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PanAsialum Holdings Company Limited

榮陽實業集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2078)

CHANGE OF CHAIRMAN OF THE BOARD

The board (the “**Board**”) of directors (the “**Directors**”) of PanAsialum Holdings Company Limited (the “**Company**”, and its subsidiaries, the “**Group**”) hereby announces that Dr. Cheung Wah Keung (“**Dr. Cheung**”) will cease to serve as the Independent Non-executive Chairman of the Board (the “**Chairman**”) with effect from 1 July 2022 in order to focus on his other business commitments. Dr. Cheung will remain to act as an independent non-executive Director, chairman of the remuneration committee, and member of each of audit committee, nomination committee and environmental, social and governance committee of the Company.

The Company’s current chief executive officer and executive Director, Mr. Pan Zhaolong (“**Mr. Pan**”), has been appointed as the Chairman with effect from 1 July 2022.

Dr. Cheung has confirmed that he has no disagreement with the Board and there is no other matter that needs to be brought to the attention of the shareholders (the “**Shareholders**”) of the Company or The Stock Exchange of Hong Kong Limited (the “**Exchange**”) in relation to his resignation as the Independent Non-executive Chairman.

Mr. Pan Zhaolong

Mr. Pan Zhaolong (“**Mr. Pan**”), aged 30, is the executive Director, chief executive officer, chairman of the environmental, social and governance committee, a member of the nomination committee, and an authorised representative of the Company. Mr. Pan oversees the daily operations as general manager of a major subsidiary of the Company. He started his career in manufacturing with Foxconn Technology Co., Ltd. in 2011, and founded TySr Industrial Company Limited in November 2012. Mr. Pan was also the Managing Director of the said company from July 2014 to April 2015. From August 2017 to June 2018, Mr. Pan took a sabbatical to study Art History at Tsinghua University before pursuing humanitarian work as a First Responder in Amman, Jordan from July 2018 to February 2020. Mr. Pan graduated from Harrow School, London, in 2010.

Mr. Pan has entered into a service contract with the Company in respect of his appointment as an executive Director for an initial term of three years, and is subject to retirement by rotation and re-election at the general meetings of the Company. Mr. Pan is entitled to receive a director's fee of HK\$1,600,000 per annum which is determined by the Board with reference to his experience and his duties and responsibilities in the Company as well as the current market rate.

As at the date hereof, Mr. Pan is a nominated beneficiary under a discretionary trust (the "**Trust**"), whereby 900,000,000 issued shares of the Company (representing approximately 75% of the issued share of the Company by virtue of Part XV of the Securities and Futures Ordinance are held by Easy Star Holdings Limited, a company ultimately wholly-owned by Genesis Trust & Corporate Services Ltd. as trustee for the Trust.

Saved as disclosed herein and at the date of this announcement, Mr. Pan does not (i) have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company; (ii) have any other interest in the securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong); and (iii) hold any other position with the Company and any of its subsidiaries. Save as disclosed in this announcement, Mr. Pan does not hold any other directorships in any listed companies in Hong Kong or overseas in the last three years.

Save as disclosed herein and at the date hereof, there is no information to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Rules Governing the Listing of Securities on the Exchange (the "**Listing Rules**") in respect of Mr. Pan and there are no other matters to be brought to the attention of the Shareholders in relation to his appointment as the Chairman.

The Board expresses its great appreciation to Dr. Cheung for his valuable contributions to the Group during his tenure of office as the Independent Non-executive Chairman and also congratulates Mr. Pan on his new appointment and looks forward to his continuous contribution to the Group's business and development.

It is noted that pursuant to code provision C.2.1 of the Corporate Governance Code as contained in Appendix 14 of the Listing Rules (the "**CG Code**"), the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Accordingly, the appointment of Mr. Pan as the Chairman deviates from the relevant code provision of the CG Code. The Board however believes that it is in the interests of the Company to vest the roles of both the chairman and the chief executive officer in the same person, so as to provide consistent leadership within the Group and facilitate the prompt execution of the Group's business strategies and boost operation effectiveness. The Board also believes that the balance of power and authority under this arrangement will not be impaired, as all major decisions must be made in consultation with the Board as a whole, together with its relevant committees, which comprise experienced and high calibre individuals, with three independent non-executive Directors

who are in the position to provide independent insights to the Board and monitor the management and operation of the Company. The Board will periodically review and consider the effectiveness of this arrangement by taking into account the circumstances of the Group as a whole.

On behalf of the Board of
PanAsialum Holdings Company Limited
Cheung Wah Keung
Independent Non-executive Chairman
and Independent Non-executive Director

Hong Kong, 30 June 2022

As at the date of this announcement, the executive directors of the Company are Mr. Pan Zhaolong and Mr. Ho Pak Yiu; and the independent non-executive directors of the Company are Mr. Leung Ka Tin, Dr. Cheung Wah Keung and Mr. Chan Kai Nang.