

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Changhong Jiahua Holdings Limited

長虹佳華控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 3991)

CHANGE OF CHAIRMAN OF THE BOARD, EXECUTIVE DIRECTORS AND CHAIRMAN OF THE NOMINATION COMMITTEE

The Board announces that with effect from 8 April 2021:

1. Mr. Zhao Yong has resigned as the chairman of the Board, executive Director and the chairman of the Nomination Committee, and Mr. Yang Jun has resigned as executive Director; and
2. Mr. Zhu Jianqiu has been appointed as the chairman of the Board and the chairman of the Nomination Committee, and Mr. Pan Xiaoyong and Mr. Zhang Xiaolong have been appointed as executive Directors.

The board (the “**Board**”) of directors (the “**Directors**”) of Changhong Jiahua Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) announces that:

RESIGNATION OF CHAIRMAN OF THE BOARD, EXECUTIVE DIRECTORS AND CHAIRMAN OF THE NOMINATION COMMITTEE

With effect from 8 April 2021, due to their other business commitments, Mr. Zhao Yong (“**Mr. Zhao**”) has resigned as the chairman of the Board, executive Director and the chairman of the Nomination Committee, and Mr. Yang Jun (“**Mr. Yang**”) has resigned as executive Director.

Mr. Zhao and Mr. Yang confirmed that they have no disagreement with the Board and there is no matter relating to their resignation that needs to be brought to the attention of the holders of securities of the Company.

The Board would like to take this opportunity to express its sincere gratitude to Mr. Zhao and Mr. Yang for their valuable contribution to the Company during their tenure of services.

APPOINTMENT OF THE CHAIRMAN OF THE BOARD AND THE CHAIRMAN OF THE NOMINATION COMMITTEE

With effect from 8 April 2021, Mr. Zhu Jianqiu (“**Mr. Zhu**”) been appointed as the chairman of the Board and the chairman of the Nomination Committee.

Mr. ZHU Jianqiu, aged 58, joined the Company as an executive Director and the president of the Company in April 2013. Mr. Zhu is responsible for the overall operation and management of the Group. Mr. Zhu is also the director and chief executive officer of each of the following subsidiaries of the Company, namely Sichuan Changhong IT Information Products Company Limited, Sichuan Changhong IT Digital Technology Co., Ltd., Beijing Changhong IT Intelligence System Co., Ltd. and Sichuan Changhong IT Duolayouhuo E-Commerce Co., Ltd., the chairman of Sichuan Changhong Cloud Computing Company Limited and PT. Changhong Jiahua Information Technology Indonesia, executive director of Changhong (Hong Kong) Enterprises Limited, Sufficient Value Group Limited and Wide Miracle Limited. He obtained a Doctoral Degree in Economics from Renmin University and a Bachelor Degree in 1984 from Northeast University in the PRC and has more than 23 years of experience in information technology industry management.

Following the appointment as the chairman of the Board and the chairman of the Nominating Committee, the existing service contract entered into between Mr. Zhu and the Company will remain effective. Pursuant to Mr. Zhu’s service contract, Mr. Zhu is currently entitled to a director’s emolument of HK\$14,356,395.48 per annum as determined by the Board with reference to his responsibilities, abilities and performance, the Company’s operations, as well as remuneration benchmark in the industry and prevailing market conditions.

Save as disclosed above, to the best knowledge of the Board, Mr. Zhu (1) did not hold any directorship in other public companies listed on Hong Kong or overseas over the last three years nor other positions with the Company or other members of the Group, and (2) does not have any relationship with any director, senior management or substantial or controlling shareholder of the Company.

As at the date of this announcement, Mr. Zhu is interested in 90,165,762 shares of the Company (among which 7,750,000 shares were held directly and 82,415,762 shares were held through Typical Faith Limited). Save as disclosed above, Mr. Zhu does not have any interests or short positions in the Shares or underlying shares of the Company which are required to be disclosed pursuant to Part XV of the Securities and Futures Ordinance.

APPOINTMENT OF EXECUTIVE DIRECTORS

With effect from 8 April 2021, Mr. Pan Xiaoyong (“**Mr. Pan**”) and Mr. Zhang Xiaolong (“**Mr. Zhang**”) have been appointed as executive Directors.

Mr. PAN Xiaoyong, 46, is a director of Sichuan Changhong Electric Co., Limited (“**Sichuan Changhong**”) (Shanghai Stock Exchange stock code: 600839) and the deputy general manager of Sichuan Changhong Electronics Holding Group Company Limited (“**Sichuan Changhong Holding**”, and collectively with its subsidiaries, the “**Sichuan Changhong Electric Group**”), and serves in various positions within the Sichuan Changhong Electronics Group. He obtained a bachelor’s degree in engineering from Hefei

University of Technology(合肥工業大學)in June 1998, a master’s degree in engineering from Hefei University of Technology in June 2000 and a doctor’s degree in engineering from Hefei University of Technology in December 2003. Mr. Pan worked in postdoctoral research in the major of mechanical manufacturing and automation of the Department of Precision Instruments of Tsinghua University (清華大學). He is a national leading talent in scientific and technological innovation and a recipient of special government subsidy from the State Council. He has more than 21 years of experience in the field of technological innovation and rich investment experience.

Mr. ZHANG Xiaolong, aged 45, is the chief financial officer of Sichuan Changhong. He obtained a bachelor’s degree in accounting from Zhongnan University of Economics and Law (中南財經政法大學) in July 1998 and a master’s degree in business administration from the University of Electronic Science and Technology of China (電子科技大學) in June 2017. He has over 22 years of experience in financial management and corporate finance.

Sichuan Changhong and Sichuan Changhong Holdings are the controlling shareholders of the Company. Except as disclosed above, with respect to the Listing Rules (the “**Listing Rules**”), Mr. Pan and Mr. Zhang have no relationship with any director, senior executives or substantial or controlling shareholder of the Company.

Save as disclosed above, to the best knowledge of the Board, Mr. Pan and Mr. Zhang did not hold any directorship in other public companies listed on Hong Kong or overseas over the last three years nor other positions with the Company or other members of the Group.

As at the date of this announcement, Mr. Pan and Mr. Zhang do not have any interests or short positions in the Shares or underlying shares of the Company which are required to be disclosed pursuant to Part XV of the Securities and Futures Ordinance.

Each of Mr. Pan and Mr. Zhang has entered into a service contract with the Company which is renewable automatically per annum. Each of Mr. Pan and Mr. Zhang is also subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the bye-laws of the Company. Pursuant to the service contracts, each of Mr. Pan and Mr. Zhang will be entitled to a director’s emolument of HK\$60,000 per annum, which is determined by the remuneration committee of the Company with reference to each of Mr. Pan and Mr. Zhang’s relevant experience, responsibilities and duties in the Company and the prevailing market benchmarks. Mr. Pan and Mr. Zhang currently waive their emolument on their own accord.

Save as disclosed above, there is no other information should be disclosed under Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules or any other matter in relation to the appointment of Mr. Pan and Mr. Zhang that needs to be brought to the attention of the holders of securities of the Company.

The Board would like to take this opportunity to extend its warmest welcome to Mr. Pan and Mr. Zhang in joining the Board.

DEVIATION FROM THE CORPORATE GOVERNANCE CODE

The code provision A.2.1 of the Corporate Governance Code (the “**CG Code**”) as set out in Appendix 14 to the Listing Rules stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

As Mr. Zhu serves as both the chairman of the Board and the president with effect from 8 April 2021, such practice deviates from code provision A.2.1 of the CG Code. Although the roles of chairman of the Board and president are performed by the same individual, all major decisions have been made in consultation with members of the Board as well as senior management. The Board has three independent non-executive Directors who offer different independent perspectives. Therefore, the Board is of the view that there is adequate balance of power and safeguards in place.

By Order of the Board of
Changhong Jiahua Holdings Limited
Zhu Jianqiu
Chairman and Executive Director

Hong Kong, 8 April 2021

As at the date of this announcement, the executive Directors of the Company are Mr. Zhu Jianqiu, Mr. Pan Xiaoyong, Mr. Zhang Xiaolong, Mr. Luo Yongping and the independent non-executive directors are Mr. Jonathan Chan Ming Sun, Mr. Gao Xudong and Mr. Meng Qingbin.