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## **SINCERE WATCH (HONG KONG) LIMITED**

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

**(Stock Code: 444)**

### **RE-DESIGNATION OF CO-CHAIRMEN TO DEPUTY CHAIRMEN**

The Board announces that with effect from 1 October 2016:

1. Mr. Zhang Xiaoliang, an executive Director, will be re-designated from Co-Chairman to Deputy Chairman; and
2. Mr. Wu Ting Yuk, Anthony, an executive Director, will be re-designated from Co-Chairman to Deputy Chairman.

The board (the “**Board**”) of directors (the “**Directors**”) of Sincere Watch (Hong Kong) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) announces that with effect from 1 October 2016:

1. Mr. Zhang Xiaoliang (“**Mr. Zhang**”), an executive Director, will be re-designated from Co-Chairman to Deputy Chairman; and
2. Mr. Wu Ting Yuk, Anthony (“**Mr. Wu**”), an executive Director, will be re-designated from Co-Chairman to Deputy Chairman.

The biographical details of Mr. Zhang and Mr. Wu are as follows:

#### **MR. ZHANG XIAOLIANG**

Mr. Zhang, aged 45, was appointed an Executive Director and Co-Chairman of the Company on 22 April 2016. He is also a director of a number of the indirect wholly-owned subsidiaries of the Company, the president and producer of Aquamen Entertainment LLC., a US-based company, president of Beijing Chi-Cha Networks Technology Company Limited (北京奇恰網絡科技有限公司), chairman of Chongqing branch of China International Engineering Design & Consult Company Limited (中外建工程設計與顧問有限公司), founder, a director and chief scientist of Beijing Quanlian Networks Technology Company Limited (北京全聯網絡科技股份有限公司), chief scientist of Channelsoft (Beijing) Technology Co., Ltd (青牛(北京)技術有限公司), a director of The China Yanan Spirit

Research Society (中國延安精神研究會) and vice chairman of The China Yanan Association (中國延安兒女聯誼會). Mr. Zhang is a computer specialist and he is also a technical expert in the field of digital audio/video engineering. He has worked for several enterprises such as Dun & Bradstreet, Bankers Trust, Bank of New York and Merrill Lynch. Mr. Zhang holds a master degree of business administration of Bauer College of Business, University of Houston, the USA.

There is a service agreement entered into between the Company and Mr. Zhang for a term of one year commencing from 1 June 2016. Under the service agreement, Mr. Zhang is entitled to receive an annual salary of HK\$5,040,000 plus discretionary bonus. Mr. Zhang is subject to the requirements of retirement by rotation and re-election at annual general meetings of the Company in accordance with the articles of association of the Company (“**Articles**”). The emoluments of the Directors are determined by the Board on the basis of the Company’s performance and profitability, the duties, responsibility and contribution of the Directors, and the remuneration benchmark in the industry, with reference to the recommendation of the remuneration committee of the Company (the “**Remuneration Committee**”).

#### **MR. WU TING YUK, ANTHONY**

Mr. Wu, GBS, JP, aged 62, was appointed an Executive Director and Co-Chairman of the Company on 27 March 2015. He is also a director of a number of the Company’s subsidiaries. Mr. Wu is a member of Standing Committee of the 12th Chinese People’s Political Consultative Conference National Committee. Mr. Wu was formerly the chairman of the Hong Kong Hospital Authority, chairman of Far East and China of Ernst & Young, chairman and director of Bauhinia Foundation Research Centre and an independent non-executive director of Fidelity Funds. He also served as the chairman, and is currently a director of the Hong Kong General Chamber of Commerce. Mr. Wu is a member of the State Council’s Medical Reform Leadership Advisory Committee. He is also a member of the Public Policy Advisory Committee of the National Health and Family Planning Commission of the People’s Republic of China, the Principal Advisor and member of the Expert Advisory Committee on Reforms and Development of Chinese Medicine to the State Administration of Traditional Chinese Medicine of the People’s Republic of China, Chief Advisor to the Bank of Tokyo-Mitsubishi UFJ, Ltd., the Chairman of China Oxford Scholarship Fund and an Honorary Professor of Faculty of Medicine of the Chinese University of Hong Kong. Mr. Wu is an independent non-executive director of Power Assets Holdings Limited, Guangdong Investment Limited and China Taiping Insurance Holdings Company Limited, all of which are companies listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). Mr. Wu was also an independent non-executive director of Agricultural Bank of China Limited from January 2009 to June 2015, which is a company listed on The Shanghai Stock Exchange and the Main Board of the Stock Exchange. He is a member of Association of Chartered Certified Accountants of the United Kingdom and an Honorary Fellow of Hong Kong College of Community Medicine.

On 24 December 2013, the Disciplinary Committee of the Hong Kong Institute of Certified Public Accountants (the “**Institute**”) has found Mr. Wu failed to observe, maintain or otherwise apply the independence requirements of the Institute in preserving the appearance of independence by acting as a Financial Advisor to a non-listed company whilst also a senior partner of Ernst & Young who were auditors of such company in respect of the financial years ended 31 December 1995 to 31 December 1997, and also being a deemed

auditor under the Companies Ordinance, to be a professional misconduct. Mr. Wu was ordered to pay a penalty of HK\$250,000, name removed from the Register for a period of two years from 23 July 2014 and together with Ernst & Young and other respondent costs of HK\$2,000,000.

There is a service agreement entered into between the Company and Mr. Wu for a term of one year commencing from 1 June 2016. Under the service agreement, Mr. Wu is entitled to receive an annual salary of HK\$5,040,000 plus discretionary bonus. Mr. Wu is subject to the requirements of retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles. The emoluments of the Directors are determined by the Board on the basis of the Company's performance and profitability, the duties, responsibility and contribution of the Directors, and the remuneration benchmark in the industry, with reference to the recommendation of the Remuneration Committee.

## **GENERAL INFORMATION**

Save as disclosed above, as at the date of this announcement, both Mr. Zhang and Mr. Wu have confirmed that (i) they do not hold any directorship in other public listed companies in Hong Kong or overseas in the past three years; (ii) they do not hold any other position with the Company or other members of the Group; (iii) they do not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company; (iv) they do 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 Rules Governing the Listing of Securities on the Stock Exchange nor there is any other matter that needs to be brought to the attention of the shareholders of the Company in relation to their re-designation.

## **DUTIES AND RESPONSIBILITIES OF THE DEPUTY CHAIRMEN**

Despite of the above re-designation, the scope of duties and responsibilities of Mr. Zhang and Mr. Wu shall remain unchanged and Mrs. Chu Yuet Wah, the chairlady of the Board, has been performing solely the duties and responsibilities of a chairperson of the Board.

Mr. Zhang will continue to oversee and manage the Group's investment projects in healthcare and medical tourist industry in the People's Republic of China (the "PRC").

Mr. Wu will continue to oversee and manage the investment projects of the Group in healthcare and medical tourist industry in the PRC and other projects assigned by the Board from time to time.

By Order of the Board  
**Sincere Watch (Hong Kong) Limited**  
**Chu Yuet Wah**  
*Chairman*

Hong Kong, 30 September 2016

*As at the date of this announcement, the Executive Directors of the Company are Mrs. Chu Yuet Wah (Chairman), Mr. Zhang Xiaoliang (Co-Chairman), Mr. Wu Ting Yuk, Anthony (Co-Chairman), Mr. Chu, Kingston Chun Ho (Vice Chairman and Managing Director), Mr. Yang Guangqiang and Mr. An Muzong; and the Independent Non-executive Directors of the Company are Mr. Lau Man Tak, Ms. Lo Miu Sheung, Betty, Dr. Wong Yun Kuen and Mr. Yu Zhenxin.*