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宏华集团
HONGHUA GROUP

HONGHUA GROUP LIMITED

宏華集團有限公司

(a company incorporated in the Cayman Islands with limited liability)

(Stock Code: 196)

(1) RESIGNATION OF DIRECTORS AND BOARD

COMMITTEES MEMBERS

(2) APPOINTMENT OF DIRECTORS AND BOARD

COMMITTEES MEMBERS

(3) CHANGE OF PRESIDENT AND

(4) APPOINTMENT OF VICE PRESIDENT

The board of directors (the “**Board**”) of Honghua Group Limited (the “**Company**”) announces that, following the introduction of Dongfang Electric Corporation (the “**DEC**”) as the Company's substantial shareholders where reference is made to the announcement of the Company dated 29 June 2022, the composition of the Board is adjusted with the following resignations and appointments with effect from 4 July 2022:

Resignation of Directors and Board Committees Members

1. Mr. Ren Jie has tendered his resignation as Executive Director and member of Strategic Investment and Risk Control Committee of the Company, due to devoting more time to other business;
2. Mr. Chen Wenle has tendered his resignation as Non-Executive Director due to work arrangement;
3. Mr. Wang Xiuchang has tendered his resignation as Non-Executive Director due to work arrangement;
4. Mr. Zhang Mi has tendered his resignation as member of Remuneration Committee, due to devoting more time to other business; and
5. Mr. Chen Guoming has tendered his resignation as member of Nomination Committee, due to devoting more time to other business.

All the resigned directors have confirmed that there is no disagreement between them and the Board and they are not aware of any matter relating to their resignations that needs or anything that needs to be brought to the attention of the shareholders of the Company in relation to their resignations.

The Board would like to express its sincere gratitude to the leaving directors for their contributions to the Company during their tenure of office.

Appointment of directors and Board Committee members

1. Mr. Zhu Hua (“**Mr. Zhu**”) has been appointed as Executive Director and member of Strategic Investment and Risk Control Committee;
2. Mr. Yang Yong (“**Mr. Yang**”) has been appointed as Non-Executive Director; and
3. Mr. Zhang Shiju (“**Mr. Zhang**”) has been appointed as Independent Non-executive Director, member of the Audit Committee, Remuneration Committee and Nomination Committee.

The biographical details of Mr. Zhu, Mr. Yang and Mr. Zhang are as follows:

Mr. Zhu, aged 38, joined the DEC in 2009 and once served as a director, general manager and party secretary of MHI Power Dongfang Boiler Co., Ltd., a subsidiary of DEC. He once served as the deputy director of the boiler technology department, the deputy director of the product project management department, the director of the marketing center and the director of the thermal power marketing department of Dongfang Boiler Co., Ltd. Mr. Zhu has extensive experience in technology and corporate management. Mr. Zhu obtained a bachelor's degree in thermal and power engineering from Zhejiang University in 2006, a master's degree in mechanical engineering from the Hong Kong University of Science and Technology in 2008, and a doctorate degree in Power Engineering and Engineering Thermophysics from Xi'an Jiaotong University in 2020.

Mr. Zhu has entered into an executive director's service contract with the Company for a term of three years with effect from 4 July 2022, subject to retirement by rotation and re-election in accordance with the Articles. Mr. Zhu does not receive director's remuneration from the Company.

Mr. Yang, aged 48, joined the DEC in 1998, and served as the chairman and party secretary of DEC (Chengdu) Hydrogen Fuel Cell Technology Co., Ltd., the vice president of Central Research Institute of DEC and Deputy General Manager of DEC Academy of Science and Technology Co., Ltd. Mr. Yang has extensive experience in corporate management. Mr. Yang obtained a bachelor's degree from the School of materials Science and Engineering of Xi'an University of Technology specializing in casting in 1998, and completed a doctoral program in management jointly organized by the University of Electronic Science and Technology of China and the University of Lisbon, Portugal in 2012 where he obtained a doctorate in management. Mr. Yang has been appointed as the Deputy Secretary of the Party Committee and Secretary of

the Disciplinary Committee of HongHua (China) Investment Co., Ltd., a subsidiary of the Company.

Mr. Yang has entered into a non-executive director's service contract with the Company for a term of three years with effect from 4 July 2022, subject to retirement by rotation and re-election in accordance with the Articles. Mr. Yang does not receive director's remuneration from the Company.

Mr. Zhang, aged 44, is currently a senior partner of Beijing Yingke Law Firm Shanghai Office. Mr. Zhang holds a master's degree in economic law from Nanjing University. He is a member of the Legal Counsel Professional Committee of the All-China Lawyers Association, an external expert of the Shanghai Technology Exchange Expert Think Tank, and a management consulting service expert of the Management Consulting Professional Committee of the China Enterprise Confederation. Mr. Zhang served as the Deputy Secretary-General of Shanghai Youth Entrepreneurship and Employment Foundation, a co-tutor for graduate students of Tsinghua University and Shanghai Jiaotong University Law School, and an adjunct professor of Jilin University Business School. Mr. Zhang has extensive experience in legal services such as investment and mergers and acquisitions, IPO listing, corporate governance, and industrial funds.

Mr. Zhang has entered into an independent non-executive director service contract with the Company for a term of three years commencing from 4 July 2022, and is subject to retirement by rotation and re-election in accordance with the Company's articles of association. Mr. Zhang will receive an annual director's remuneration of HK\$120,000, which will be determined by the Board of the Company with reference to his qualifications, experience and responsibilities.

Other Information in relation to the appointment of directors

Except as disclosed above, as at the date of this announcement, each of the newly appointed directors has confirmed that he (i) has not held any other position in the Company or any of its subsidiary; (ii) does not have any other relationship with any director, senior manager, substantial shareholder or controlling shareholder of the Company; (iii) has not held directorship in any public companies listed on securities market of Hong Kong or overseas in the past three years; (iv) does not have any interests in the shares of the Company within the meaning defined under Part XV of the Securities and Futures Ordinance (Chapter 571 of Hong Kong Laws); and (v) does not have any information which is to be disclosed under rule through 13.51(2)(h) to 13.51(2)(v) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited or any other matters that need to be brought to the attention of the Company's shareholders in relation to their appointments.

Change of the President

Mr. Jiang Fuhao (“**Mr. Jiang**”) ceased to be the President of the Company due to work arrangement with effect from 4 July 2022.

Mr. Jiang has confirmed that he has no disagreement with the Board and there is no matter that needs to be brought to the attention of the shareholders of the Company.

The Board would like to express its gratitude to Mr. Jiang for his contributions to the Company during his tenure of office.

Appointment of Vice President

Mr. Zhu has been appointed as the Executive Vice President of the Company and is in charge of the scientific research and production and the daily operation and management of the Company, with effect from 4 July 2022.

Mr. Luo Xiaoming (“**Mr. Luo**”) has been appointed as the Vice President of the Company, responsible for the international operation and marketing management of the Company, with effect from 4 July 2022.

The biographical details of Mr. Luo are as follows:

Mr. Luo, aged 55, joined the DEC since 1992. He was the vice general manager of DEC International Cooperation Limited, Dongfang Electric Co., Ltd, International Engineering Branch and Dongfang Electric Co., Ltd., Import and Export Branch, respectively. Mr. Luo is experienced in international trade business. Mr. Luo obtained a bachelor's degree in thermal engineering from the thermal engineering department of Chongqing University in 1998 and holds a master's degree of engineering thermal physics from the power engineering department of Harbin Institute of Technology in 1992.

On behalf of the Board

Honghua Group Limited

Jin Liliang

Chairman

PRC, 4 July 2022

As at the date of this announcement, the executive directors of the Company are Mr. Jin Liliang (Chairman) and Mr. Zhu Hua; the non-executive directors of the Company are Mr. Zhang Mi and Mr. Yang Yong; and the independent non-executive directors of the Company are Mr. Chen Guoming, Ms. Su Mei, Mr. Chang Qing, Mr. Wei Bin and Mr. Zhang Shiju .