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瑞港建設控股有限公司
PROSPER CONSTRUCTION HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6816)

**CHANGE IN THE COMPOSITION OF THE BOARD
AND VARIOUS BOARD COMMITTEES**

Reference is made to the joint announcement dated 3 October 2018 issued by Prosper Construction Holdings Limited (the “**Company**”) and Qingdao West Coast Holdings (Internation) Limited in relation to, among other things, the close of the Offer (the “**Closing Announcement**”). Unless otherwise defined, terms used herein shall have the same meanings as those defined in the Closing Announcement.

The Board hereby announces that with effect from 4 October 2018:

- 1 Mr. Yu Ming, Ms. Kui Ching Wah and Mr. Tao Yang have resigned as executive Directors;
- 2 Ms. Leung Sau Fan Sylvia and Mr. Leung Yee Tak have resigned as independent non-executive Directors;

(collectively, the “**Resigning Directors**”)
- 3 Mr. Liu Luqiang, Mr. Zhu Jiangfeng and Mr. Xue Qingfu have been appointed as executive Directors;
- 4 Mr. Wang Xuejun has been appointed as a non-executive Director;
- 5 Mr. Wang Yaping has been appointed as an independent non-executive Director; and

(collectively, the “**New Directors**”)
- 6 Mr. Cui Qi has ceased to be the chairman of the Board while Mr. Liu Luqiang has been appointed to be the chairman of the Board.

The resignation of the Resigning Directors was due to the change in control of the Company after the close of the Offer. Each of the Resigning Directors confirmed that he/she has no disagreement with the Board and there are no matters in respect of his/her resignation that need to be brought to the attention of the Shareholders. The Board would like to express its gratitude to the Resigning Directors for their contributions to the Company during their terms of service.

The biographical details of the New Directors are set out below:

1 Mr. Liu Luqiang (劉魯強) (“Mr. Liu”), as an executive Director and the chairman of the Board

Mr. Liu, aged 49, obtained a postgraduate degree in technology economics and business administration from Tianjin University in December 1993 and the professional title of senior engineer in December 2001. He has been serving as the chairman and the secretary of the party committee of Qingdao West Coast Development (Group) Limited* 青島西海岸發展(集團)有限公司 since August 2018 and July 2018, respectively. Qingdao West Coast Development (Group) Limited* 青島西海岸發展(集團)有限公司 is principally engaged in reclamation, coastline management and island reef development, construction of bridges and construction and management of fishing ports and marine ranches. He was the vice chairman of Qingdao West Coast Holding Development Limited* 青島西海岸控股發展有限公司 from November 2015 to November 2017 and has been serving as the chairman of Qingdao West Coast Holding Development Limited* 青島西海岸控股發展有限公司 since November 2017. Qingdao West Coast Holding Development Limited* 青島西海岸控股發展有限公司, the subsidiary of Qingdao West Coast Development (Group) Limited* 青島西海岸發展(集團)有限公司, is principally engaged in the investment in services industries such as property management industry and overseas investments. He has also been serving as the general manager and director of Qingdao West Coast Development (Group) Limited* 青島西海岸發展(集團)有限公司 since March 2015.

Mr. Liu has accumulated over 20 years of experience in municipal planning, design and management, government administration, and corporate operation and management. He served as, among others, the office manager of Huangdao District Party Committee of Qingdao* 青島市黃島區委 from November 2012 to April 2015, a member of the working committee of Qingdao West Coast New Area under Qingdao Municipal Party Committee* 青島市委青島西海岸新區工作委員會 from March 2012 to June 2014, a standing member of Working Committee of Qingdao Economic & Technology Development Area* 青島經濟技術開發區工作委員會 from December 2011 to June 2014, a standing member of Huangdao District Party Committee of Qingdao* 青島市黃島區委 from December 2011 to March 2015, the deputy director of Management Committee of Qingdao Economic & Technology Development Area* 青島經濟技術開發區管理委員會 from July 2009 to December 2011; and the head of Rural Planning Division (Building Management) of the Qingdao Urban Planning Bureau* 青島市規劃局村鎮規劃(建築管理)處 from December 2006 to July 2009.

2 Mr. Zhu Jiangfeng (朱江峰) (“Mr. Zhu”), as an executive Director

Mr. Zhu, aged 40, obtained a master’s degree in management from Renmin University of China in January 2015. He has been serving as the assistant to the general manager of Qingdao West Coast Development (Group) Limited* 青島西海岸發展(集團)有限公司 since June 2014, and the chairman and general manager of Qingdao Big Data Technology Development Co., Ltd* 青島大數據科技發展有限公司 since November 2017.

Mr. Zhu has over 10 years of experience in business management. From April 2016 to November 2017, he served as the chairman and general manager of Qingdao West Coast Finance Development Co., Ltd* 青島西海岸金融發展有限公司. From June 2014 to October 2016, he served as the head of the asset management department of Qingdao West Coast Development (Group) Limited* 青島西海岸發展(集團)有限公司. From July 2013 to November 2016, he served as the officer of the tender department of Qingdao West Coast Development (Group) Limited* 青島西海岸發展(集團)有限公司. From December 2007 to June 2009, he worked in Qingdao Haier Co., Ltd. 青島海爾股份有限公司, and his last position was the chief product officer of the refrigerator segment. From July 2000 to August 2007, he worked in AUCMA Group Limited 澳柯瑪集團有限公司, where he held a number of positions including the head of market development and marketing planning department.

3 Mr. Xue Qingfu (薛清富) (“Mr. Xue”), as an executive Director

Mr. Xue, aged 47, obtained a master’s degree (part-time) in software engineering from Beijing Jiaotong University in June 2016. Since November 2014, he has been the head of risk control department of Qingdao West Coast Development (Group) Limited* 青島西海岸發展(集團)有限公司 and serving as director or supervisor of its several subsidiaries, such as supervisor of Qingdao West Coast Holding Development Limited* 青島西海岸控股發展有限公司.

Mr. Xue has accumulated many years of experience in finance and internal control management. He served as, among others, the deputy general manager of Qingdao West Coast Industrial Development Co., Ltd.* 青島西海岸實業發展有限公司 from February 2013 to November 2014, the general financial manager of Qingdao Sino-German Ecopark Joint Development Co., Ltd.* 青島中德生態園聯合發展有限公司 from February 2012 to January 2013; and the manager of the financial audit department of Qingdao Development Zone Urban Development Investment Co., Ltd.* 青島市開發區城市發展投資有限公司 from January 2007 to December 2011.

4 Mr. Wang Xuejun (王學軍) (“Mr. XJ Wang”), as a non-executive Director

Mr. XJ Wang, aged 56, obtained a bachelor degree in Chinese from Shandong College of Education* 山東省教育學院 in June 1989. He has been serving as the general manager of Qingdao West Coast Holding Development Limited* 青島西海岸控股發展有限公司 since November 2015, and the deputy general manager of Qingdao West Coast Development (Group) Limited* 青島西海岸發展(集團)有限公司 since September 2012.

Mr. XJ Wang has more than 20 years of experience in government administration, transportation supervision, and enterprise management. From September 2010 to September 2012, he was appointed as the director general* 局長 and secretary of the party committee* 黨委書記 of Jiaonan Communications and Transportation Bureau* 膠南市交通運輸局. From January 2007 to September 2010, he was appointed as the director general* 局長 and secretary of the party committee* 黨委書記 of Jiaonan Transportation Bureau* 膠南市交通局. From August 2002 to January 2007, he was appointed as the secretary of the working committee* 工委書記 of Jiaonan Zhuhai Street* 膠

南市委珠海街道。From August 1999 to September 2001, he worked in Jiaonan Yitong Thermal Power Co., Ltd.* 膠南市易通熱電有限責任公司 (formerly “Jiaonan Thermal Power Plant* 膠南市熱電廠”), where he held a number of positions including director and chairman.

5 Mr. Wang Yaping (王亞平) (“Mr. YP Wang”), as an independent non-executive Director

Mr. YP Wang, aged 54, graduated from East China College of Political Science and Law* 華東政法學院 (now known as East China University of Political Science and Law* 華東政法大學) with a bachelor’s degree in law.

Mr. YP Wang has over 20 years of experience in law. He was admitted as a PRC lawyer in February 1989 and was accredited as a second-grade lawyer by the Department of Justice of Shandong Province* 山東省司法廳 in June 1998.

Mr. YP Wang currently serves as an executive director and a senior partner of Shandong Qindao Law Office* 山東琴島律師事務所, the president of Qingdao Lawyers Association* 青島市律師協會, an independent non-executive director of Qingdao Port International Co., Ltd. 青島港國際股份有限公司 (a company listed on the Stock Exchange with stock code 6198), a supervisor of Tsingtao Brewery Company Limited* 青島啤酒股份有限公司 (a company listed on the Stock Exchange and the Shanghai Stock Exchange, with stock code 00168 and 600600 respectively), and an independent director of Qingdao Tianneng Heavy Industries Co., Ltd.* 青島天能重工股份有限公司 (a company listed on the Shenzhen Stock Exchange, with stock code 300569), an independent director of Qingdao Conson Financial Holdings Co., Ltd.* 青島國信金融控股有限公司, an independent director of Qingdao Conson Entrepreneurship Micro-credit Co., Ltd.* 青島國信創業小額貸款有限公司, and an independent director of Qingdao BAHEAL Pharmaceutical Co., Ltd* 青島百洋醫藥股份有限公司.

As at the date of this announcement, each of Mr. Liu, Mr. Zhu and Mr. Xue has entered into a service contract with the Company with an initial term of three years with effect from 4 October 2018, which shall be renewed automatically for successive term of one year each commencing from the day after the expiry of the then current term of appointment, unless terminated by either party giving not less than three month’ notice in writing. Each of Mr. Liu, Mr. Zhu and Mr. Xue is not entitled to any director’s fee or salary payable at the time entering into the service contract, however, which may be reviewed from time to time at the discretion of the Board. Their appointments are subject to retirement by rotation and/or re-election at the next following general meeting of the Company according to the articles of association of the Company.

As at the date of this announcement, each of Mr. XJ Wang and Mr. YP Wang has entered into a letter of appointment with the Company with an initial term of three years and one year, respectively, with effect from 4 October 2018, unless terminated by either party giving not less than three month’ notice in writing. Mr. YP Wang is entitled to an annual salary of HK\$216,000 which is determined with reference to his duties, responsibilities, the prevailing market conditions and has been approved by the Board and the remuneration committee of the Company. Mr. XJ Wang is not entitled to any

emoluments at the time of his appointment, which may be reviewed from time to time at the discretion of the Board. Their appointments are subject to retirement by rotation and/or re-election at the next following general meeting of the Company according to the articles of association of the Company.

Save as disclosed above, as at the date of this announcement, each of the new Directors has confirmed that (i) he does not hold any directorship in other public listed companies in Hong Kong or overseas in the past three years; (ii) he does not hold any other position with the Company and any member of the Group; (iii) he does not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company; (iv) he does not have any interest in the Shares or underlying shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); and (v) there is no other information that is required to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules nor there is any other matter that needs to be brought to the attention of the Shareholders in relation to his appointment.

CHANGE OF COMPOSITION OF THE BOARD COMMITTEES

The Board announces that effective immediately after the resignation of the Resigning Directors above:

- (a) Mr. Yu Ming ceased to be the chairman of the risk management committee of the Company (the “**Risk Management Committee**”);
- (b) Ms. Kui Ching Wah ceased to be a member of the Risk Management Committee;
- (c) Ms. Leung Sau Fan Sylvia ceased to be a member of each of the audit committee of the Company (the “**Audit Committee**”), the remuneration committee of the Company (the “**Remuneration Committee**”), the nomination committee of the Company (the “**Nomination Committee**”) and the Risk Management Committee;
- (d) Mr. Leung Yee Tak ceased to be the chairman of the Remuneration Committee, and a member of each of the Audit Committee, the Nomination Committee and the Risk Management Committee.

NON-COMPLIANCE WITH LISTING RULES

The Board noted that following the change in composition of the Board that took effect on 4 October 2018, (a) the number of the independent non-executive Directors has fallen below the minimum number required under Rules 3.10(1) and 3.10A of the Listing Rules; (b) the composition of the Audit Committee does not meet the requirements stipulated in Rule 3.21 of the Listing Rules; (c) the Remuneration Committee is not chaired by an independent non-executive Director and does not comprise a majority of independent non-executive Directors as required under Rule 3.25 of the Listing Rules; and (d) the Nomination Committee is not chaired by either the chairman of the Board or an independent non-executive Director and does not comprise a majority of independent non-executive Directors as required by code provision A.5.1 of the corporate governance code as contained in Appendix 14 to the Listing Rules. The Company is in the process of identifying suitable candidates to fill the vacancies as soon as possible for the purpose of compliance with the Listing Rules. Further announcement(s) will be made by the Company upon the appointment of the additional independent non-executive Director(s).

By order of the Board
Prosper Construction Holdings Limited
Cui Qi
Executive Director

Hong Kong, 4 October 2018

As at the date of this announcement, the Board comprises executive Directors Mr. LIU Luqiang (chairman of the Board), Mr. ZHU Jiangfeng, Mr. XUE Qingfu and Mr. CUI Qi; non-executive Director Mr. WANG Xuejun; and independent non-executive Directors Mr. CHEUNG Chi Man Dennis and Mr. WANG Yaping.