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## **Sinic Holdings (Group) Company Limited**

**新力控股（集團）有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2103)**

### **RESIGNATION OF EXECUTIVE DIRECTOR, CHANGE OF CHIEF EXECUTIVE OFFICER AND REDESIGNATION OF CO-CHAIRMAN AS CHAIRMAN**

The board (the “**Board**”) of directors (the “**Directors**”) of Sinic Holdings (Group) Company Limited (the “**Company**”) announces that Mr. Chen Kai (“**Mr. Chen**”) has tendered his resignation as an executive Director, Co-chairman and Chief Executive Officer of the Company, with effect from 1 October 2020, to allow him to devote more time for his personal and other commitments (the “**Resignation**”).

Mr. Chen has confirmed that he has no disagreement with the Board and there is no other matter in relation to the Resignation that needs to be brought to the attention of the shareholders of the Company and The Stock Exchange of Hong Kong Limited.

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

Mr. Zhang Yuanlin, an executive Director and Co-chairman of the Company, has been appointed as Chief Executive Officer of the Company and has been redesignated as Chairman of the Company with effect from 1 October 2020.

Mr. Zhang Yuanlin, aged 44, founded the Group in March 2010. Mr. Zhang has been a Director since 18 September 2018 and was redesignated as Chairman, an executive Director and Chief Executive Officer on 14 May 2019. Mr. Zhang ceased to be Chief Executive Officer and was redesignated to be the Co-chairman on 2 March 2020. Mr. Zhang is primarily responsible for the overall business direction and strategic development of the Group. Mr. Zhang has also served as a director of Jiangxi Sinic Properties, one of the Group’s major operating subsidiaries, since March 2010. He has over 17 years of experience in the PRC real estate industry. From January 2002 to January 2006, he worked in Jiangxi Province Fifth Construction Group Co., Ltd. (江西省第五建設集團有限公司), a general contractor for construction engineering projects and infrastructure construction projects, with his last position as the general manager. From December 2005 to October 2018, he served as the executive

director of Jiangxi Yuren Investment Co., Ltd. (江西裕仁投資有限公司). From August 2007 to January 2014, he served as the executive director of Jiangxi Fengcheng Hilton Properties Co., Ltd. (江西省豐城市希爾頓置地有限公司), a company engaged in the development of residential properties in Fengcheng City in Jiangxi Province of the PRC. In addition, Mr. Zhang has been a director of Sinic Technology since July 2016. Mr. Zhang has received multiple awards in recognition of his outstanding achievements. He was named one of the “100 Most Influential Entrepreneurs in China’s Real Estate Industry in 2018” (2018中國房地產百強企業貢獻人物) as well as the “Leading Person of Real Estate in Nanchang in 2016” (2016南昌樓市領軍人物) by China Real Estate Top 10 Research Group (中國房地產Top 10研究組) in 2018 and 2016, respectively. In 2015, Mr. Zhang was recognized as a “Person with Outstanding Contributions in China’s Real Estate Industry in 2015” (中國品牌地產榮譽榜2015年傑出人物) by China Real Estate Business Alliance (全國房地產商會聯盟). He was also awarded the “Top 10 Figures in Jiangxi’s Real Estate Industry of the Year” (江西地產年度十大名人) by Jiangxi Real Estate Association (江西省地產協會) in January 2015.

As at the date of this announcement, Mr. Zhang was indirectly interested in 2,970,000,000 Shares representing approximately 83.19% of the total number of issued share capital of the Company.

Mr. Zhang has entered into a service contract with the Company for a term of 3 years from 15 November 2019, which may be terminated by not less than 1 month notice in writing served by either party on the other and is subject to termination provisions therein and provisions on retirement by rotation of Directors as set out in the Articles. Mr. Zhang is entitled to a remuneration of RMB1,200,000 per annum. There is no separate service contract in relation to Mr. Zhang’s appointment as Chief Executive Officer.

Save as disclosed above, Mr. Zhang (i) does not hold any other directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (ii) does not hold any other position with the Company or its subsidiaries; (iii) does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) and (iv) does not have any interest in the shares or underlying shares of the Company within the meaning of Part XV of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong). There is no other matter in connection with the appointment of Mr. Zhang that needs to be brought to the attention of the shareholders of the Company and there is no other information that should be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

## **DEVIATION FROM THE CORPORATE GOVERNANCE CODE**

Corporate Governance Code provision A.2.1 stipulates that the roles of the chairman and chief executive officer should be separate and should not be performed by the same individual. In view of the fact that Mr. Zhang had been assuming day-to-day responsibilities in operating and managing the Group since its establishment, the Board believes that it is in the best interest of the Group to have Mr. Zhang taking up both roles for effective management and business development. Therefore, the Directors consider that the deviation from Corporate Governance Code provision A.2.1 is appropriate

in such circumstance. Notwithstanding the above, the Board is of the view that this management structure is effective for the Group's operations and sufficient checks and balances are in place. The Board will continue to review the effectiveness of the corporate governance structure to consider whether any further improvement to the above personnel arrangements is required.

By order of the Board  
**Sinic Holdings (Group) Company Limited**  
**ZHANG Yuanlin**  
*Co-Chairman*

Hong Kong, 7 September 2020

*As at the date of this announcement, the Board of the Company comprises Mr. ZHANG Yuanlin, Mr. CHEN Kai and Ms. TU Jing as executive Directors, and Mr. TAM Chi Choi, Mr. AU YEUNG Po Fung and Mr. LIU Xin as independent non-executive Directors.*