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NOVA Group Holdings Limited

諾發集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1360)

RESIGNATION OF EXECUTIVE DIRECTOR AND CHANGE OF CHIEF EXECUTIVE OFFICER

A. RESIGNATION OF EXECUTIVE DIRECTOR

The board (the “**Board**”) of directors (the “**Director(s)**”) of NOVA Group Holdings Limited (the “**Company**”) hereby announces that Mr. Xu Feng (“**Mr. Xu**”) has tendered his resignation as an executive Director and the chief executive officer (the “**CEO**”) of the Company with effect from 31 May 2021 as he intended to devote more time to his other business engagement.

Mr. Xu has confirmed that he has no disagreement with the Board and there is no matter relating to his resignation that needs to be brought to the attention of the shareholders (the “**Shareholders**”) of the Company or The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The Board would like to take this opportunity to express its sincere gratitude to Mr. Xu for his valuable contributions to the Company during his tenure of office.

B. CHANGE OF CHIEF EXECUTIVE OFFICER

The Board further announces that, following the resignation of Mr. Xu as an executive Director and the CEO, Mr. Deng Zhonglin (“**Mr. Deng**”), the chairman of the Board, has been appointed as the CEO, with effect from 31 May 2021.

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

Mr. Deng, aged 46, was appointed as an executive Director on 14 October 2016 and is currently the chairman of the Board, the chairman of the nomination committee and a member of the remuneration committee (the “**Remuneration Committee**”) of the Company. Mr. Deng is also the director of the following subsidiaries, namely Big Leader Limited, Great Getter Limited, Greatest Best Limited, Eastern Pioneer Holdings Limited, Sparkle Mass Limited, Splendor Reward Investment Limited, Speed Reach Investment Holding Limited, 上海臨蘊企業管理諮詢有限公司 (Shanghai Lin Yun Enterprise Management Consulting Co., Limited*), 上海臨蘊會展服務有限責任公司 (Shanghai Lin Yun Exhibition Services Limited Liability Company*), Mega Entertainment & Fair (Hong Kong) Limited, Integral Wealth Limited, Treasure Spy Limited, CIS Industrial Co., Limited, 福瑞達融資租賃(深圳)有限公司 (Furuida Financial Leasing (Shenzhen) Co., Ltd.*), Best Trained Limited, i-Lend Finance Limited, Qianlong Asset Management Limited, Hananhal Investment Holding Co., Limited, 上海守信商業保理有限公司 (Shanghai Shouxin Commercial Factoring Co., Ltd.*), NOVA Group Holdings (HK) Limited, Ace Builder Limited, Huge World Corporation Limited, 深圳前海元辰文化發展有限公司 (Shenzhen Qianhai Yuanchen Culture Development Co., Ltd.*), Super Team Developments Limited, Fortune Selection Limited, Faithful Progress Limited, Supreme Highview Limited, Phebe Shanghai Limited, Phebe (HK) Holding Limited, NOVA (HK) Yachting Limited, Super Marine International Limited, Hero Sea Limited, 亞淼(上海)文化發展有限責任公司 (Yamiao (Shanghai) Cultural Development Co., Ltd.*), Corporate Charm Holdings Limited, Asia Pacific Top 100 DJ Limited, Brightly Rise Limited, Universe Unity Limited, Cheer Sino Investment Holdings Limited, World Cheer Inc Limited, NOVA Group International Holdings Limited, NOVA Group International (HK) Limited, Octopus-entertainment International Holdings Limited, Octopus-entertainment International Limited, Broad Creation Advertising Holdings Limited, Broad Creation Advertising Limited, Jumbo Summit Investments Limited, Lead Faith Investment Development Limited, Prosper Cachet Global Limited, Team Prospect Development Limited, Wonder Goal Investments Limited, Prime Faith Mega Trade Limited, Beyond Bright Limited, Great Talent Corporate Limited, Eastern Elite Global Limited, Golden Miles International Limited, Great Wisdom-entertainment Holdings Limited, and Great Wisdom-entertainment International Limited.

Mr. Deng has over 20 years of experience in corporate management and strategic planning. He is familiar with the exhibition industry and the operation of advertising business. Mr. Deng graduated from Shenzhen University in 1995. From 1999 to 2003, he served as an assistant to the general manager of 上海萬舟航運有限公司 (Shanghai Wanzhou Shipping Co., Limited*). From 2004 to 2009, he was the managing director of 永安商船海運有限公司 (Ever Maru Shipping Co., Limited*). From 2010 to 2017, he served as the general manager of 上海覽眾廣告傳播有限公司 (Shanghai Public Advertising Communications Co., Limited*) which was mainly engaged in advertising, display and exhibition services as well as conference services.

Mr. Deng entered into a service agreement with the Company on 14 October 2016 for an initial term of three years commencing on 14 October 2016 which will continue thereafter, subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the articles of association of the Company. During the tenure, the appointment may be terminated by either party giving the other not less than three months' notice in writing. The annual basic salary of Mr. Deng is HK\$600,000. Mr. Deng is also entitled to a discretionary bonus to be determined at the discretion of the Board or, if so delegated, the Remuneration Committee.

The remuneration of Mr. Deng was determined and recommended by the Remuneration Committee and approved by the Board based on his qualifications, experience, levels of responsibilities undertaken and prevailing market conditions. The remuneration of Mr. Deng will be subject to annual review by the Remuneration Committee and the Board.

As at the date of this announcement, Mr. Deng is interested in 12,000,000 underlying shares of the Company in respect of the share options granted by the Company on 1 June 2018 under the share option scheme adopted on 18 October 2013, representing approximately 0.66% of the issued ordinary share capital of the Company.

Save as disclosed above, Mr. Deng (i) does not have any relationship with any Directors, senior management of the Company, substantial Shareholders or controlling Shareholders; (ii) does not have and is not deemed to have any interest in the shares within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); (iii) has not held any other directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; and (iv) does not hold any other positions in the Company and its subsidiaries as at the date of this announcement.

C. DEVIATION FROM THE CORPORATE GOVERNANCE CODE

As Mr. Deng now serves as both the chairman of the Board and the CEO, such practice deviates from code provision A.2.1 of the Corporate Governance Code and Corporate Governance Report (the “CG Code”) as contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange. The Board believes that vesting the roles of both the chairman of the Board and the CEO in the same person can facilitate the execution of the Group’s business strategies and boost effectiveness of its operation. Therefore, the Board considers that the deviation from the code provision A.2.1 of the CG Code is appropriate under such circumstances. In addition, as at the date of this announcement, the Board is comprised of two executive Directors, one non-executive Director and four independent non-executive Directors. The Board is appropriately structured with balance of power to provide sufficient checks and supervision to protect the interests of the Company and its shareholders.

* *For identification purpose only*

By Order of the Board
NOVA Group Holdings Limited
Deng Zhonglin
Chairman

Hong Kong, 31 May 2021

As at the date of this announcement, the Board comprises Mr. Deng Zhonglin and Mr. Wong Yuk Lun, Alan as executive Directors; Ms. Huang Chian, Sandy as non-executive Director; and Mr. Choi Hung Fai, Mr. Tsang Wing Ki, Dr. Wong Kong Tin, JP and Mr. Qiu Peiyuan as independent non-executive Directors.