

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



YUHUA ENERGY HOLDINGS LIMITED

裕華能源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2728)

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR

The board (the “**Board**”) of directors (the “**Director(s)**”) of Yuhua Energy Holdings Limited (the “**Company**”) is pleased to announce that, Mr. Xu Changyin (徐長銀) (“**Mr. Xu**”) has been appointed as an independent non-executive Director, member of the audit committee (the “**Audit Committee**”) and as a chairman of the nomination committee (the “**Nomination Committee**”) of the Company with effect from 16 March 2019.

Set out below is the biography of Mr. Xu:

Mr. Xu Changyin, aged 35, obtained a master’s degree in finance from Shanghai University of Finance and Economics in June 2007 and a bachelor’s degree in management from Yangzhou University in June 2005. Mr. Xu has worked as a part-time tutor of the Finance Department of Shanghai University of Finance and Economics since 2017. He worked in INDUSTRIAL SECURITIES CO., LTD. from July 2007 to September 2016 and his last position was deputy general manager. He has been the vice president and vice chairman of Shanghai Huantao Investment Management Co., Ltd. since September 2016.

Mr. Xu does not hold any directorship in any public companies where the securities of which are listed on any securities markets in Hong Kong or overseas in the last three years or any other positions with the Company and other members of the Group or have other major appointments and professional qualifications.

Mr. Xu does not have any relationship with other Directors, senior management, substantial or controlling shareholders of the Company as defined in the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and he has no interests in the shares of the Company which are required to be disclosed pursuant to Part XV of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

Mr. Xu has entered into a director's service agreement with the Company for a term of three years commencing on 16 March 2019 subject to rotation and re-election at annual general meetings of the Company in accordance with the articles of association of the Company. The director's fee of Mr. Xu is HK\$120,000 per annum.

Mr. Xu has met the independent criteria set out in Rule 3.13 of the Listing Rules and there are no other matters relating to the appointment of Mr. Xu that need to be brought to the attention of the shareholders of the Company and the Stock Exchange and there is no other information that should be disclosed pursuant to paragraphs (h) to (v) of Rules 13.51(2) of the Listing Rules.

The Board would like to take this opportunity to express its warmest welcome to Mr. Xu.

COMPLIANCE WITH RULES 3.10(1) AND 3.21 OF THE LISTING RULES AND CODE PROVISION A.5.1 OF THE CORPORATE GOVERNANCE CODE OF THE LISTING RULES

As disclosed in the announcement of the Company dated 20 December 2018, immediately after the resignation of Ms. Wong Yan Ki, Angel, the compositions of the Board and the Audit Committee were not in compliance with the requirements under Rule 3.10(1) and Rule 3.21 of Listing Rules, respectively and a vacancy for the chairman of the Nomination Committee was not in compliance with code provision A.5.1 of the Corporate Governance Code in Appendix 14 to the Listing Rules.

Upon the above appointment: (1) the Board comprises three independent non-executive Directors, namely Mr. Lum Pak Sum, Mr. Liu Yang and Mr. Xu; (2) the Audit Committee comprises three independent non-executive Directors, namely Mr. Lum Pak Sum (chairman), Mr. Liu Yang and Mr. Xu; and (3) the Nomination Committee comprises one executive Director, namely Mr. Lin Caihuo, and three independent non-executive Directors, namely Mr. Lum Pak Sum, Mr. Liu Yang and Mr. Xu (chairman). Therefore, the compositions of the Board and the Audit Committee are in compliance with the requirements under Rule 3.10(1) and Rule 3.21 of Listing Rules, respectively and the composition of the Nomination Committee is in compliance with code provision A.5.1 of the Corporate Governance Code in Appendix 14 to the Listing Rules.

By order of the Board
Yuhua Energy Holdings Limited
Lin Caihuo
Chairman

Hong Kong, 16 March 2019

As at the date of this announcement, the Company has two executive Directors, namely Mr. Lin Caihuo (Chairman) and Mr. Wang Enguang, one non-executive Director, namely Mr. Wang ShouLei, and three independent non-executive Directors, namely Mr. Liu Yang, Mr. Xu Changyin and Mr. Lum Pak Sum.