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## **CITYCHAMP WATCH & JEWELLERY GROUP LIMITED**

**冠城鐘錶珠寶集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 256)**

### **APPOINTMENT OF EXECUTIVE DIRECTOR, INDEPENDENT NON-EXECUTIVE DIRECTOR AND MEMBER OF THE BOARD COMMITTEES**

The board of Directors (the “Board”) of Citychamp Watch & Jewellery Group Limited (the “Company”) is pleased to announce that Mr. Tao Li (“Mr. Tao”) has been appointed as an executive Director of the Company and Mr. Zhang Bin (“Mr. Zhang”) has been appointed as an independent non-executive Director of the Company and a member of each of the Audit Committee, Nomination Committee and Remuneration Committee of the Company, with effect from 26 November 2014.

The biography details of Mr. Tao and Mr. Zhang are set out as follows:

#### **Mr. Tao**

Mr. Tao, aged 61, is the Vice President of the Company and in charge of the watch manufacturing and distribution businesses in certain subsidiaries of the Company. Mr. Tao graduated from Beijing Foreign Trade College (currently known as China Foreign Economy and Trade University) in 1978, majoring in Foreign Trade English. He taught at Beijing Foreign Trade School from 1979 to 1984, during that time he had studied in Beijing College of International Economics and Management for a year. Mr. Tao worked for China Everbright Group Limited from 1984 to 2004 when he served on managerial positions in the group companies. Everbright Watch & Clock (Shenzhen) Co., Ltd. (currently known as EBOHR Luxuries International Limited (“EBOHR”) which has become a subsidiary of the Company since 2004) was established in 1991 and Mr. Tao has served as its Director and General Manager since its incorporation. He was redesignated as the deputy Chairman of EBOHR in November 2014. Mr. Tao was granted the title of an economist in China in 1990 and senior economist in China in 1994. Mr. Tao is specialised in international trade and has tremendous experience in the watch industry. He has over 30 years of experience in respect of business administration, brands building and marketing, etc.

Mr. Tao currently serves as the Director of EBOHR, EB Brand Limited, PAMA Precision Manufacturing Limited, Shenzhen EBOHR Luxuries E-Commerce Co., Ltd. and Zhuhai Rossini Watch Industry Ltd. as well as the President of Swiss Chronometric AG, all of which are subsidiaries of the Company.

Mr. Tao has made tremendous contribution to the watch business of the Company and he is promoted to act as an executive Director of the Company. Mr. Tao has entered into a service contract with the Company for an initial term of two years commencing from 26 November 2014 and the contract is subject to termination by either party by giving not less than two-month written notice. Pursuant to the Articles of Association of the Company, Mr. Tao will be subject to retirement and re-election at the forthcoming annual general meeting of the Company. He is then subject to retirement by rotation and re-election at annual general meetings pursuant to the Articles of Association of the Company. According to the service contract, Mr. Tao is entitled to a monthly salary of HK\$110,000 for 13 months as director remuneration and a discretionary bonus after one year service in the Company. Mr. Tao's remuneration and bonus are reviewed and approved by the Board of the Company with reference to his duties and responsibilities within the Company, the composition of the Board and the Company's performance.

There is no relationship between Mr. Tao and any Director, senior management, substantial shareholder or controlling shareholder of the Company. For Part XV of the Securities and Futures Ordinance (the "SFO"), Mr. Tao is interested in 5,000,000 shares, representing 0.11% of the issued shares of the Company, as at the date of this announcement.

Save as disclosed above, Mr. Tao does not hold any position within the Company and other members of the group nor did he hold any directorship in any listed public company in Hong Kong or overseas in the last three years. Save as the abovementioned, there is no other matters that need to be brought to the attention of the shareholders of the Company under Rule 13.51(2) of the Listing Rules on the Hong Kong Stock Exchange (the "Listing Rules").

### **Mr. Zhang**

Mr. Zhang, aged 50, is currently a partner of Beijing Hylands Law Firm ("Hylands"). Mr. Zhang obtained a Bachelor of Laws from Fudan University in Shanghai in 1986 and was qualified as a lawyer in China in 1988. He had served as a legal advisor in a large scale state-owned enterprise for years upon his graduation. Before joining Hylands in 2008, he worked in law firms in Beijing, London and Hong Kong. Mr. Zhang is involved in a wide range of areas of practice and has accumulated tremendous experiences in legal affairs in respect of financial investments, real estates and intellectual property rights, etc.

According to the letter of appointment entered into between the Company and Mr. Zhang, his initial term is two years commencing from 26 November 2014 and is renewable for successive term of one year commencing from the next day after the expiry of the then current term. Pursuant to the Articles of Association of the Company, Mr. Zhang will be subject to retirement and re-election at the forthcoming annual general meeting of the Company. He is then subject to retirement by rotation and re-election at annual general meetings pursuant to the Articles of Association of the Company. According to the terms of the service contract, Mr. Zhang is entitled to directors' fees of HK\$150,000 per annum, which is determined by the Board of the Company with reference to his duties and responsibilities within the Company, the expected time of commitment and the prevailing market conditions.

As at the date of this announcement, Mr. Zhang does not hold any position within the Company and other members of the group nor did he hold any directorship in any listed public company in Hong Kong or overseas in the last three years.

As at the date of this announcement, there is no relationship between Mr. Zhang and any Director, senior management, substantial shareholder or controlling shareholder of the Company, and he does not have any interest in the Company within the meaning of Part XV of the SFO.

Save as the abovementioned, there is no other matters that need to be brought to the attention of the shareholders of the Company under Rule 13.51(2) of the Listing Rules.

Upon the appointment of Mr. Tao and Mr. Zhang, the Board of the Company comprises 8 executive Directors and 4 independent non-executive Directors. The number of independent non-executive Directors is in compliance with the requirements pursuant to Rule 3.10A of the Listing Rules.

The Board would like to take this opportunity to welcome Mr. Tao and Mr. Zhang to join the Board.

On behalf of  
**Citychamp Watch & Jewellery Group Limited**  
**Hon Kwok Lung**  
*Chairman*

Hong Kong, 26 November 2014

*As at the date of this announcement, the Board comprises Mr. Hon Kwok Lung, Mr. Shang Jianguang, Mr. Shi Tao, Mr. Lam Toi Man, Mr. Bi Bo, Ms. Sit Lai Hei, Mr. Hon Hau Wong and Mr. Tao Li as the executive Directors; and Mr. Fung Tze Wa, Dr. Kwong Chun Wai, Michael, Mr. Li Qiang and Mr. Zhang Bin as the independent non-executive Directors.*