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## **NAN NAN RESOURCES ENTERPRISE LIMITED**

**南南資源實業有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1229)**

### **CHANGE OF CHAIRMAN AND MANAGING DIRECTOR AND CHANGE IN THE COMPOSITION OF THE NOMINATION COMMITTEE**

With effect from 1 March 2017, the composition of the Board and the Nomination Committee of the Company has been changed as follows:

- (i) Ms. LO Fong Hung has tendered her resignation as the Chairman and Managing Director, the Chairman of the Nomination Committee and a member of the Nomination Committee of the Company but will remain as an Executive Director; and
- (ii) Mr. KWAN Man Fai has been appointed as the Chairman and Managing Director and the Chairman of the Nomination Committee of the Company.

The board of directors (the “**Board**”) of Nan Nan Resources Enterprise Limited (the “**Company**”) and its subsidiaries (the “**Group**”) hereby announces that Ms. LO Fong Hung (“**Ms. Lo**”) has tendered her resignation as the Chairman and Managing Director, the Chairman of the Nomination Committee and a member of the Nomination Committee of the Company with effect from 1 March 2017 due to the change in the management structure of the Company. Ms. Lo will remain as an Executive Director.

Ms. Lo has confirmed that she has no disagreement with the Board and there are no other matters in relation to her resignation that need to be brought to the attention of the shareholders of the Company (the “**Shareholders**”).

The biographical details of Ms. Lo are set out as follows:

**Ms. LO Fong Hung**, aged 61, is an executive director of the Company appointed on 25 March 2008. Ms. Lo is a director of certain subsidiaries of the Company. Ms. Lo also serves for several non-listed companies, namely as the chairman of China International Fund Limited, China Sonangol International Holding Limited and China Sonangol International Limited and as the director of Sonangol Sinopec International Limited and New Bright International Development Limited. Since 2004, Ms. Lo started exploring and developing energy resources and industrial investment in world-wide. Ms. Lo is the wife of Mr. WANG Xiangfei.

Ms. Lo had entered into a service contract with the Company for a term of three years commencing from 25 March 2008. Upon expiry of her service contract on 24 March 2011, her service contract had been extended for three years commencing on 25 March 2011 and further extended for 3 years commencing on 25 March 2014. Pursuant to Ms. Lo's original service contract signed in 2008, she was entitled to a director's emolument of HK\$240,000 per annum and may be entitled to an annual management bonus of a sum to be determined by the Board at its discretion and limited to 5% of the consolidated net profits after taxation and minority interests but before extraordinary items as shown in the Group's audited consolidated accounts for that financial year. Subsequent to a review of her director's duties and responsibilities in the Company and the market rate for the position by the Board at the board meeting held on 20 September 2012, the emolument of Ms. Lo was approved by the Board to increase to HK\$720,000 per annum with effect from 1 April 2012. Following her resignation as the Chairman and Managing Director, her emolument was changed to HK\$480,000 per annum with effect from 1 March 2017.

As at the date of this announcement, Ms. Lo owns 30% shareholding interests in New Bright International Development Limited, which currently holds 70% shareholding interests in China Sonangol International Limited which, in turn, is the holding company of Ascent Goal Investments Limited, and the controlling Shareholder.

Save as disclosed above, Ms. Lo does not have any interests in the securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO").

Save as disclosed in this announcement, (i) Ms. Lo does not hold any position with the Group; (ii) Ms. Lo does not hold any other directorship in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; (iii) Ms. Lo does not have any relationship with any other Directors, senior management, substantial or controlling Shareholders (as defined in the Listing Rules); and (iv) there is no other information that needs to be disclosed pursuant to any of the requirements of Rules 13.51(2) (h) to (v) of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Board further announces that Mr. KWAN Man Fai (“**Mr. Kwan**”), currently an Executive Director, has been appointed as the Chairman and Managing Director and the Chairman of the Nomination Committee of the Company with effect from 1 March 2017.

The biographical details of Mr. Kwan are set out as follows:

**Mr. KWAN Man Fai**, aged 48, is an executive director of the Company appointed on 25 March 2008. Mr. Kwan is a member of the remuneration committee and the chairman of the nomination committee of the Company. He is also a director of certain subsidiaries of the Company. Mr. Kwan graduated from the University of Hong Kong with a bachelor degree in laws and a postgraduate certificate in laws. Mr. Kwan also holds a master degree in laws from The London School of Economics and Social Sciences, the University of London and a master degree in the PRC law from the City University of Hong Kong. Mr. Kwan is now a consultant of Messrs. Anthony Siu & Co., a law firm in Hong Kong. Mr. Kwan has over 10 years of experience in corporate finance and banking work, including assisting various companies in their listing on the Main Board and the Growth Enterprise Market of the Stock Exchange.

Mr. Kwan had entered into a service contract with the Company for a term of three years commencing from 25 March 2008. Upon expiry of his service contract on 24 March 2011, his service contract had been extended for three years commencing on 25 March 2011 and further extended for 3 years commencing on 25 March 2014. Pursuant to Mr. Kwan’s original service contract signed in 2008, he was entitled to a director’s emolument of HK\$240,000 per annum and may be entitled to an annual management bonus of a sum to be determined by the Board at its discretion and limited to 5% of the consolidated net profits after taxation and minority interests but before extraordinary items as shown in the Group’s audited consolidated accounts for that financial year. Subsequent to a review of his director’s duties and responsibilities in the Company and the market rate for the position by the Board at the board meeting held on 20 September 2012, the emolument of Mr. Kwan was approved by the Board to increase to HK\$480,000 per annum with effect from 1 April 2012. Following his appointment as the Chairman and Managing Director, his emolument was changed to HK\$720,000 per annum with effect from 1 March 2017.

As at the date of this announcement, Mr. Kwan does not have any interests in the securities of the Company within the meaning of Part XV of the SFO.

Save as disclosed in this announcement, (i) Mr. Kwan does not hold any position with the Group; (ii) Mr. Kwan does not hold any other directorship in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; (iii) Mr. Kwan does not have any relationship with any Directors, senior management, substantial or controlling Shareholders (as defined in the Listing Rules); and (iv) there is no other information that needs to be disclosed pursuant to any of the requirements of 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. Kwan for his new position in the Company.

By Order of the Board  
**Nan Nan Resources Enterprise Limited**  
**KWAN Man Fai**  
*Chairman and Managing Director*

Hong Kong, 1 March 2017

*As at the date of this announcement, the Board comprises three executive directors, namely Mr. KWAN Man Fai, Ms. LO Fong Hung and Mr. WANG Xiangfei, and three independent non-executive directors, namely Mr. WONG Man Hin, Raymond, Mr. LAM Ka Wai, Graham and Mr. CHAN Yiu Fai, Youdey.*