vacate his office. Mr. Kong will be entitled to receive a monthly remuneration of HK150,000, one month year-end double pay and performance based discretionary bonus. His remuneration is determined by the Board based on recommendation of the remuneration committee of the Company with reference to the market salary range for the position, his qualifications, experience and level of responsibilities undertaken.

Apart from the above, the Securities and Futures Commission (“**SFC**”) in the Market Misconduct Tribunal of Hong Kong (the “**MMT**”) took regulatory action on 12 May 2021 against Mr. Kong for the breach of the disclosure requirement under sections 307A, 307B and 307G (as the case may be) of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“**SFO**”) relating to inside information, and ordered that, inter alia, (i) Mr. Kong must not, for a period of 6 months, without leave of the Court of First Instance (1) be or continue to be a director, liquidator, or receiver or manager of the property or business, of a listed corporation; or (2) in any way, whether directly or indirectly, be concerned or take part in the management of a listed corporation; and (ii) undergo a training programme (the “**MMT Order**”). Further details of the above are disclosed in the Company’s announcements dated 1 November 2019 and 13 May 2021 (“**Regulatory Announcements**”). Following the MMT Order, Mr. Kong has completed the training provided by The Hong Kong Institute of Directors. With effect from 13 May 2021, Mr. Kong ceased to be an executive director, member of the remuneration committee, executive committee and investment committee of the Company and also ceased to act as an authorized representative of the Company under Rule 3.05 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) (the “**Companies Ordinance**”).

Further, in relation to the MMT Order, HKICPA has taken regulatory action against Mr. Kong for his failure or neglect to observe, maintain or otherwise apply the fundamental principle of professional behavior in section 110.1A1(e) and subsection 115 under Part A of the applicable Code of Ethics for Professional Accountants. In addition, pursuant to bye-law 8(a)(vi) of ACCA, he is liable to disciplinary action by virtue of the regulatory action taken against him by SFC and the MMT Order. The Council of HKICPA and the Consent Orders Chair of ACCA concluded that Mr. Kong be reprimanded, and pay costs to the institutes on 23 March 2022 and 14 July 2022 respectively.

Notwithstanding the foregoing, the Board and the nomination committee of the Company are of the opinion that Mr. Kong is suitable to act as a director under Rules 3.08 and 3.09 of the Listing Rules for the Company as the incident set forth in the Regulatory Announcements did not involve any dishonesty, fraud or integrity issue on the part of Mr. Kong. In addition, Mr. Kong has an extensive experience in corporate finance, financial management, accounting and auditing which can bring further contribution to the Board.

Save as disclosed above, as at the date of this announcement, Mr. Kong confirmed that (i) he does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company (the “**Shareholders**”); (ii) he does not have and is not deemed to have any interest in the shares of the Company within the meaning of Part XV of the SFO; (iii) he has not held any other directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (iv) he does not hold other positions with the Company or its subsidiaries; and (v) there is no other matter or information in relation to the appointment of Mr. Kong that needs to be brought to the attention of Shareholders or to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

(2) CHANGE OF NON-EXECUTIVE DIRECTORS

Reference is made to the announcement of the Company dated 4 December 2015 (the “**Announcement**”) relating to, among other things, the Subscription Agreement entered into between the Company and CM International Holding Pte. Ltd. (“**CM International**”) in relation to the Subscription. Unless the context required otherwise, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

(i) Mr. Zheng Zhen (“**Mr. Zheng**”)

The Board is pleased to announce that with effect from 27 October 2022, the change of Non-Executive Directors, member of each of audit committee, remuneration committee and investment committee of the Company will be as follows :

- Mr. Zheng will resign as a Non-Executive Director of the Company and he will also cease to be a member of each of the audit committee, remuneration committee and investment committee of the Company; and
- Mr. Gao Zhaoyuan (“**Mr. Gao**”) will be appointed as a Non-Executive Director of the Company, a member of each of the audit committee, remuneration committee and investment committee of the Company.

Victor Beauty Investments Limited, as nominated by CM International pursuant to the Subscription Agreement, informed the Board that Mr. Gao will replace Mr. Zheng to act as a Non-Executive Director and a member of each of the audit committee, remuneration committee and investment committee of the Company.

Mr. Zheng has confirmed to the Board that he has no disagreement with the Board and there is no matter relating to his resignation that needs to be brought to the attention of the Shareholders or The Stock Exchange of Hong Kong Limited.

The Board would also like to take this opportunity to express its sincere gratitude to Mr. Zheng for his valuable efforts and contributions to the Company during his tenure of service.

Set out below are the biographical details of Mr. Gao :

(ii) Mr. Gao

Mr. Gao, aged 39, graduated from the Shanghai University of Finance and Economics with a Bachelor's Degree in Economics in 2005 and graduated from the Shanghai Jiao Tong University Shanghai Advanced Institute of Finance with a Master's Degree in Business Administration in 2010. Mr. Gao joined CMIG Assets Management Corporation (Beijing) Co. Ltd. (北京中民資產管理有限公司, a wholly-owned subsidiary of China Minsheng Investment Group Co., Ltd., 中國民生投資股份有限公司) since April 2017. He serves as general manager of strategic investment department of CMIG Asset Management Co., Ltd. (中民投資資產管理有限公司).

Mr. Gao served as a vice president of the Institute Business Group II of DBS Bank (China) Co., Ltd. from October 2015 to April 2017. He also worked as the department head of corporate banking department of Shanghai Branch of The Bank of East Asia (China) Co., Ltd. from June 2010 to October 2015, the last position was senior trade finance manager of Ningbo Branch of HSBC Bank (China) Co., Ltd. from July 2007 to June 2010 and the relationship manager of credit department of Shanghai Xuhui Sub-branch of Bank of Communications from September 2005 to July 2007.

Mr. Gao will enter into a letter of appointment with the Company and the term of his service will continue for a period of two years and will be renewed automatically for a successive 2-year term so long as CM International holds not less than 5% of the issued share capital of the Company from time to time pursuant to the Subscription Agreement or until terminated in accordance with the said letter of appointment. His appointment is also subject to the relevant provisions of retirement and re-election at the annual general meetings of the Company. Mr. Gao will hold office until the next following annual general meeting of the Company and will be eligible for re-election at that meeting in accordance with the Bye-laws of the Company or any other applicable laws whereby he shall vacate his office. Mr. Gao will be entitled to receive HK\$150,000 per annum as director's remuneration which is determined by the Board based on recommendation of the remuneration committee of the Company with reference to the market salary range for the position, his qualifications, experience and level of responsibilities undertaken.

Save as disclosed above, as at the date of this announcement, Mr. Gao confirmed that (i) he does not have any relationship with any directors, senior management, substantial or controlling Shareholders; (ii) he does not have and is not deemed to have any interest in the shares of the Company within the meaning of Part XV of the SFO; (iii) he has not held any other directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (iv) he does not hold other positions with the Company or its subsidiaries; and (v) there is no other matter or information in relation to the appointment of Mr. Gao that needs to be brought to the attention of Shareholders or to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

The Board would like to this opportunity to extend its warmest welcome to Mr. Kong and Mr. Gao in joining the Board.

(3) CHANGE IN COMPOSITION OF BOARD COMMITTEES

The Board is pleased to announce that with effect from 27 October 2022, the composition of the Board Committees of the Company will be changed as follows :

- Mr. Kong will be appointed as a member of each of the remuneration committee, executive committee and investment committee of the Company;
- Mr. Zheng will cease to be a member of each of the audit committee, remuneration committee and investment committee of the Company; and
- Mr. Gao will be appointed as a member of each of the audit committee, remuneration committee and investment committee of the Company.

(4) CHANGE OF AUTHORISED REPRESENTATIVE

The Board further announces that with effect from 27 October 2022, Ms. Chong Sok Un (“**Ms. Chong**”), the Deputy Chairman and Executive Director of the Company, will resign as an authorised representative of the Company under Rule 3.05 of the Listing Rules and Part 16 of the Companies Ordinance (collectively, the “**Authorised Representative**”). Following the resignation of Ms. Chong, Mr. Kong will be appointed as an Authorised Representative of the Company under the Listing Rules and Part 16 of the Companies Ordinance with effect from 27 October 2022.

By Order of the Board
China Medical & HealthCare Group Limited
Chong Sok Un
Deputy Chairman

Hong Kong, 26 October 2022

As at the date of this announcement, the Board comprises :

Executive Directors

Ms. Chong Sok Un (Deputy Chairman), Mr. Kong Muk Yin, Mr. Guo Meibao and Mr. Zhou Haiying

Non-Executive Directors

Mr. Lai Hin Wing Henry Stephen and Mr. Gao Zhaoyuan

Independent Non-Executive Directors

Mr. Zhang Jian, Dr. Xia Xiaoning, Dr. Wong Wing Kuen, Albert and Ms. Yang Lai Sum, Lisa