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CHINA SAITE GROUP COMPANY LIMITED

中國賽特集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 153)

APPOINTMENT OF EXECUTIVE DIRECTORS AND CHIEF EXECUTIVE OFFICER, CHANGE OF CHAIRMAN OF THE BOARD, CHAIRMAN OF NOMINATION COMMITTEE AND AUTHORISED REPRESENTATIVE AND CHANGE IN COMPOSITION OF BOARD COMMITTEES

APPOINTMENT OF EXECUTIVE DIRECTORS AND CHIEF EXECUTIVE OFFICER, CHANGE OF CHAIRMAN OF THE BOARD, CHAIRMAN OF NOMINATION COMMITTEE AND AUTHORISED REPRESENTATIVE

The board (the “**Board**”) of directors (the “**Director(s)**”) of China Saite Group Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that, with effect from 18 November 2021:

- (a) Mr. Li Xulin (李緒林) (“**Mr. Li**”) has been appointed as the chairman of the Board, an executive Director, the chief executive officer of the Company (the “**CEO**”), the chairman of the nomination committee of the Company (the “**Nomination Committee**”) and an authorised 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
- (b) Mr. Shan Hu (單虎) (“**Mr. Shan**”) has been appointed as an executive Director and a member of each of the remuneration committee of the Company (the “**Remuneration Committee**”) and the Nomination Committee.

The biographical details of Mr. Li and Mr. Shan are set out below:

Mr. Li, aged 55, graduated from the Party School of Anhui Provincial Committee of C.P.C (中共安徽省委黨校) with a postgraduate degree with major in economic management in July 2011.

Mr. Li has vast experiences in the finance area. He worked in the finance department* (財政所) of various districts in Huaiyuan County, Anhui Province, the People's Republic of China (the "PRC") (中國安徽省懷遠縣) from October 1984 to April 1995. From April 1995 to April 2003, Mr. Li was the Under Secretary for State-Owned Assets Administration Bureau* (國有資產管理局副局長) under the Ministry of Finance (財政部) of the PRC. From April 2003 to May 2005, he worked in the Finance Bureau (財政局) in Huaiyuan County, Anhui Province with his last position as the Secretary for Supervision Bureau* (監督局局長). From May 2006 to December 2008, he was the Officer of the State-owned Assets Supervision and Administration Office* (國有資產管理辦公室主任). From December 2008 to August 2015, Mr. Li was the Deputy Officer* (副主任) and Deputy Secretary* (副書記) of the Huaiyuan economic development area of Anhui Province* (安徽省懷遠經濟開發區). From May 2006 to August 2018, he was responsible for managing the Yuanchengtao Company* (縣城投公司) and Yuan Guarantee Company* (縣擔保公司) with his last positions as the chairman of the board (董事長) of Yuanchengtao Company and the responsible officer (負責人) of Yuan Guarantee Company. From August 2015 to August 2018, Mr. Li was the Party Branch Secretary* (黨組書記) and Secretary for Finance Bureau* (財政局局長) of Huaiyuan County, Anhui Province. Since June 2016, he was the member of the County Committee* (縣委委員). Since August 2018, Mr. Li is the chairman of the board (董事長) of Huaiyuan Investment Group Co., Ltd.* (懷遠投資集團有限公司). He was the Party Branch Deputy Secretary* (黨總支書記) from August 2018 to March 2020 and the Party Secretary* (黨委書記) Huaiyuan Investment Group Co., Ltd.* from March 2020 onwards.

Mr. Shan, aged 47, graduated from Anhui University of Finance & Economics (安徽財經大學) (formerly known as Anhui School of Finance and Trade* (安徽財貿學院) with a bachelor of economics with major in finance in July 1997. From August 1997 to September 2020, Mr. Shan worked at the Industrial and Commercial Bank of China in the PRC, with his last position as deputy head of Bengbu branch* (蚌埠分行), and was responsible for supervising various areas including corporate credit, investment banking, small enterprise, bank card, personal loan, institution, legal, bad debt, investment management, etc. From September 2020 onwards, Mr. Shan is the executor director and general manager of Anhui Tianhong New Type Steel Structural Material Co., Ltd.* (安徽天鴻新型鋼結構材料有限公司).

Each of Mr. Li and Mr. Shan will enter into a service agreement with the Company for a term of three years. In accordance with the articles of association of the Company ("Articles of Association"), each of Mr. Li and Mr. Shan shall hold office until the first general meeting of the Company after his appointment and shall be subject to re-election at such meeting. Subject to the Articles of Association, the appointment can be terminated by either party by serving not less than three-month's written notice to the other party. The remuneration of Mr. Li and Mr. Shan is HK\$20,000 per month, respectively, and their remunerations are determined by the Board with reference to their respective qualification and experience, duties and responsibilities with the Company, the Company's performance and the prevailing market situation.

As at the date of this announcement, each of Mr. Li and Mr. Shan confirms that (i) he does not have any relationship with any directors, senior management, substantial shareholders, or controlling shareholders of the Company; (ii) he does not have any interest 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); (iii) he does not hold other positions with the Company or other members of the Group; and (iv) he does not hold any directorship in the last three years in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, there is no information relating to the appointment of Mr. Li and Mr. Shan that needs to be brought to the attention of the shareholders of the Company nor is there any information to be disclosed by the Company pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

The Board would like to take this opportunity to express its warmest welcome to Mr. Li and Mr. Shan in joining the Board.

Following the appointment of Mr. Li, Mr. Hua Gang (“**Mr. Hua**”) will cease to be the chairman of the Board, chairman of the Nomination Committee and the authorised representative of the Company under Rule 3.05 of the Listing Rules but will remain as an executive Director.

CHANGE IN COMPOSITION OF THE BOARD COMMITTEES

The Board also announces that:

- (a) Mr. Li has been appointed as the chairman of the Nomination Committee;
- (b) Mr. Shan has been appointed as a member of each of the Remuneration Committee and the Nomination Committee; and
- (c) Mr. Hua will cease to be the chairman of the Nomination Committee.

The chairmen and members of other Board committees of the Company remained unchanged.

DEVIATION FROM THE CORPORATE GOVERNANCE CODE

As Mr. Li is appointed as both the chairman of the Board and the CEO, such practice deviates from code provision A.2.1 of the Corporate Governance Code as set forth in Appendix 14 to Listing Rules (the “**CG Code**”). The Board believes that vesting the roles of both the chairman of the Board and the CEO in the same person can facilitate the execution of the Group’s business strategies and boost effectiveness of its operation. Therefore, the Board considers that the deviation from the code provision A.2.1 of the CG Code is appropriate in such circumstance. In addition, under the supervision of the Board which is comprised of five executive Directors and five independent non-executive Directors, the Board is appropriately structured with balance of power to provide sufficient checks to protect the interests of the Company and its shareholders.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange was suspended with effect since 22 June 2020 and will continue to be suspended until further notice.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
China Saite Group Company Limited
Li Xulin
Chairman

Hong Kong, 18 November 2021

As at the date of this announcement, the executive Directors are Mr. Li Xulin, Mr. Xu Fanghua, Mr. Liu Zhibo, Mr. Hua Gang and Mr. Shan Hu; and the independent non-executive Directors are Mr. Xu Jiaming, Mr. Yan Hualin, Mr. Wu Zhongxian, Mr. Choi Ho Yan and Mr. Siu Siu Ling, Robert.

* *For identification purpose only*