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中國地熱能產業發展集團有限公司

CHINA GEOTHERMAL INDUSTRY DEVELOPMENT GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8128)

**RESIGNATION AND APPOINTMENT OF EXECUTIVE DIRECTOR,
RESIGNATION AND APPOINTMENT OF MEMBER
OF STRATEGIC COMMITTEE
AND
NOMINATION OF SENIOR MANAGEMENT**

The Board hereby announces that:–

- (1) Mr. Zang Yiran has resigned as executive Director and the chief financial officer as well as the member of strategic committee of the Company with effect from 24 August 2020;
- (2) Ms. Hao Xia has been appointed as executive Director and the chief financial officer as well as the member of strategic committee of the Company with effect from 24 August 2020;
- (3) Mr. Xue Jiangyun has been appointed as the chief executive officer and the chairman of HYY Group with effect from 24 August 2020;
- (4) Mr. Wang Manquan has been re-designated to the chief operating officer with effect from 24 August 2020.

RESIGNATION OF EXECUTIVE DIRECTOR

The board of directors (the “**Board**”) of China Geothermal Industry Development Group Limited (the “**Company**”) hereby announces that due to the internal work adjustment by China Energy Conservation and Environmental Protection Group (the parent company of China Energy Conservation and Environmental Protection (Hong Kong) Investment Co., Ltd., a substantial shareholder of the Company), Mr. Zang Yiran (“**Mr. Zang**”) has resigned as executive Director and the chief financial officer as well as the member of strategic committee of the Company with effect from 24 August 2020.

Mr. Zang has confirmed that he has no disagreement with the Board and there is no other matters in relation to his resignation that needs to be brought to the attention of the shareholders of the Company.

The Board would like to take this opportunity to express its gratitude to Ms. Zang for his contributions to the Company during his tenure of office as Director of the Company.

APPOINTMENT OF EXECUTIVE DIRECTOR

The Board is pleased to announce that Ms. Hao Xia (“**Ms. Hao**”) has been appointed as executive Director and the chief financial officer as well as the member of strategic committee of the Company with effect from 24 August 2020.

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

Ms. Hao Xia, aged 40, is a senior accountant. In July 2002, Ms. Hao graduated with a bachelor’s degree in accounting from China University of Mining and Technology (中國礦業大學). She joined China Coal Research Institute (煤炭科學研究總院) in August 2002 and had been engaged in financial accounting for a long time. She had been the director of the Accounting Office of the Finance Center of China Coal Research Institute, the investment director of the Enterprise Management Department of China Coal Research Institute, the financial director of Zhejiang Coal Science Clean Energy Co., Ltd. (浙江煤科清潔能源有限公司) and the deputy director (presiding) of the Asset Finance Department of Coal Science and Technology Research Institute Co., Ltd. (煤炭科學技術研究院有限公司). Ms. Hao joined China Energy Conservation and Environmental Protection Group in January 2018 as the chief accountant of CECEP Building Energy Conservation Co., Ltd. (中節能建築節能有限公司) (a fellow subsidiary of China Energy Conservation and Environmental Protection (Hong Kong) Investment Co., Ltd. which is a substantial shareholder of the Company). From April 2015 to May 2018, Ms. Hao acted as a supervisor of Shanghai Datun Energy Resources Co., Ltd. (上海大屯能源股份有限公司)(a company listed in the PRC, stock code: 600508).

NOMINATION OF SENIOR MANAGEMENT

The Board further announces that, with effect from 24 August 2020, Mr. Xue Jiangyun (“**Mr. Xue**”) has been appointed as the chief executive officer and the chairman of Ever Source Science & Technology Development Group Co., Ltd. (“**HYH Group**”), an indirect wholly-owned subsidiary of the Company, and Mr. Wang Manquan has been re-designated to the chief operating officer of the Company.

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

Mr. Xue Jiangyun, aged 50, is a senior engineer. Mr. Xue graduated with a doctoral degree from the University of Science and Technology Beijing (北京科技大學) in June 1997, majoring in corrosion and protection. In July 1997, he commenced working in Beijing Guotou Energy Conservation Company (北京國投節能公司). He had been the project manager of the Industrial Department of

Beijing Guotou Energy Conservation Company, the director of Beijing Energy Conservation Information Center, and an assistant to general manager, deputy general manager and general manager of Beijing Hualixing Technology Development Co., Ltd. (北京華力興科技發展有限公司). He joined China Energy Conservation and Environmental Protection Group in June 2014 and successively served as deputy general manager and the chairman of labor union of CECEP Industrial Energy Conservation Co., Ltd. (中節能工業節能有限公司), an executive director and deputy general manager of CECEP Building Energy Conservation Co., Ltd. (中節能建築節能有限公司). He is currently the deputy general manager of China Energy Conservation Building Energy Co., Ltd. (a fellow subsidiary of China Energy Conservation and Environmental Protection (Hong Kong) Investment Co., Ltd., a substantial shareholder of the Company).

Save as disclosed above, as at the date of this announcement, each of Ms. Hao and Mr. Xue did not hold any positions with the Company or its subsidiaries and did not have any relationship with any director, senior management, substantial shareholder or controlling shareholder of the Company. Each of Ms. Hao and Mr. Xue has no interests in the shares of the Company within the meaning of Part XV of the SFO. Save as disclosed above, Ms. Hao and Mr. Xue did not hold any directorships in any listed companies in the past three years.

Ms. Hao will enter into a service agreement with the Company in respect of her appointment as executive Director and the chief financial officer for a term of three years commencing from 24 August 2020 which can be terminated by either party by giving not less than three month's written notice to the other. Pursuant to the Company's Articles of Association, Ms. Hao is subject to retirement by rotation and re-election at general meetings of the Company. Ms. Hao will receive a director's emolument of HK\$1,200,000 per annum which was fixed by the Board based on the recommendations of the remuneration committee of the Company with reference to market conditions and her duties and responsibilities with the Group.

Mr. Xue will enter into an employment agreement with the Company in respect of his appointment as the chief executive officer and the chairman of HYY Group for a term of three years commencing from 24 August 2020 which can be terminated by either party by giving not less than three month's written notice to the other. Mr. Xue will receive a salary of HK\$1,620,000 per annum which was fixed by the Board based on the recommendations of the remuneration committee of the Company with reference to market conditions and his duties and responsibilities with the Group.

Save as disclosed above, there are no other information in relation to the appointments of Ms. Hao and Mr. Xue which are required to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules and no other matters that need to be brought to the attention of the shareholders of the Company.

By order of the Board of
China Geothermal Industry Development Group Limited
Xu Shengheng
Joint Chairman & Executive Director

Hong Kong, 24 August 2020

As at the date of this announcement, the Board comprises Mr. Xu Shengheng, Ms. Wang Yan, Ms. Chan Wai Kay, Katherine, Mr. Wang Manquan, Ms. Hao Xia and Mr. Dai Qi as executive Directors, Mr. Yang Wei, Mr. Zhang Yiying and Mr. Wang Michael Zhiyu (Ms. Liu Ening being his alternate Director) as non-executive Directors, Mr. Jia Wenzeng, Mr. Wu Desheng, Mr. Wu Qiang, Mr. Guo Qingui and Mr. Guan Chenghua as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website with the domain name of www.hkgem.com on the "Latest Company Announcement" page for at least 7 days from the date of publication and on the website of the Company at www.cgsenergy.com.hk.