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## **Kinetic Development Group Limited**

**力量發展集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1277)**

**(1) RESIGNATION AND APPOINTMENT OF EXECUTIVE DIRECTORS  
AND  
(2) RE-DESIGNATION OF CHIEF EXECUTIVE OFFICER,  
CHANGE OF CHAIRMAN OF THE BOARD, AND  
CHANGE OF THE COMPOSITION OF BOARD COMMITTEE**

The Board hereby announces the following changes effective from 16 June 2022:

- 1) Mr. Zhang Li has resigned as an executive Director, and has ceased to act as the chairman of the Board as well as the chairman and a member of the nomination committee;
- 2) Mr. Ji Kunpeng has been appointed as an executive Director of the Company;
- 3) Mr. Ju Wenzhong has been re-designated as the chairman of the Board as well as the chairman and member of the nomination committee; and
- 4) Mr. Li Bo has been appointed as the CEO.

The board (the “**Board**”) of directors (the “**Director**”) of Kinetic Development Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) announces the following changes to the composition of the Board with effect from 16 June 2022:

**(1) RESIGNATION AND APPOINTMENT OF EXECUTIVE DIRECTORS**

**Resignation of Mr. Zhang Li as an executive Director**

The Board announces that Mr. Zhang Li (“**Mr. Zhang**”) has tendered his resignation as an executive Director of the Company with effect from 16 June 2022 in order to devote more time on his other personal and business endeavours. Accordingly, he ceased to be the chairman of the Board, as well as the chairman and member of the nomination committee with effect from 16 June 2022.

Mr. Zhang has confirmed that there was no disagreement with the Board and there were no other matters regarding his resignation that would need to be brought to the attention to the shareholders of the Company.

The Board would like to take this opportunity to express its sincere gratitude to Mr. Zhang for his valuable contribution to the Company during his tenure of office.

**Appointment of Mr. Ji Kunpeng as an executive Director**

The Board is pleased to announce that it has appointed Mr. Ji Kunpeng (“**Mr. Ji**”) as an executive Director of the Company with effect with 16 June 2022.

The biological details of Mr. Ji are set out below:

**Mr. Ji**, age 37, is appointed by the Board as an executive Director of the Company.

Mr. Ji is a member of the senior management team of the Group, and is mainly responsible for the overall operation and management of potential mining projects targets of the Group. Mr. Ji joined the Group in October 2009, and has held a number of roles as manager and various management positions in the Group, including being the vice president of Kinetic (Qinhuangdao) Energy Company Limited\* (力量(秦皇島)能源有限公司) and the deputy vice president of Inner Mongolia Zhunge'er Kinetic Mining Company Limited\*(內蒙古准格爾旗力量煤業有限公司). He graduated from Beijing Union University\* (北京聯合大學) in 2008 with a bachelor's degree in management.

Pursuant to the service contract entered into between the Company and Mr. Ji, Mr. Ji is appointed as an executive Director for an initial term of three years commencing from 16 June 2022, provided that either party may terminate the service contract by three months' notice. The term of service of Mr. Ji is subject to retirement by rotation in accordance with the articles of association of the Company as amended from time to time (the “**Articles**”) and the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”). Mr. Ji is entitled to receive a fixed director's remuneration of RMB1,500,000 per annum and a discretionary bonus, which was recommended by the remuneration committee and determined by the Board, with reference to his responsibilities, experience and market rate of director's remuneration of listed companies of comparable size of operation.

Save as disclosed above, Mr. Ji (i) does not have any relationships with any Directors, senior management, substantial or controlling shareholders (as defined under the Listing Rules) of the Company; (ii) does not have, and is not deemed to have, any interests or short positions in any shares, underlying shares or debentures (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”)) of the Company as at the date of this announcement; (iii) has not held any position of the Company or any of its subsidiaries; and (iv) has not held directorship in the last three years in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas.

The Board would like to welcome Mr. Ji for joining the Board.

(2) **RE-DESIGNATION OF CHIEF EXECUTIVE OFFICER, CHANGE OF CHAIRMAN OF THE BOARD AND CHANGE OF THE COMPOSITION OF BOARD COMMITTEE**

Following Mr. Zhang's resignation as an executive Director and cessation to act as the chairman of the Board as well as the chairman and a member of the nomination committee, the Board has appointed Mr. Ju Wenzhong (“**Mr. Ju**”), currently the chief executive officer of the Group (the “**CEO**”) and an executive Director, as the chairman of the Board as well as chairman and a member of the nomination committee. At the same time, Mr. Ju will step down as the CEO. All of the above changes relating to Mr. Ju took effect from 16 June 2022.

The Board further announces that Mr. Li Bo (“**Mr. Li**”), an executive Director, has been appointed as the CEO in place of Mr. Ju with effect from 16 June 2022.

The biographical details of Mr. Ju and Mr. Li are as follows:

**Mr. Ju Wenzhong**

**Mr. Ju**, aged 53, has joined the Group since September 2010, and has been an executive Director and the chief executive officer of the Company since 28 May 2020. Mr. Ju is fully responsible for leading the production and sales of the Group. He serves in important positions in various companies in the Group.

He obtained a professional qualification in precision machinery from the Department of Mechanical Engineering, Shenzhen University (深圳大學機械系精密機械儀器專業資格) in July 1990. Prior to joining our Group in September 2010, Mr. Ju served as a senior management and director in several companies. He served as the deputy general manager and media sales director of Guangdong One Generation Advertising Co., Ltd. (廣東壹時代廣告有限公司) from January 2000 to December 2002, and was mainly responsible for media sales in Shenzhen and Guangzhou, China. In addition, Mr. Ju served as the general manager of Guangzhou Frasar Advertising Co., Ltd. (廣州菲沙廣告有限公司) during the period from January 2003 to September 2006.

He was the general manager and executive director of Guangzhou Universal Networks Co., Ltd. (廣州普及網絡有限公司) from October 2006 to August 2010.

Pursuant to the service contract entered into between the Company and Mr. Ju, Mr. Ju is appointed for a fixed term of three years from 28 May 2020 and is subject to retirement by rotation and re-election in accordance with the Articles and the Listing Rules, provided that either party may terminate the service contract by three months' notice. Mr. Ju is entitled to a fixed director's remuneration of RMB3,000,000 per annum plus a discretionary bonus, which was recommended by the remuneration committee and determined by the Board, with reference to his responsibilities, experience and market rate of director's remuneration of listed companies of comparable size of operation.

As at the date of this announcement, Mr. Ju owns 3,241,659 ordinary shares of the Company in the meaning of Part XV of the SFO, representing approximately 0.04% of the number of issued shares of the Company.

Save as disclosed above, Mr. Ju (i) does not have any relationships with any Directors, senior management, substantial or controlling shareholders (as defined under the Listing Rules) of the Company; (ii) does not have, and is not deemed to have, any interests or short positions in any shares, underlying shares or debentures (within the meaning of Part XV of the SFO) of the Company as at the date of this announcement; (iii) has not held any position of the Company or any of its subsidiaries; and (iv) has not held directorship in the last three years in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas.

## **Mr. Li Bo**

**Mr. Li**, age 40, is the vice president of the Group and the chairman of Inner Mongolia Zhunge'er Kinetic Coal Limited (內蒙古准格爾旗力量煤業有限公司), and is mainly responsible for the comprehensive planning and the management of the overall operations of the Group's Dafanpu Coal Mine. After joining the Group in October 2006, he held a number of roles as manager and various management positions in the Group. He graduated from the University of Science and Technology Beijing (北京科技大學) in 2004 with a bachelor's degree in management, and obtained a professional certificate of mining engineering from China University of Mining and Technology (中國礦業大學) in 2016. Mr. Li obtained the title of Intermediate Registered Safety Engineer in November 2020 and the title of Senior Economist in December 2021.

Pursuant to the service contract entered into between the Company and Mr. Li, Mr. Li has been appointed as an executive Director for an initial term of 3 years commencing from 30 May 2022, and is subject to retirement by rotation and re-election in accordance with the Articles and the Listing Rules provided that either party may terminate the service contract by three months' notice. Mr. Li is entitled to receive a fixed director's remuneration of RMB1,500,000 per annum and a discretionary bonus, which was recommended by the remuneration committee and determined by the Board as authorized by the Shareholders at the annual general meeting of the Company held on 30 May 2022, with reference to his responsibilities, experience and market rate of director's remuneration of listed companies of comparable size of operation.

As at the Latest Practicable Date, Mr. Li is interested in 1,886 shares of the Company in the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Li (i) does not have any relationships with any Directors, senior management, substantial or controlling shareholders (as defined under the Listing Rules) of the Company; (ii) does not have, and is not deemed to have, any interests or short positions in any shares, underlying shares or debentures (within the meaning of Part XV of the SFO) of the Company as at the date of this announcement; (iii) has not held any position of the Company or any of its subsidiaries; and (iv) has not held directorship in the last three years in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas.

By Order of the Board  
**Kinetic Development Group Limited**  
**Mr. Ju Wenzhong**  
*Chairman and Executive Director*

Hong Kong, 16 June 2022

*As at the date of this announcement, the Board comprises seven directors, of whom three are executive Directors, namely Mr. Ju Wenzhong (Chairman), Mr. Li Bo (Chief Executive Officer) and Mr. Ji Kunpeng; one is a non-executive Director, namely Ms. Zhang Lin and three are independent non-executive Directors, namely Ms. Liu Peilian, Mr. Chen Liangnuan and Ms. Xue Hui.*

\* *for identification purposes only.*