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Hilong Holding Limited

海隆控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1623)

**(1) RESIGNATION OF EXECUTIVE DIRECTOR AND
CHIEF EXECUTIVE OFFICER;
(2) CHANGE IN COMPOSITION OF NOMINATION COMMITTEE;
AND
(3) CONTINUED SUSPENSION OF TRADING**

This announcement is made pursuant to Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

RESIGNATION OF EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER

The board (the “**Board**”) of directors (the “**Directors**”) of Hilong Holding Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) announces that Mr. Wang Tao (汪濤) (“**Mr. Wang**”), has resigned from the position of an executive Director, the chief executive officer of the Company (“**Chief Executive Officer**”), and a member of the nomination committee of the Company (the “**Nomination Committee**”) with effect from 15 October 2024, due to work adjustment.

Mr. Wang has confirmed that he has no disagreement with the Board and there are no matters regarding his resignation that need to be brought to the attention of the shareholders of the Company and the Stock Exchange.

The Company announces that Mr. Zhang Jun (張軍) (“**Mr. Zhang**”), an executive director, the chairman of the Board and executive chairman of the Company, will assume the interim duties and responsibilities of the Chief Executive Officer with effect from 15 October 2024 until a new Chief Executive Officer is appointed.

Mr. Zhang, aged 57, is an executive Director, the chairman of the Board and executive chairman of the Company. He is also a substantial and controlling shareholder of the Company. He has been a director of the Company since 15 October 2008 and was appointed as an executive director on 2 December 2010. Mr. Zhang served as the chief executive officer of the Company from 2 December 2010 to 15 December 2017, responsible for the overall business operations and strategy formulation of the Company. He was re-designated to executive chairman of the Company on 15 December 2017, responsible for the overall strategic planning of the Group, new market development, and capital market related and investor relations management. Mr. Zhang serves as the director of Hilong Group of Companies Ltd. (海隆石油工業集團有限公司), the director of Hilong Marine Engineering (Hong Kong) Limited and the director of Hilong Petroleum Marine Engineering Technical Services (Hong Kong) Limited. He also serves as the director/senior management of other subsidiaries of the Group. Mr. Zhang has over 34 years of experience in the petroleum industry. From 2001 to 2007, he was engaged in the formation of several subsidiaries of the Group. Mr. Zhang began his career in the petroleum industry at First Machinery Factory of Huabei Petroleum Administration Bureau (華北石油管理局第一機械廠), a subsidiary of China National Petroleum Corporation, which is a state-owned enterprise, in 1990 upon graduation from Hebei Radio and TV University (河北廣播電視大學). He served as a technician and participated in the introduction of the first petroleum drill pipe coating production line from the United States into China in 1993. During his employment with First Machinery Factory of Huabei Petroleum Administration Bureau, Mr. Zhang held a number of positions, including vice general manager. During his service as vice general manager, he was responsible for the financial, operational and infrastructural management of the factory. He resigned from the factory in 2001 to fully focus on the management of the Group. Mr. Zhang received a Diploma in Mechanical Manufacturing Process and Equipment from Hebei Radio and TV University in 1990. In 2009, he was a “Top 10 Influential Leader in China’s Petroleum and Petrochemistry Equipment Manufacturing Industry in 2009 (2009中國石油石化裝備製造業十大最具影響力領軍人物)”, a title conferred by the National Energy Commission (國家能源委員會). Mr. Zhang is the elder brother of Ms. Zhang Shuman, non-executive director of the Company, and the younger brother-in-law of Mr. Cao Hongbo, non-executive director of the Company. He is also the sole director of Hilong Group Limited, a substantial and controlling shareholder of the Company.

Save as disclosed above, Mr. Zhang does not have any other relationships with any Director, senior management, substantial shareholders or controlling shareholders of the Company. He does not at present nor did he in the past three years hold any directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas.

As at the date of this announcement, Mr. Zhang is interested in 829,021,800 shares of the Company (the “**Shares**”), representing approximately 48.87% of the total number of issued Shares within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

Mr. Zhang has signed a service contract with the Company for a term of three years which is terminable by either party by giving no less than one month’s prior written notice, and he is subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the provisions of the existing memorandum and articles of association of the Company. Under the service contract, Mr. Zhang is not entitled to a fixed salary but is entitled to salary and discretionary bonus which are to be reviewed and determined by the Board with the recommendation of the remuneration committee with reference to his performance, time commitments and responsibilities, the remuneration policy of the Company as well as comparable market rates. Mr. Zhang was appointed as the CEO pursuant to a letter of appointment and will not receive any remuneration in assuming the additional role of Chief Executive Officer.

Save as disclosed above, Mr. Zhang confirmed that there is no other information that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there are no other matters in relation to his appointment that need to be brought to the attention of the Shareholders or the Stock Exchange.

Pursuant to code provision C.2.1 as set out in Part 2 of the Corporate Governance Code as contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the roles of chairman and the chief executive officer should be separate and should not be performed by the same individual. Despite the deviation from code provision C.2.1 that Mr. Zhang serves as the chairman of the Board as well as the Chief Executive Officer, the Board believes that Mr. Zhang, being the chairman of the Board, is familiar with the Company’s business operation and has excellent knowledge and experience of the Company’s business which will be conducive to improve the efficiency of the Company’s overall strategic planning. Further, the Board is of the view that the balanced composition of the executive, the non-executive and the independent non-executive Directors on the Board and the various committees of the Board in overseeing different aspects of the Company’s affairs would provide adequate safeguards to ensure a balance of power and authority. It is expected that a new Chief Executive Officer will be identified by the Company by the end of November 2024. As such, the Board considers that the deviation from code provision C.2.1 is appropriate in the current situation.

CHANGE IN COMPOSITION OF NOMINATION COMMITTEE

With effect from 15 October 2024 and following the resignation of Mr. Wang, Dr. Yang Qingli (楊慶理), a non-executive Director, has been appointed to be a member of the Nomination Committee in place of Mr. Wang.

The Board wishes to express its sincere gratitude to Mr. Wang for his valuable contributions to the Company during his tenure of office.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, the trading in the shares of the Company on the Stock Exchange has been suspended from 9:00 a.m. on 2 April 2024, and will remain suspended until further notice.

Shareholders and potential investors of the Company are advised to exercise due caution when dealing in the securities of the Company. When in doubt, Shareholders and potential investors of the Company are advised to seek advice from their own professional or financial advisers.

For and on behalf of the Board
Hilong Holding Limited
ZHANG Jun
Chairman

Hong Kong, 16 October 2024

As at the date of this announcement, the executive director of the Company is Mr. ZHANG Jun; the non-executive directors are Ms. ZHANG Shuman, Dr. YANG Qingli, Mr. CAO Hongbo and Dr. FAN Ren Da Anthony; and the independent non-executive directors are Mr. WANG Tao (王濤), Mr. WONG Man Chung Francis and Mr. SHI Zheyang.

* *For identification purpose only*