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HUA MEDICINE

華領醫藥

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2552)

**APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR
AND
CHANGE IN COMPOSITION OF AUDIT COMMITTEE AND
REMUNERATION COMMITTEE**

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR

The board (the “**Board**”) of directors (the “**Directors**”) of Hua Medicine (the “**Company**”) hereby announces that Mr. Yiu Leung Andy CHEUNG (“**Mr. Cheung**”) has been appointed as an independent non-executive Director with effect from January 1, 2023.

The biographical details of Mr. Cheung are set out below:

Mr. Cheung, aged 63, has been appointed as an independent non-executive Director with such appointment to take effect from January 1, 2023. He is primarily responsible for supervising and providing independent view to the Board. Mr. Cheung will also serve as the chairman of the audit committee of the Board (the “**Audit Committee**”) with effect from January 1, 2023, replacing Mr. Walter Teh-Ming KWAUK following his unfortunate passing away in November 2022.

Mr. Cheung has over 30 years of professional accounting and auditing experience. He has been serving as an independent non-executive director and the chairman of the audit committee of JW (Cayman) Therapeutics Co. Ltd, a company listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (stock code: 2126), since October 2020. He has also been serving as an independent director and the chairman of the audit committee of Adagene Inc., a company listed on NASDAQ Stock Exchange in the United States (stock code: ADAG), since February 2021.

From July 2018 to June 2020, Mr. Cheung was the deputy area managing partner of Ernst & Young (“EY”) in Asia Pacific, overseeing its business operations, finance, information technology and risk management functions. He was a member of EY Asia Pacific’s Area Operating Executives, EY’s Global Accounts Committee and EY’s Global Markets and Investment Committee during that period. From July 2013 to June 2018, Mr. Cheung was the assurance managing partner for EY in Greater China, managing its audit, financial accounting advisory, forensic and climate change and sustainability services in the Mainland China, Hong Kong and Taiwan. He was a member of EY Greater China’s Leadership Team during that period. From July 2011 to June 2013, Mr. Cheung was the chief operating officer of EY Hua Ming LLP. From July 2010 to June 2011, Mr. Cheung was an assurance partner of EY China. From July 2009 to June 2010, Mr. Cheung worked as the area chief financial officer of EY Asia Pacific and led the effort to set up EY’s China Overseas Investment Network in 2007. Prior to joining EY as assurance partner in 2006, Mr. Cheung was an assurance partner with PricewaterhouseCoopers China and Arthur Andersen China.

Mr. Cheung received his bachelor’s degree in accounting and finance from the University of Lancaster in the United Kingdom in June 1982. He obtained a master’s degree in accounting and finance from London School of Economics in the United Kingdom in August 1983. He has been a member of Hong Kong Institute of Certified Public Accountants since October 1986 and served as a member of its disciplinary panel from January 2015 to December 2020.

Mr. Cheung has entered into an appointment letter with the Company for an initial term of three years commencing from January 1, 2023, which may be terminated by one month’s notice in writing in advance served by either Mr. Cheung or the Company. Mr. Cheung will hold office until the next annual general meeting of the Company at which he will be eligible for re-election. Thereafter, Mr. Cheung will be subject to retirement by rotation and re-election in accordance with the articles of association of the Company. Pursuant to the appointment letter, Mr. Cheung will be entitled to an annual director’s fee of RMB450,000 per annum for his services as an independent non-executive Director and an additional emolument of RMB90,000 per annum for his services as the chairman of the Audit Committee. The remuneration was determined by the Board having regard to the recommendation of the remuneration committee of the Board (the “**Remuneration Committee**”) and based on the Company’s current compensation levels and with reference to his qualification, experience and the prevailing market rate.

As at the date of this announcement, Mr. Cheung confirms that (i) he does not have any interest in any shares, underlying shares or debentures of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); (ii) he does not hold any other positions with the Company or any of its subsidiaries; (iii) he does not hold, and has not held in the last three years, any other directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas; (iv) he has no relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company; (v) there is no other information in relation to the appointment of Mr. Cheung which is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”); and (vi) there are no other matters in relation to the appointment of Mr. Cheung that need to be brought to the attention of the shareholders of the Company.

The Board would like to take this opportunity to express its warm welcome to Mr. Cheung for joining the Company.

CHANGE IN COMPOSITION OF AUDIT COMMITTEE AND REMUNERATION COMMITTEE

The Board hereby announces that the following change in composition of the Board committees:

- (i) following the appointment of Mr. Cheung as an independent non-executive Director, he has also been appointed as a chairman of the Audit Committee with effect from January 1, 2023; and
- (ii) Mr. Yiu Wa Alec TSUI, an independent non-executive Director, has been appointed as a member of the Remuneration Committee with effect from January 1, 2023.

COMPLIANCE OF LISTING RULES

Reference is made to the announcement of the Company dated November 24, 2022 in relation to the passing away of Mr. Walter Teh-Ming KWAUK, a former independent non-executive Director and the former chairman of the Audit Committee.

Following the appointment of Mr. Cheung with effect from January 1, 2023, the Company has fully complied with the requirements as set out in Rules 3.10(2) and 3.21 of the Listing Rules.

By Order of the Board

Dr. Li Chen

Chief Executive Officer and Executive Director

Hong Kong, December 30, 2022

As of the date of this announcement, the Board of Directors comprises Dr. Li Chen and Mr. George Chien Cheng Lin as executive Directors; Mr. Robert Taylor Nelsen and Ms. Wei Zhao as non-executive Directors; and Mr. William Robert Keller, Mr. Junling Liu and Mr. Yiu Wa Alec Tsui as independent non-executive Directors.