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JINGRUI HOLDINGS LIMITED

景瑞控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01862)

**ANNOUNCEMENT
ROLES AND RESPONSIBILITIES OF THE CO-CHAIRMEN
AND CHIEF EXECUTIVE OFFICER**

As a matter of good corporate governance practices, the board of directors (the “**Board**”) of Jingrui Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to provide further information with respect to the respective roles and responsibilities of Mr. Yan Hao (“**Mr. Yan**”) and Mr. Chen Xin Ge (“**Mr. Chen**”) as co-chairmen of the Board (the “**Co-Chairmen**”, and each of them a “**Co-Chairman**”). Further information concerning the reasons for vesting the roles of Co-Chairman and chief executive officer in Mr. Yan is also set out below.

Mr. Yan and Mr. Chen are the co-founders of the Company and had together managed the Group in highly consensual manner. Both of them were appointed as the Co-Chairmen prior to the listing of the shares of the Company (the “**Listing**”) on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) in October 2013. As disclosed in the prospectus of the Company dated 21 October 2013 and the annual reports of the Company for each of the years ended 31 December 2013, 2014 and 2015, Mr. Yan, as one of the Co-Chairman and the chief executive officer of the Company, is responsible for the overall strategic planning and business direction and day to day business, operations and management of the Group, and Mr. Chen, as the other Co-Chairman, is mainly responsible for the overall strategic planning and business direction of the Group. During the term acting as the Co-Chairmen, Mr. Yan and Mr. Chen have together carried out the role of chairman of the Company under the articles of association of the Company (the “**Articles**”), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Corporate Governance Code (the “**CG Code**”) set out in Appendix 14 to the Listing Rules.

In particular, article 77 of the Articles contemplates for the chairman of the Board shall preside as the chairman at every general meeting of the Company. In the past, either Mr. Yan or Mr. Chen had presided over previous general meetings of the Company held since the Listing. As advised by the legal advisor of the Company as to Cayman Islands law, article 77 does not restrict the Company to appoint more than one chairman of the Board. On the other hand, article 139 of the Articles allows the directors of the Company (the “**Directors**”) to elect a chairman for each of the Board meeting to be held by the Company. As advised by the legal advisor of the Company as to Cayman Islands law, article 139 does not prescribe any requirements with respect to the chairman of the Board meeting and it does not necessarily have to be one of the Co-Chairmen. A chairman was duly elected to chair each of the Board meeting held since the Listing. As advised by the legal advisor of the Company as to Cayman Islands law, based on the provisions of the Articles, the

appointments of Mr. Yan and Mr. Chen as the Co-Chairmen do not contravene any law, public rule or regulation of the Cayman Islands applicable to the Company which is currently in force or the memorandum of association of the Company or the Articles.

In addition, rule B.8 of the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix 10 to the Listing Rules stipulates that the board of directors of a listed issuer shall designate its chairman to receive and acknowledge a notification from its director (otherwise than himself) for his dealing in the securities of the listed issuer. Since the Listing, Mr. Chen has been designated as the Co-Chairman responsible for receiving and acknowledging dealing notifications from all Directors (otherwise than himself), and Mr. Yan has been designated as the Co-Chairman responsible for receiving and acknowledging dealing notification from Mr. Chen.

Further, paragraph A.2 of the CG Code sets out certain roles and responsibilities of the chairman of a listed issuer with respect to corporate governance matters. The roles of a chairman as set out under paragraph A.2 of the CG Code include, among others, ensuring that all directors are properly briefed on issues arising at board meetings and ensuring that the board of directors works effectively and performs its responsibilities, and that all key and appropriate issues are discussed by it in a timely manner. The chairman should also take primary responsibility for ensuring that good corporate governance practices and procedures are established. Whilst Mr. Yan and Mr. Chen have together managed the Board since the Listing, Mr. Yan and Mr. Chen have been serving clearly delineated functions within the Board. Mr. Yan has always been responsible for overseeing the day to day operations and overall strategic planning and business direction of the Group and Mr. Chen has always taken primary responsibility for the internal controls and corporate governance measures and procedures of the Company. In addition, in order to ensure a balance of power and authority and such that power is not concentrated in any one Co-Chairman, the Company has adopted corporate governance measures such that a Co-Chairman shall be primarily responsible for drawing up and approving the agenda for the Board meeting and shall preside as the chairman at the Board meeting for which matters proposed by the other Co-Chairman shall be considered. There is also a clear understanding and expectation by the Board and within the Company as to the separation of roles and responsibilities of Mr. Yan and Mr. Chen within the Group. The Company is of the view that the Co-Chairmen each acts as a natural check and balance on each other to ensure that the overall interests of the Company and its shareholders are protected.

However, paragraph A.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing. Since the Listing, Mr. Yan has acted as the Co-Chairman and the chief executive officer of the Company. Notwithstanding the corporate governance measures adopted by the Company and the appointment of Mr. Chen as the other Co-Chairman with an aim to balance the power and authority of Mr. Yan, this is a deviation from the code provision set out in paragraph A.2.1 of the CG Code. Mr. Yan, as one of the founders of the Group, is instrumental to the Company’s growth and business expansion since 1999. The Board considered that vesting the roles of Co-Chairman and chief executive officer in Mr. Yan facilitates and maximizes the effectiveness of the execution of the Group’s business strategies. The executive functions and day-to-day management of the business are carried out by Mr. Yan as the chief executive officer of the Company. In addition, the Board believes that the powers and authorities of the Co-Chairmen have not been concentrated as the responsibilities have been shared between the Co-Chairmen. The Board also believes that the balance of power and authority is adequately ensured by the operations of senior management of the Company and the Board, which comprises experienced and high calibre individuals. The Board currently comprises four executive Directors (including Mr. Yan) and three independent non-executive Directors and therefore has a strong independence element in its composition.

Except for the deviation from the code provision A.2.1 of the CG Code, the Company has fully complied with the applicable code provisions of the CG Code since the Listing. The Company is committed to achieve high standards of corporate governance by focusing on principles of integrity, accountability, transparency, independence, responsibility and fairness. The Board will continue to review and monitor the corporate governance of the Company, as well as various internal policies and procedures, including but not limited to those applicable to employees and Directors with reference to the CG Code, the Articles and other applicable legal and regulatory requirements so as to maintain a high standard of corporate governance of the Company. The Company will continue to make prominent disclosures on the corporate governance of the Company in future annual and interim reports to be published by the Company in accordance with applicable requirements under the Listing Rules, and in particular, the mandatory disclosure requirements of the Corporate Governance Report set out in Appendix 14 to the Listing Rules.

By Order of the Board
Jingrui Holdings Limited
Yan Hao Chen Xin Ge
Co-chairmen

Hong Kong, 26 October 2016

As at the date of this announcement, the Board comprises Yan Hao, Chen Xin Ge, Yang Tie Jun and Xu Chao Hui, as executive Directors; Han Jiong, Qian Shi Zheng and Lo Wing Yan William, as independent non-executive Directors.

* *For identification purpose only*