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常茂生物化學工程股份有限公司

Changmao Biochemical Engineering Company Limited*

(a joint stock limited company incorporated in the People’s Republic of China)

(Stock Code: 954)

**ANNOUNCEMENT
PROPOSED CHANGE OF SUPERVISOR AND INDEPENDENT NON-
EXECUTIVE DIRECTORS**

Proposed Change of Supervisor

The board (the “**Board**”) of directors (“**Directors**”) of Changmao Biochemical Engineering Company Limited (the “**Company**”) hereby announces that Mr. Zhou Zhi Wei proposed to resign as the independent supervisor of the Company with effect from 18 June 2022 as he would offer himself for election as independent non-executive Director in the forthcoming annual general meeting of the Company. Mr. Zhou Zhi Wei has confirmed that he has no disagreement with the Board in any respect and, there is no other matter in relation to his resignation that needs to be brought to the attention of the shareholders of the Company (the “**Shareholders**”) or the Stock Exchange.

The Board hereby announces that the Nomination Committee of the Company and the Board have considered and approved the proposal to elect Ms. Rui Li Qin as the supervisor of the Company for a term of three years from 18 June 2022 to 17 June 2025, at the Annual General Meeting to be held on 25 May 2022.

The biographical details of Ms. Rui Li Qin are as follows:

Ms. Rui Li Qin (芮麗琴), aged 47, holds a bachelor's degree and is an engineer. She graduated from Changzhou Chemical School in 1994, majoring in basic organic chemical engineering. She graduated from Changzhou Staff University in 2006, majoring in computer information management. She graduated from Changzhou University in 2015, majoring in pharmaceutical engineering. She served as a technician of the Company from August 1994 to September 2000. Since October 2000, she had been served as the team leader and deputy department chief of quality control, chief of technical quality inspection department, manager representative, vice chairman of the labor union, and medicine quality authoriser of the Company. She has been the head of the technical quality inspection department of the Company from

April 2012 to present. She has been the medicine quality authoriser of the Company and the vice chairman of the Company's labor union since 2016.

Ms. Rui Li Qin will enter into a service contract with the Company for the period from 18 June 2022 to 17 June 2025.

The remunerations payable to Ms. Rui Li Qin is determined by the Remuneration Committee of the Company, with reference to her contribution of time, effort and expertise on the Company's matters. Ms. Rui Li Qin is entitled to (in addition to her remuneration in respect of her office with the Company which shall not, in any event, exceed Rmb400,000 per annum) an annual supervisor's fee (on the basis of 12 calendar months each year) of Rmb15,000 for the calendar year 2022, subject to an increment of not more than 10% per annum for each of the subsequent calendar years.

As at the date of this announcement, save as disclosed above, Ms. Rui Li Qin (i) does not have any interest in the shares or underlying shares of the Company within the meaning of Part XV of the Securities and Futures Ordinances (Chapter 571 of the Laws of Hong Kong); (ii) is not connected with the controlling shareholder, any Director, any Supervisor, any senior management member or substantial shareholder of the Company. Ms. Rui Li Qin does not hold any directorship in any other listed company in the last three years. Save as disclosed above, there is no other information relating to Ms. Rui Li Qin which needs to be disclosed pursuant to Rule 13.51(2) of the Main Board Listing Rules or need to be brought to the attention of the Shareholders.

Proposed Change of Independent Non-Executive Directors

The Board hereby announces that, Prof. Ouyang Ping Kai, Ms. Wei Xin and Ms. Au Fung Lan, proposed to resign as independent non-executive Directors and from their respective positions in the committee under the Board with effect from 18 June 2022, as each of them has served as an independent non-executive Director for more than 9 years. Each of Prof. Ouyang Ping Kai, Ms. Wei Xin and Ms. Au Fung Lan has confirmed that he/she has no disagreement with the Board in any respect and, there is no other matter in relation to his/her resignation that needs to be brought to the attention of the Shareholders or the Stock Exchange.

The Company and the Board would like to take this opportunity to express its sincere gratitude to Prof. Ouyang Ping Kai, Ms. Wei Xin and Ms. Au Fung Lan for their remarkable contribution to the development of the Company during their tenure as independent non-executive Directors.

The Board hereby announces that, having taken into account the Board Diversity Policy of the Company, the views, skills and experience of Mr. Zhou Zhi Wei and Mr. Shu Rong Xin and the contribution they may bring to the Company, the Nomination Committee of the Company and the Board have considered and approved the proposal to elect Mr. Zhou Zhi Wei and Mr. Shu Rong Xin as the independent non-executive Directors for a term of three years from 18 June 2022 to 17 June 2025, at the Annual General Meeting to be held on 25 May 2022.

Each of Mr. Zhou Zhi Wei and Mr. Shu Rong Xin will for the year 2022 (on the basis of 12 calendar months each year) be paid an annual director's fee of Rmb80,000, subject to an increment of not more than 10% per annum for each of the subsequent years. The remuneration payable to each of Mr. Zhou Zhi Wei and Mr. Shu Rong Xin is determined by the Remuneration Committee of the Company, with reference to his contribution of time, effort and expertise on the Company's matters.

The biographical details of Mr. Zhou Zhi Wei and Mr. Shu Rong Xin are as follows:

Mr. Zhou Zhi Wei (周志偉), aged 67, is an independent Supervisor. He was formerly the Deputy Director and Chief Engineer of Wuxi Building Materials Science Research Institute (無錫市建築材料科學研究所). He graduated from the current Department of Chemistry, Changzhou University with a Bachelor's degree in 1982. He was an engineer, senior engineer, deputy director, and chief engineer respectively at the Wuxi Building Materials Science Research Institute from 1982 to 1996. He served as Deputy General Manager in Wuxi Dayu Coating New Technology Development Co., Ltd. (大愚塗層新技術開發有限公司) from 1996 to 2012. Mr. Zhou was first appointed as an independent supervisor of the Company on 18 June 2020 and his terms as independent supervisor of the Company will expired be on 17 June 2022.

Mr. Shu Rong Xin (束榮新), aged 68, is an associate researcher (senior engineer). He graduated from Jiangsu Institute of Chemical Technology with a bachelor degree in 1982, and stayed to work at the school afterwards. He served as the deputy director and director of the General Affairs Department of Jiangsu Institute of Chemical Technology from 1984 to 1992. He served as the director of the Jiangsu Petrochemical Bloodline Party Committee Office and the director of the President's Office from 1992 to 1998. He served as Secretary of the Party Branch of the Chemical Engineering Department of Jiangsu Institute of Technology from 1998 to 2002. He served as Executive Dean of Huaide College (Independent College) of Jiangsu Institute of Technology from 2002 to 2007. He served as the director of the Audit Office and the deputy secretary of the Disciplinary Committee of Changzhou University from 2007 to 2013.

As at the date of this announcement, save as disclosed above, each of Mr. Zhou Zhi Wei and Mr. Shu Rong Xin (i) does not have any interest in the shares or underlying shares of the Company within the meaning of Part XV of the Securities and Futures Ordinances (Chapter 571 of the Laws of Hong Kong); (ii) is not connected with the controlling shareholder, any Director, any Supervisor, any senior management member or substantial shareholder of the Company. Each of Mr. Zhou Zhi Wei and Mr. Shu Rong Xin does not hold any directorship in any other listed company in the last three years. Save as disclosed above, there is no other information relating to Mr. Zhou Zhi Wei and Mr. Shu Rong Xin which needs to be disclosed pursuant to Rule 13.51(2) of the Main Board Listing Rules or need to be brought to the attention of the Shareholders.

Following the above proposed change of independent non-executive Directors, the number of independent non-executive Directors may fall below the minimum number required under Rules 3.10 and 3.21 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) from 18 June 2022. In addition, the Company may fail to meet the requirements set out in Rules 3.21 since the chairman of the Audit Committee may be vacant from 18 June 2022. The Board is now identifying a suitable candidate for the position of independent non-executive Director and will appoint an additional independent non-executive Director as soon as practicable in order to comply with the relevant requirements under the Listing Rules. The Company will make further announcement as and when appropriate.

By order of the Board
Changmao Biochemical Engineering Company Limited*
Rui Xin Sheng
Chairman

The PRC, 21 April 2022

**For identification purpose*

As at the date hereof, Mr. Rui Xin Sheng (Chairman) and Mr. Pan Chun are the executive directors of the Company, Mr. Zeng Xian Biao, Mr. Yu Xiao Ping, Mr. Wang Jian Ping and Ms. Leng Yi Xin are the non-executive directors of the Company, Prof. Ouyang Ping Kai, Ms. Wei Xin and Ms. Au Fung Lan are the independent non-executive directors of the Company.

This announcement will be published on the “Listing Company Information” page of the Stock Exchange’s website at www.hkexnews.hk and on the Company’s website at www.cmbec.com.hk.