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New Universe Environmental Group Limited

新宇環保集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 436)

CHANGE OF CHIEF EXECUTIVE OFFICER

The Board announces that:

- (1) Mr. SONG Yu Qing (宋玉清), currently an executive Director and Chief Executive Officer, has resigned as the Chief Executive Officer with effect from 16 October 2018, and will remain as an executive Director.
- (2) Mr. Xi Yu (奚玉), currently a Chairman and executive Director, has been appointed as a Chief Executive Officer with effect from 16 October 2018.

RESIGNATION OF MR. SONG YU QING (宋玉清) (“MR. SONG”) AS CHIEF EXECUTIVE OFFICER

The board (the “**Board**”) of directors (“**Directors**”) of New Universe Environmental Group Limited, (the “**Company**”, together with its subsidiaries, the “**Group**”) announces that Mr. SONG, currently an executive Director and a Chief Executive Officer (the “**CEO**”), has resigned as the CEO of the Company with effect from 16 October 2018. Mr. SONG will continue to hold the position of the executive Director of the Company and shall receive a remuneration of HK\$15,000 per month and payable quarterly for his continuing service as an executive Director, which is determined with reference to the duties and responsibilities of executive Directors as reviewed by the Remuneration Committee.

Mr. SONG has waived all claims to any fees, expenses, remuneration or compensation in connection with his office, resignation or otherwise and confirms that he has no claim against the Group whatsoever. Mr. SONG has also confirmed that he has no disagreement with the Board and is not aware of any matter in relation to his resignation as the CEO that needs to be brought to the attention of the shareholders of the Company (the “**Shareholders**”) and The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

APPOINTMENT OF MR. XI YU (奚玉) (“MR. XI”) AS CHIEF EXECUTIVE OFFICER

The Board also announces that Mr. XI, currently a Chairman and an executive Director, has been appointed as the CEO of the Company with effect from 16 October 2018.

Mr. XI, aged 61, was appointed as the executive Director on 11 April 2016, and nominated as the Chairman of the Board on the same date. He is the chairman of the executive committee of the Board. Mr. XI is also the director and legal representative of all major subsidiaries of the Group operated in China.

Mr. XI was the executive Director from 7 June 2002 to 18 August 2014, and was the Chairman of the Board, compliance officer and authorised representative of the Company from 9 December 2004 to 18 August 2014. He was a consultant to the Group from 22 August 2014 to 31 March 2016.

Mr. XI graduated from the Chemistry Department of the University of Beijing in July 1980. Mr. XI is the director and shareholder personally holding 83.66% equity interests in New Universe Enterprises Limited (“NUEL”), which beneficially owns 1,071,823,656 shares of the Company, representing approximately 35.31% of the issued share capital of the Company. Mr. XI is also the director of New Universe Holdings Limited and the director of its subsidiaries, China (HK) Chemical & Plastics Company Limited, which is principally engaged in trading of plastic resins and Sun Ngai International Investment Limited, which is principally engaged property investment and leasing.

Mr. XI is not entitled to additional salary in relation to his new role as the CEO of the Company.

Save as disclosed above, (i) Mr. XI does not hold any directorship in other listed companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (ii) Mr. XI does not hold any other positions with the Company or other members of the Group; (iii) Mr. XI does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company; and (iv) there is no information that should be disclosed pursuant to sub-paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules nor any other matters that need to be brought to the attention of the shareholders of the Company in relation to his appointment.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Upon the appointment of Mr. XI as the CEO of the Company becoming effective on 16 October 2018, Mr. XI will perform both of the roles as the Chairman and the CEO of the Company. This deviates from code provision A.2.1 of the Corporate Governance Code contained in Appendix 14 of the Listing Rules, which requires that the roles of Chairman and the CEO of the Company should be separated and should not be performed by the same individual. After evaluation of the current situation of the Group and taking into account of the experience and past performance of Mr. XI, the Board is of the opinion that it is appropriate and in the best interest of the Company at the present stage for vesting the roles of the Chairman and the CEO of the Company by the same person as it helps to facilitates the execution of the Group's business strategies and maximizes the effectiveness of its operation. The Board will nevertheless look for a suitable candidate to take up the role of the CEO and make an announcement as and when appropriate.

Save as disclosed in this announcement, the Board is not aware of any other matters that it considers necessary to be brought to the attention of the Shareholders in relation to the above appointment and resignation.

The Board would like to take this opportunity to thank Mr. SONG for his valuable contribution to the Company as the CEO, and welcome Mr. XI on his new appointment as the CEO of the Company.

By order of the Board
New Universe Environmental Group Limited
CHEUNG Siu Ling
Executive Director

Hong Kong, 16 October 2018

As at the date of this announcement, the Board comprises six executive Directors: Mr. XI Yu (Chairman and CEO), Mr. SONG Yu Qing, Ms. CHEUNG Siu Ling, Ms. ZHANG Ying, Ms. LIU Yu Jie and Mr. HON Wa Fai; and three independent non-executive Directors: Dr. CHAN Yan Cheong, Mr. YUEN Kim Hung, Michael and Mr. HO Yau Hong, Alfred.