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CHINA FIRST CAPITAL GROUP LIMITED

中國首控集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1269)

(I) APPOINTMENT OF EXECUTIVE DIRECTOR AND CO-CHAIRMAN, AND RE-DESIGNATION OF CO-CHAIRMAN, AND (II) VOLUNTARY ANNOUNCEMENT — ENTRY INTO A COOPERATION AGREEMENT

The board (the “**Board**”) of directors (the “**Directors**”, each a “**Director**”) of China First Capital Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce the following:

(I) APPOINTMENT AND RE-DESIGNATION OF DIRECTORS

With effect from 12 July 2023,

- (a) Mr. Zhang Li (“**Mr. Zhang**”) has been appointed as an executive Director and a co-chairman of the Company (the “**Co-Chairman**”); and
- (b) Dr. Wilson Sea (“**Dr. Sea**”) has been re-designated from the chairman of the Company (the “**Chairman**”) to a Co-Chairman, and will continue to serve as an executive Director and the chairman of each of the Nomination Committee, the Strategy Committee, and the Risk Management Committee of the Company.

Biographical Details of Mr. Zhang

Mr. Zhang Li, aged 50, has been appointed as an executive Director and a Co-Chairman on 12 July 2023, and will be primarily responsible for the management and development of the Group's new business, among others, the supply chain financial technology business.

Mr. Zhang has extensive experience in finance and capital markets. He has been engaged in the investment and management business in the financial market for more than 20 years, focusing on securities investment and investment banking. Prior to joining the Group, Mr. Zhang served as (i) an executive director and a co-chairman from June 2016 to May 2021 of Up Energy Development Group Limited (delisted from the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), previous stock code: 307); (ii) a non-executive director from October 2019 to November 2019, and re-designated as an executive director from November 2019 to February 2023 of Madison Holdings Group Limited, the shares of which are listed on GEM of the Stock Exchange (stock code: 8057); and (iii) a non-executive director from June 2021 to September 2022 of Kelfred Holdings Limited, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1134).

Mr. Zhang obtained a Bachelor's degree in Marketing from Northwest University of Political Science and Law (西北政法大學) ("**NWUPL**") (previously Northwest School of Political Science and Law (西北政法學院)) in 1998. He has been engaged as (i) the dean of the Guangdong-Hong Kong-Macao Greater Bay Branch of the Corporate Compliance Research Institute of NWUPL (西北政法大學企業合規研究院粵港澳大灣區分院) since July 2022; (ii) the dean of the Guangdong-Hong Kong-Macao Greater Bay Branch of the Economics and Law Research Institute of NWUPL (西北政法大學經濟與法研究院粵港澳大灣區分院) since August 2022; and (iii) a visiting professor of school of economics of NWUPL since August 2022.

Mr. Zhang has entered into a director service contract with the Company as executive Director and Co-Chairman for an initial term of three years with effect from 12 July 2023. The service contract shall automatically renew after expiry and continue thereafter until it is terminated by either party giving to the other not less than three months' prior notice in writing. Mr. Zhang shall hold office until the next following annual general meeting of the Company, and be eligible for re-election at such general meeting pursuant to the articles of association of the Company (the "**Articles of Association**"). Mr. Zhang is entitled to an annual emolument of HK\$150,000, which is determined and adjustable by the Board with reference to his duties and responsibilities and is subject to review from time to time. Mr. Zhang is also entitled to receive any discretionary management bonuses, and share options and share awards granted by the Company.

Upon the appointment of Mr. Zhang as a Co-Chairman, the Company shall have more than one chairman, and accordingly, Dr. Sea has been re-designated from the Chairman to a Co-Chairman pursuant to the Articles of Association. Dr. Sea will continue to serve as an executive Director and the chairman of each of the Nomination Committee, the Strategy Committee, and the Risk Management Committee of the Company.

Following the re-designation, Dr. Sea as a Co-Chairman will be responsible for formulating the overall strategies and assessing the performance of the Group as well as leading the Board together with Mr. Zhang. As disclosed above, Mr. Zhang is primarily responsible for the management and development of the Group's new business as well as leading the Board together with Dr. Sea. Dr. Sea and Mr. Zhang will jointly undertake and perform the roles of the chairman for the purposes of the Corporate Governance Code (as set out in Appendix 14 to Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) and the Listing Rules.

Biographical Details of Dr. Sea

Dr. Sea, aged 59, was appointed as the Chairman and a non-executive Director on 27 April 2011 and was re-designated as the Chairman and an executive Director on 1 January 2015. He is responsible for the general strategic planning, business planning and co-ordination of the Group, as well as the supervision of the management's implementation and execution of the strategies. He is also a director of a number of subsidiaries of the Company.

From 1997 to 2004, Dr. Sea worked in Minsheng Securities Co., Ltd. as an assistant to president, president and chairman consecutively, responsible for the investment banking business, the business of research, planning and development of the company. From 2004 to 2007, he was the chairman of the board of Kaifeng Lanwei Highway Development Company Limited* (開封市蘭尉高速公路發展有限公司). He worked as the vice-chairman of the board of Yubei (Xinxiang) Power Steering System Co., Ltd.* (豫北(新鄉)汽車動力轉向器有限公司) from 2007 to 2011.

Dr. Sea obtained a bachelor's degree in economics from Henan University in 1986. He further obtained a master's degree and a doctoral degree in economics from Fudan University in 1992 and 1995 respectively. He was appointed as a professor by Henan University in 1995.

Dr. Sea is the director and shareholder of Wealth Max Holdings Limited, a shareholder of the Company (the “**Shareholder**”). As at the date of this announcement, Dr. Sea is deemed to be interested in 163,765,800 shares of the Company, representing approximately 8.86% of the total issued shares of the Company. Dr. Sea is the brother-in-law of Dr. Wang Hui, the chief financial officer of the Company.

Dr. Sea entered into a director service contract with the Company for an initial term of three years with effect from 1 January 2018. The service contract shall automatically renew after expiry and continue thereafter until it is terminated by either party giving to the other not less than three months' prior notice in writing. His appointment is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association. Dr. Sea is entitled to an annual emolument of HK\$3,000,000, which is determined and adjustable by the Board with reference to his duties and responsibilities and is subject to review from time to time. Dr. Sea is also entitled to receive any discretionary management bonuses, and share options and share awards granted by the Company.

Save as disclosed above, each of Mr. Zhang and Dr. Sea (i) does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company; (ii) does not hold any directorship in other public companies of which the securities are listed on any securities market in Hong Kong or overseas in the three years preceding the date of this announcement, nor hold any position with the Company or any of its subsidiaries; and (iii) does not have any interest in nor is deemed to have any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations which are required to be disclosed under Part XV of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong).

Save as disclosed herein, there is no other matter relating to the appointment of Mr. Zhang as an executive Director and a Co-Chairman and the re-designation of Dr. Sea as a Co-Chairman that needs to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

The Board sincerely express its warmest welcome to Mr. Zhang on his appointment as an executive Director and a Co-Chairman.

(II) VOLUNTARY ANNOUNCEMENT — ENTRY INTO A COOPERATION AGREEMENT

On 12 July 2023, a wholly-owned subsidiary of the Company entered into a cooperation agreement (the “**Cooperation Agreement**”) with Shenzhen Kuaiyirong Supply Chain Technology Company Limited* (“**SKSCT**”) (深圳快易融供應鏈科技有限公司), pursuant to which, the Group and SKSCT shall establish a joint venture company, of which the Group and SKSCT shall hold 51% and 49% of its equity interest respectively. The registered capital of the joint venture company shall be RMB10 million and its objective and principal activities are to assist the digital transformation of the supply chain finance industry through technological means and to provide enterprises with more intelligent, efficient and secure financial services.

The Board is of the view that the contract parties would leverage their respective advantages, resources and expertise to build a stable and mutually-beneficial strategic cooperation relationship. There will be a huge room for cooperation in the future. The entry into the Cooperation Agreement will enable the Group to seize any potential business and investment opportunities and is in the interests of the Company and its shareholders as a whole.

GENERAL INFORMATION

Shareholders and potential investors of the Company shall note that the Cooperation Agreement is a framework agreement which is subject to uncertainties. The Company and SKSCT may enter into further definitive cooperation agreements prior to the commencement of any actual cooperation and the time and amount of such definitive cooperation agreements are subject to uncertainties. 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 First Capital Group Limited
Chan Kwok Kee, Andy
Company Secretary

Hong Kong, 12 July 2023

As at the date of this announcement, the executive Directors are Dr. Wilson Sea, Mr. Zhang Li, Mr. Zhao Zhijun and Dr. Zhu Huanqiang; and the independent non-executive Directors are Mr. Chu Kin Wang, Peleus, Dr. Du Xiaotang and Mr. Loo Cheng Guan.

** For identification purposes only*