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CHINA INVESTMENT DEVELOPMENT LIMITED

中國投資開發有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 204)

WAIVER FROM STRICT COMPLIANCE OF RULE 3.10A AND 3.11 OF THE LISTING RULES

Reference is made to the announcement dated 19 April 2023 of China Investment Development Limited (the “**Company**”) in relation to the re-designation of Ms. Mo Xiuping from an independent non-executive director to a non-executive director. The re-designation was made in view of the recommendation from the internal investigation committee relating to certain allegations against Ms. Mo Xiuping. As a result of the re-designation, the Company failed to comply with Rule 3.10A which provides that an issuer must appoint independent non-executive directors representing at least one-third of the board. Pursuant to Rule 3.11, an issuer shall appoint a sufficient number of independent non-executive directors to meet the minimum number required under rule 3.10A.

Immediately after the non-compliance, members of the board started to seek suitable candidates through their respective business connections. Up to the end of May 2023, the Company had identified a total of eight potential candidates for the post. These candidates were referred to the Company by various members of the board through their business connections. These candidates possessed either legal, accounting or investments related experience and background. However ultimately only two candidates agreed to formally consider the position.

Both candidates were referred by Mr. Han Zhenghai, chairman of the nomination committee of the Company. Several meetings were held between the candidates with Mr. Han and another director in between late May and mid-June 2023 in the PRC and their resume were submitted to the Company for consideration. However both candidates informed the Company in early and mid-July 2023 that after considering the past record of the Company and the expected amount of duties and time involved, they were unable to take up the position.

In view of the impending expiry of the 3-month period under Rule 3.11 on 19 July 2023, the Company made the application to the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 17 July 2023 for the waiver from strict compliance of Rule 3.10A and 3.11 of the Listing Rules (the “**Waiver**”) for a further period of 3 months from 19 July 2023. Further submissions were made by the Company to the Stock Exchange on 26 July 2023, 6 September 2023 and 27 September 2023.

The directors of the Company continued to identify suitable candidates diligently in July and August 2023 and successfully identified three prospective candidates. Ultimately only one candidate formally agreed to consider the position.

The candidate was referred by Mr. Han Zhenghai and a formal meeting with the candidate was held in late August in the PRC. After the candidate informed the Company of his willingness to act in early September, the Company started to arrange the internal approval and appointment process and the candidate was appointed on 26 September 2023.

With regard to paragraph 7 of the “*Guide on Applications for Waivers and Modifications of the Listing Rules (issued 28 November 2008) (amended on 4 October 2021)*”, the Company considered that:

- (a) There is no condition specified under the Listing Rules for the Waiver.
- (b) Compliance by the Company with Rule 3.10A and 3.11 of the Listing Rules in its unmodified form would be impractical due to the time constraint in making the appointment despite diligent and extensive effort had been made by the Company to seek suitable candidates.
- (c) Compliance with the Listing Rules by way of appointment of unsuitable candidate would be prejudicial or seriously detrimental to the Company’s interests.
- (d) The Waiver would not result in undue risks to shareholders and investors as the remaining 3 independent non-executive directors in place constituted a majority of the required number of 4 independent non-executive directors.
- (e) The grant of Waiver would not be repugnant to, or conflict with the duties of, the Stock Exchange under the Securities and Futures Ordinance in full or the general principles under Main Board Listing Rule 2.03.

On 26 September 2023, the Company has complied with Rule 3.10A by appointing an additional independent non-executive director on the same date.

Based on the information provided by the Company, the Stock Exchange agreed to grant the waiver to the Company to extend the grace period under Rule 3.11 to 26 September 2023 to comply with Rule 3.10A, subject to the disclosure of the details of and reasons for the waiver by way of an announcement.

By Order of the Board of
China Investment Development Limited
Han Zhenghai
Chairman

Hong Kong, 5 October 2023

As at the date of this announcement, the Board comprises Mr. Chan Cheong Yee and Mr. Chan Yiu Pun Clement as executive Directors; Mr. Han Zhenghai (Chairman), Mr. Deng Dongping, Mr. Liu Lihan, Mr. Zhu Zhikun, Mr. Lyu Ping and Ms. Mo Xiuping as non-executive Directors; and Ms. Mo Li, Mr. Shi Zhu, Ms. Chen Shunqing and Mr. Ding Jiasheng as independent non-executive Directors.