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CHINA BILLION RESOURCES LIMITED

中富資源有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 274)

**CHANGE OF CHIEF EXECUTIVE OFFICER
AND
APPOINTMENT OF NON-EXECUTIVE DIRECTOR**

Change of Chief Executive Officer

The board of directors (“**Board**”) of China Billion Resources Limited (“**Company**”) announces that:

- (1) Mr. Zhang Yiwen (“**Mr. Zhang**”) has tendered his resignation from the position of chief executive officer of the Company (“**CEO**”) due to the need of spending more time on his personal career development and further studies in the university with effect from the conclusion of the Board meeting held on 12 June 2020. Notwithstanding his resignation as CEO, Mr. Zhang will continue to serve as an executive director and other positions of the Company, if any, and his remuneration will be adjusted accordingly to HK\$30,000 per month with effect from 1 July 2020; and
- (2) Mr. Qiao Bingya (“**Mr. Qiao**”), the chairman of the Board (“**Chairman**”), has been temporarily appointed as CEO in place of Mr. Zhang until the Company appoints a suitable candidate for the position with effect from the conclusion of the Board meeting held on 12 June 2020.

Mr. Zhang has confirmed that he has no disagreement with the Board or the Company, and there is no matter relating to his resignation as CEO that needs to be brought to the attention of the shareholders of the Company (“**Shareholders**”) or the Stock Exchange.

Pursuant to the code provision A.2.1 of the Corporate Governance Code as set out in Appendix 14 (“**CG Code**”) to the Rules Governing the Listing of Securities on the Stock Exchange (“**Listing Rules**”) stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Accordingly, following the appointment of Mr. Qiao as CEO on 12 June 2020, there will be a deviation from the code provision A.2.1 by the Company as Mr. Qiao is also the Chairman.

Notwithstanding the aforesaid deviation, the Board considers that the present structure will not impair the balance of power and authority between the Board and the management of the Group as the Board assumes collective responsibility on the decision-making process of the Company's business strategies and operation. Nevertheless, the Company will continue to review its operation and seek to re-comply with the code provision A.2.1 of the CG Code by splitting the roles of Chairman and CEO at a time when it is appropriate to increase the independence of corporate governance of the Group.

Appointment of Non-executive Director

The Board is pleased announce that Mr. Sun Aimin (“**Mr. Sun**”) has been appointed as a non-executive director of the Company (“**Non-executive Director**”) with effect from the conclusion of the Board meeting held on 12 June 2020. The biographical details of Mr. Sun are as follows:

Mr. Sun Aimin, aged 65, has extensive experience in economic management, property management and leasing, trade unions and discipline inspection. Mr. Sun served as the general manager of Shenzhen Guoping Trading Limited from 1994 to 1998, the general manager of Shenzhen Lesheng Industrial Development Limited from 1998 to 2004 and the chairman of the labor union and secretary of the discipline inspection commission of Shenzhen Shentou Property Development Co., Limited from 2004 to 2015. Mr. Sun has obtained a diploma in Industrial Enterprise Economic Management Professional Course from Adult Education Institution of Wuhan University of Technology in 1992.

There is a service agreement entered into between the Company and Mr. Sun for his appointment as a Non-executive Director for a term of one year starting from 12 June 2020. Mr. Sun is subject to retirement and re-election at the next following general meeting of the Company after his appointment and thereafter subject to retirement by rotation in accordance with the provisions of the Company’s articles of association. Mr. Sun is entitled to a remuneration of HK\$10,000 per month which has been fixed by the Board with reference to, including but not limited to, his duties, responsibilities, performance, prevailing market conditions and remuneration benchmark relevant to other directors of listed companies of similar size and industry nature.

Save as disclosed above, Mr. Sun does not hold any other position in the Company or any of its subsidiaries nor does he have any relationship with any other directors, senior management, or substantial or controlling shareholders of the Company. Mr. Sun has not held any directorship in any other publicly listed companies, whether in Hong Kong or other jurisdiction in the last three years. As at the date of this announcement, Mr. Sun does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, there are no other matters in relation to the appointment of Mr. Sun which need to be brought to the attention of the Shareholders and there is no information that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

The Board would like to take this opportunity to express its warmest welcome to Mr. Sun for joining the Board.

List of Directors and Their Roles and Functions

With effect from 12 June 2020, immediately after the closure of the Board meeting, the members of the Board are set out below:

<u>Executive directors:</u> Mr. Qiao Bingya (Chairman and CEO) Mr. Zhang Yiwen Mr. Xie Qiangming	<u>Non-executive director:</u> Mr. Sun Aimin	<u>Independent non-executive directors:</u> Mr. Cai Jianhua Mr. Ho Wing Chung Mr. Yan Xiaotian
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The table below provides the latest membership information of the Audit Committee, Remuneration Committee and Nomination Committee on which each Board member serves:

Directors	Audit Committee	Remuneration Committee	Nomination Committee
Mr. Qiao Bingya			C
Mr. Zhang Yiwen			
Mr. Xie Qiangming		M	M
Mr. Sun Aimin			
Mr. Cai Jianhua	C	M	M
Mr. Ho Wing Chung	M	M	M
Mr. Yan Xiaotian	M	C	M

Notes:

C: Chairman of the relevant Board committees

M: Member of the relevant Board committees

By Order of the Board of
China Billion Resources Limited
Qiao Bingya
Chairman and CEO

Hong Kong, 12 June 2020

As at the date of this announcement, immediately after the closure of the Board meeting, the Board comprises:

<u>Executive directors:</u> Mr. Qiao Bingya (Chairman and CEO) Mr. Zhang Yiwen Mr. Xie Qiangming	<u>Non-executive director:</u> Mr. Sun Aimin	<u>Independent non-executive directors:</u> Mr. Cai Jianhua Mr. Ho Wing Chung Mr. Yan Xiaotian
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