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## **HSIN CHONG GROUP HOLDINGS LIMITED**

**新昌集團控股有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 00404)**

- (I) RESIGNATION OF EXECUTIVE DIRECTOR;**
- (II) APPOINTMENT OF INDEPENDENT  
NON-EXECUTIVE DIRECTOR;**
- (III) CHANGE OF COMPOSITION OF EXECUTIVE,  
NOMINATION, REMUNERATION AND  
AUDIT COMMITTEES;**
- (IV) RESIGNATION OF CO-CHIEF EXECUTIVE OFFICER  
AND**
- (V) RE-DESIGNATION OF CHIEF EXECUTIVE OFFICER**

### **RESIGNATION OF EXECUTIVE DIRECTOR AND CESSATION OF MEMBERSHIP OF EXECUTIVE COMMITTEE**

The board (the “**Board**”) of directors (the “**Directors**”) of Hsin Chong Group Holdings Limited (the “**Company**” together with its subsidiaries, collectively the “**Group**”) announces that with effect from 8 June 2017, Mr. ZHOU Wei (“**Mr. Zhou**”) has resigned as the Executive Director of the Company as he would like to devote more time to his other personal commitments. After the resignation, he remains as the Chief Strategic Officer of the Company, but ceases to be a member of the Executive Committee of the Company with effect from that date.

Mr. Zhou has confirmed that he has no disagreement with the Board and there is nothing relating to his resignation that needs to be brought to the attention of the shareholders of the Company and The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The Board expresses its appreciation to Mr. Zhou for his valuable contribution to the Company during his term of service.

## **APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR AND MEMBERSHIPS OF NOMINATION, REMUNERATION AND AUDIT COMMITTEES**

The board of directors (the “**Board**”) of Hsin Chong Group Holdings Limited (the “**Company**”) announces that Mr. LAI Chik Fan (“**Mr. Lai**”) has been appointed as the Independent Non-executive Director with effect from 8 June 2017. He has also been appointed as members of the Nomination, Remuneration and Audit Committees with effect from 8 June 2017.

Mr. Lai, aged 68, possesses extensive professional experience in financial management, securities and capital investment. Mr. Lai holds a Bachelor degree of Science from Indiana State University in the United States.

Mr Lai Chik Fan is the principal of AR Evans Capital Partners Inc. He has more than 35 years of experience in the financial services sector, mainly in stock broking and investment banking. Mr. Lai previously served as advisor to the Board of Directors of Asia Securities Global Ltd. and was CEO of Koffman Financial Holdings Ltd. He had held senior positions at various reputable financial institutions in Hong Kong, including the role of Managing Director at Smith Barney Shearson (Asia) Ltd. Merrill Lynch (Asia Pacific) Limited and Paine Webber Hong Kong Ltd. He was the Group CEO of Chin Tung Financial Holdings which eventually became part of Standard Chartered Asia Ltd. in 1988.

Mr. Lai was a Non-executive Director of CCT Fortis Holdings Limited (stock code: 138) from 8 October 1991 to 29 June 1992, a Non-executive Director of GCL New Energy Holdings Limited (stock code: 451) from 13 February 1992 to 15 May 1992, an Independent Non-executive Director of Shanghai Zendai Property Limited (stock code: 755) from 18 May 2004 to 25 May 2017. Further, he was an Executive Director of Century Ginwa Retail Holdings Limited (stock code: 162) from 11 August 2007 to 9 October 2008 respectively, the shares of which are all listed on the Main Board of the Stock Exchange.

In addition, Mr. Lai was an Independent Non-executive Director of China Demeter Financial Investments Limited (stock code: 8120) from 21 October 2004 to 22 January 2007, and re-designated as a Non-executive Director of China Demeter Financial Investments Limited (stock code: 8120) from 22 January 2007 to 9 August 2007, the share of which is listed on the Growth Enterprise Market of the Stock Exchange.

Pursuant to his letter of appointment with the Company, Mr. Lai is appointed for a term of 2 years commencing from 8 June 2017 up to and including 7 June 2019 (which is renewable upon expiry). He will hold office until the first general meeting of the Company after his appointment at which he will be eligible for re-election. Thereafter, he will be subject to retirement by rotation and re-election at least once every three years at annual general meetings pursuant to the Bye-laws of the Company. Mr. Lai, as an Independent Non-executive Director, is entitled to (i) an annual director’s fee of HK\$250,000 to act as an Independent

Non-executive Director; (ii) an annual fee of HK\$30,000 to act as a member of the Audit Committee; (iii) an annual fee of HK\$10,000 to act as a member of the Remuneration Committee; and (iv) an annual fee of HK\$10,000 to act as a member of the Nomination Committee. Such remuneration is determined with reference to his duties and responsibilities in the Company, the Company's remuneration policy and the prevailing market situation (subject to review by the Board from time to time).

Save as disclosed above and as at the date of this announcement, Mr. Lai does not hold any position in the Company or any of its subsidiaries or have any relationship with any director, senior management, substantial shareholder or controlling shareholder of the Company. He has not held any directorship in other listed companies in Hong Kong or overseas or other major appointments and qualifications in the past three years. Save as disclosed herein, Mr. Lai does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance as at the date of this announcement.

In relation to Mr. Lai's appointment as an Independent Non-executive Director, save as disclosed above, there is no other information to be disclosed pursuant to the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Rules Governing the Listing of Securities (the "**Listing Rule**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and there is no other matters that need to be brought to the attention of the holders of securities of the Company or the Stock Exchange.

The Board would like to express its warmest welcome to Mr. Lai on his new appointment.

The Board noted that following the appointment of Mr. Lai and resignation of Mr. Zhou, the number of the Independent Non-executive Directors has fulfilled with the minimum number required under Rule 3.10(1) and Rule 3.10A of the Listing Rule.

## **RESIGNATION OF CO-CHIEF EXECUTIVE OFFICER**

The Board further announces that Mr. ZHANG Xuejun ("**Mr. Zhang**") has tendered his resignation as the Co-Chief Executive Officer with immediate effect as he would like to pursue other career and business opportunities.

Mr. Zhang has confirmed that he has no disagreement with the Board and there is nothing relating to his resignation that needs to be brought to the attention of the shareholders of the Company or The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The Board expresses its appreciation to Mr. Zhang for his valuable contribution to the Company during his term of service.

## **RE-DESIGNATION OF CHIEF EXECUTIVE OFFICER**

Upon the resignation of Mr. ZHANG as Co-Chief Executive Officer, the title of Ir Joseph CHOI Kin Hung, the Co-Chief Executive Officer, will be changed to Chief Executive Officer with retrospective effect from 8 June 2017.

## **CONTINUED SUSPENSION OF TRADING IN THE SHARES**

Trading in the ordinary shares of the Company has been suspended since 3 April 2017 and will continue to be suspended until further notice.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board of  
**Hsin Chong Group Holdings Limited**  
**LIN Zhuo Yan**  
*Non-executive Chairman*

Hong Kong, 8 June 2017

*As at the date of this announcement, the Board comprises Mr. LIN Zhuo Yan as the Non-executive Chairman; Ir Joseph CHOI Kin Hung (Chief Executive Officer), Mr. Wilfred WU Shek Chun (Chief Risk Officer) and Mr. Eric TODD as Executive Directors; Mr. YAN Jie, Mr. CHEN Lei, Mr. CHUI Kwong Kau and Mr. LUI Chun Pong as Non-executive Directors; and Mr. CHENG Sui Sang, Ms. LEE Jai Ying, Mr. George YUEN Kam Ho and Mr. LAI Chik Fan as Independent Non-executive Directors.*