

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in CITYCHAMP WATCH & JEWELLERY GROUP LIMITED, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



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)

**PROPOSALS FOR GENERAL MANDATES
TO ISSUE SHARES AND TO BUY BACK SHARES,
RE-ELECTION OF DIRECTORS
AND CONTINUOUS APPOINTMENT OF INDEPENDENT
NON-EXECUTIVE DIRECTORS WHO HAVE SERVED
MORE THAN NINE YEARS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of Citychamp Watch & Jewellery Group Limited (the "Company") to be held at Tang Room I, Third Floor, Sheraton Hong Kong Hotel & Towers, 20 Nathan Road, Kowloon, Hong Kong on Monday, 28 May 2018 at 11:00 a.m. is set out on pages 6 to 9 of this circular.

Whether or not you propose to attend the Annual General Meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Hong Kong branch share registrar and transfer office of the Company, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the Annual General Meeting (or adjourned meeting as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting, if you so wish.

Hong Kong, 24 April 2018

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	3
NOTICE OF ANNUAL GENERAL MEETING	6
APPENDIX I – EXPLANATORY STATEMENT ON THE SHARE BUY-BACK MANDATE	10
APPENDIX II – PARTICULARS OF RETIRING DIRECTORS STANDING FOR RE-ELECTION	14

DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“Annual General Meeting”	the annual general meeting of the Company to be held on Monday, 28 May 2018 at 11:00 a.m., notice of which is set out on pages 6 to 9 of this circular
“Articles of Association”	the articles of association of the Company
“Board”	the board of directors
“Buy-back Mandate”	a general mandate to the Directors to exercise the powers of the Company to buy back Shares during the period as set out in the Buy-back Resolution up to a maximum of 10% of the issued share capital of the Company as at the date of passing the Buy-back Resolution
“Buy-back Resolution”	the proposed ordinary resolution as referred to in resolution No. 6 in the notice of the Annual General Meeting
“Company”	Citychamp Watch & Jewellery Group Limited 冠城鐘錶珠寶集團有限公司, a company incorporated in the Cayman Islands with limited liability whose shares are listed on the Stock Exchange
“Director(s)”	director(s) of the Company
“Executive Director(s)”	the executive director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Non-executive Director(s)”	independent non-executive director(s) of the Company
“Latest Practicable Date”	19 April 2018, being the latest practicable date prior to the printing of this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Non-executive Director”	the non-executive director of the Company
“SFO”	the Securities and Futures Ordinance
“Share(s)”	share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent.



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)

Executive Directors:

Hon Kwok Lung (*Chairman*)
Shang Jianguang (*Chief Executive Officer*)
Shi Tao
Lam Toi Man
Bi Bo
Sit Lai Hei
Hon Hau Wong
Teguh Halim
(appointed with effect from 23 January 2018)

Independent Non-executive Directors:

Fung Tze Wa
Kwong Chun Wai, Michael
Zhang Bin
Rudolf Heinrich Escher

Registered Office:

P.O. Box 309
Ugland House
South Church Street
Grand Cayman
Cayman Islands

Principal Place of Business:

Units 1902-04, Level 19
International Commerce Centre
1 Austin Road West
Kowloon
Hong Kong

Hong Kong, 24 April 2018

To the Shareholders,

Dear Sir or Madam,

**PROPOSALS FOR GENERAL MANDATES
TO ISSUE SHARES AND TO BUY BACK SHARES,
RE-ELECTION OF DIRECTORS
AND CONTINUOUS APPOINTMENT OF INDEPENDENT
NON-EXECUTIVE DIRECTORS WHO HAVE SERVED
MORE THAN NINE YEARS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to notify shareholders of the Company the convening of the Annual General Meeting and to provide you with information in connection with the proposals to: (i) grant the general mandates to issue Shares and to buy back Shares; and (ii) re-elect the retiring Directors and continuously appoint Mr. Fung Tze Wa and Dr. Kwong Chun Wai, Michael who have served the Company for more than nine years as Independent Non-executive Directors of the Company.

LETTER FROM THE BOARD

2. PROPOSED GENERAL MANDATES TO ISSUE SHARES AND TO BUY BACK SHARES

At the annual general meeting of the Company held on 26 May 2017, approval was given by the Shareholders for the granting of, inter alia, the general mandates to the Directors (i) to allot, issue and otherwise deal with Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at 26 May 2017; and (ii) to buy back Shares on the Stock Exchange up to 10% of the aggregate nominal amount of the issued share capital of the Company as at 26 May 2017. In accordance with the terms of the approval, these general mandates will shortly expire on 28 May 2018 upon the conclusion of the Annual General Meeting. To keep in line with the current corporate practice the grant of fresh general mandates for the same purpose is being sought from the Shareholders and the ordinary resolutions to grant these mandates to the Directors will be proposed at the Annual General Meeting.

As at the Latest Practicable Date, the issued share capital of the Company comprised 4,350,313,206 Shares. Assuming that there is no change in respect of the issued share capital of the Company after the Latest Practicable Date and up to the passing of the Buy-back Resolution, the Company will therefore be allowed under the mandate to issue a maximum of 870,062,641 Share.

The Explanatory Statement required by the Listing Rules to be sent to the Shareholders in connection with the Buy-back Resolution is set out in Appendix I to this circular.

Conditional upon the passing of the Resolutions No. 5 and No. 6, an ordinary resolution to authorise the Directors to exercise the powers to allot, issue and dispose of additional Shares of the Company under the general mandate to issue shares in respect of the aggregate nominal amount of the share capital in the Company bought back by the Company will also be proposed for approval by the Shareholders at the Annual General Meeting.

3. RE-ELECTION OF DIRECTORS AND CONTINUOUS APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS WHO HAVE SERVED MORE THAN NINE YEARS

In accordance with Article 116 of the Articles of Association, Ms. Sit Lai Hei, Mr. Fung Tze Wa, Dr. Kwong Chun Wai, Michael and Mr. Zhang Bin will retire by rotation at the Annual General Meeting and, being eligible, offer themselves for re-election. Mr. Fung Tze Wa and Dr. Kwong Chun Wai, Michael have served the Company as Independent Non-executive Directors for more than nine years. According to code provision A.4.3 of the Corporate Governance Code as set out in Appendix 14 of the Listing Rules, if an independent non-executive director serves more than nine years, any further appointment of such independent non-executive director should be subject to a separate resolution to be approved by the shareholders. Additionally, in accordance with Article 99 of the Company, Mr. Teguh Halim, who was appointed with effective from 23 January 2018, will also retire at the Annual General Meeting and, being eligible, offer himself for re-election.

Details of the retiring Directors who are proposed to be re-elected at the Annual General Meeting are set out in Appendix II hereto.

LETTER FROM THE BOARD

4. ANNUAL GENERAL MEETING

The notice convening the Annual General Meeting is set out on page 6 to 9 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, inter alia, the general mandates to issue Shares and to buy back Shares, the re-election of retiring Directors and continuously appoint Mr. Fung Tze Wa and Dr. Kwong Chun Wai, Michael who have served the Company for more than nine years as Independent Non-executive Directors of the Company.

Pursuant to the Listing Rules, the vote of Shareholders at the Annual General Meeting will be taken by poll. Results of the poll voting will be published on the Company's website at www.irasia.com/listco/hk/citychamp and the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk after the Annual General Meeting.

A form of proxy for use at the Annual General Meeting is enclosed. Whether or not you intend to attend the Annual General Meeting, you are requested to complete the form of proxy and return it to the Hong Kong branch share registrar and transfer office of the Company, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude Shareholders from attending and voting in person at the Annual General Meeting if they so wish.

5. RECOMMENDATION

The Directors believe that the general mandates to issue Shares and to buy back Shares and the re-election of the retiring Directors are all in the best interests of the Company and its Shareholders. Accordingly, the Directors recommend that all Shareholders should vote in favour of such resolutions to be proposed at the Annual General Meeting.

By Order of the Board
Citychamp Watch & Jewellery Group Limited
HON KWOK LUNG
Chairman

NOTICE OF ANNUAL GENERAL MEETING



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)

NOTICE IS HEREBY GIVEN that the annual general meeting of the Company will be held at Tang Room I, Third Floor, Sheraton Hong Kong Hotel & Towers, 20 Nathan Road, Kowloon, Hong Kong on Monday, 28 May 2018 at 11:00 a.m. for the following purposes:

1. To receive and adopt the audited consolidated financial statements and the report of the directors and the independent auditor's report for the year ended 31 December 2017.
2. To declare the payment of a final dividend of HK6 cents per share.
3.
 - (a) To re-elect Ms. Sit Lai Hei as an Executive Director;
 - (b) To re-elect Mr. Fung Tze Wa who has served the Company for more than nine years as an Independent Non-executive Director;
 - (c) To re-elect Dr. Kwong Chun Wai, Michael who has served the Company for more than nine years as an Independent Non-executive Director;
 - (d) To re-elect Mr. Zhang Bin as an Independent Non-executive Director;
 - (e) To re-elect Mr. Teguh Halim as an Executive Director; and
 - (f) To authorise the Board to fix the remuneration of Directors.
4. To re-appoint BDO Limited as the auditor of the Company and to authorize the Board to fix their remuneration.
5. As special business, to consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

"THAT:

- (a) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.10 each in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures

NOTICE OF ANNUAL GENERAL MEETING

convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) above shall authorise the Directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors of the Company pursuant to the approval in paragraph (a) above, otherwise than (i) a Rights Issue (as defined below); (ii) an issue of shares as scrip dividends pursuant to the articles of association of the Company from time to time; or (iii) an issue of shares under any option scheme or similar arrangement for the time being adopted for grant or issue of shares or rights to acquire shares in the capital of the Company, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution, and the said approval shall be limited accordingly; and
- (d) for the purpose of this Resolution,

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the articles of association of the Company to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares of the Company open for a period fixed by the Directors of the Company to the holders of shares of the Company on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised

NOTICE OF ANNUAL GENERAL MEETING

regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

6. As special business, to consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to buy back shares of HK\$0.10 each in the capital of the Company on The Stock Exchange of Hong Kong Limited (“the Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company which the Directors of the Company is authorised to buy back pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution; and the said approval shall be limited accordingly; and
- (c) for the purposes of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the articles of association of the Company to be held; and
 - (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

7. As special business, to consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT** subject to the passing of Resolutions No. 5 and No. 6 set out in the notice convening this meeting, the general mandate granted to the Directors of the Company to allot, issue and deal with additional shares pursuant to

NOTICE OF ANNUAL GENERAL MEETING

Resolution No. 5 set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company bought back by the Company under the authority granted pursuant to Resolution No. 6 set out in the notice convening this meeting, provided that such amount of shares so bought back shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the said Resolution.”

By Order of the Board
Citychamp Watch & Jewellery Group Limited
FONG CHI WAH
Company Secretary

Hong Kong, 24 April 2018

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of such member. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof must be deposited with the Hong Kong branch share registrar and transfer office of the Company, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, not later than 48 hours before the time appointed for holding the meeting (or adjourned meeting as the case may be).
3. For determining the entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Monday, 21 May 2018 to Monday, 28 May 2018, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for attending and voting at the Annual General Meeting, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company’s Hong Kong branch share registrar, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong by no later than 4:30 p.m. on Friday, 18 May 2018 for registration of the relevant transfer.
4. The Board has recommended the payment of a final dividend of HK6 cents per share to shareholders whose names appear on the register of members of the Company on Friday, 29 June 2018 subject to the approval of the shareholders of the Company at the Annual General Meeting. For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Wednesday, 27 June 2018 to Friday, 29 June 2018, both days inclusive, for the purpose of determining Shareholders’ entitlement to the proposed final dividend, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company’s Hong Kong branch share registrar, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong no later than 4:30 p.m. on Tuesday, 26 June 2018.
5. A circular containing the information regarding, inter alia, the directors proposed to be re-elected, and the general mandates to issue shares and to buy back shares of the Company will be sent to members of the Company.

This Appendix serves as an explanatory statement required to be sent to Shareholders under the Listing Rules in connection with the proposed Buy-back Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 4,350,313,206 Shares.

Subject to the passing of the Buy-back Resolution and on the basis that no further Shares are issued or bought back prior to the Annual General Meeting, the Company would be allowed under the Buy-back Resolution to buy back a maximum of 435,031,320 Shares (representing 10% of the issued share capital of the Company as at the date of passing the Buy-back Resolution).

2. SHAREHOLDERS' APPROVAL

The Listing Rules provide that all proposed buy-backs of securities by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a general mandate or by a specific approval of a particular transaction.

Such authority may only continue in force during the period from the passing of the resolution until whichever is the earlier of: (i) the conclusion of the next annual general meeting of the company, (ii) the expiration of the period within which the next annual general meeting of the company is required by law to be held, or (iii) the passing of an ordinary resolution by shareholders in general meeting of the company revoking or varying such mandate.

3. REASONS FOR BUY-BACKS

The Directors believe that it is in the best interests of the Company and the Shareholders to seek a general authority from Shareholders to enable the Directors to buy back the Shares on the market.

Buy-backs of Shares will only be made when the Directors believe that such a buy back will benefit the Company and its Shareholders. Such buy-backs may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the value of the net assets and/or earnings and/or dividend per share.

4. FUNDING OF BUY-BACKS

Buy-backs must be funded out of the funds legally available for the purpose in accordance with the Company's constitutive documents, including memorandum and articles of association, and the applicable laws of the Cayman Islands, being profits available for distribution and the proceeds of a fresh issue of shares made for the purpose of the buy-backs. It is envisaged that the funds required for any buy-back would be derived from profits available for distribution.

The Directors do not propose to exercise the Buy-back Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company. However, there might be an adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements as at 31 December 2017) in the event that the Buy-back Mandate was exercised in full.

5. SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date were as follows:

Month	Share Prices (per share)	
	Highest HK\$	Lowest HK\$
2017		
April	1.790	1.590
May	1.800	1.630
June	1.790	1.660
July	1.750	1.680
August	1.760	1.680
September	1.880	1.700
October	1.960	1.780
November	1.970	1.800
December	1.950	1.820
2018		
January	1.950	1.800
February	1.880	1.710
March	1.740	1.610
April (up to Latest Practicable Date)	1.710	1.610

6. TAKEOVERS CODE

If as a result of a buy-back of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholders' interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the register maintained by the Company pursuant to section 336 of Part XV of the Securities and Futures Ordinance shows the following interests in Shares being 5% or more of the issued share capital of the Company:

	<i>Notes</i>	No. of Shares	Percentage of issued capital as at the Latest Practicable Date	Percentage of 3,915,281,886 issued capital if Buy-back Proposal is exercised in full
Sincere View International Limited	(1)	1,377,261,515	31.66%	35.18%
Full Day Limited	(2)	1,640,128,000	37.70%	41.89%
Hon Kwok Lung	(3)	3,022,263,515	69.47%	77.19%
Lam Suk Ying	(3)	3,022,263,515	69.47%	77.19%

Note:

- (1) Mr. Hon Kwok Lung holds 80% and his wife, Ms. Lam Suk Ying holds 20% interests in Sincere View International Limited ("Sincere View"), which is a substantial shareholder of the Company holding 1,377,261,515 shares of the Company.
- (2) Mr. Hon Kwok Lung holds 100% interests in Full Day Limited ("Full Day"), which is a substantial shareholder of the Company holding 1,640,128,000 shares of the Company.
- (3) Mr. Hon Kwok Lung and Ms. Lam Suk Ying are deemed to have an interest in the same parcel of 3,022,263,515 shares (3,017,389,515 held by Sincere View and Full Day, 3,500,000 shares held by Mr. Hon Kwok Lung himself and 1,374,000 shares held by Ms. Lam Suk Ying herself).

Based on the above shareholding, in the event the Directors would exercise in full the power to buy back Shares pursuant to the Buy-back Mandate and if there is no other change in the issued Shares, the shareholding of Mr. Hon Kwok Lung and parties acting in concert with him will increase from approximately 69.47% to approximately 77.19% and such increase will not give rise to an obligation to make a general offer under Rule 26 of the Takeovers Code.

Save as aforesaid, the Board is not aware of any consequences which would arise under the Takeover Code as a result of an exercise of the Buy-back Mandate.

The Directors will not exercise the Buy-back Mandate to the extent that would result in the number of Shares held by the public being reduced to less than 25%.

7. GENERAL

None of the Directors or, to the best of their knowledge, having made all reasonable enquiries, any of their associates, have any present intention, if the Buy-back Mandate is exercised, to sell any Shares to the Company or its subsidiaries.

No connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell any Share to the Company, or that he/she/it has undertaken not to do so in the event that the Buy-back Resolution is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make buy-back pursuant to the Buy-back Mandate only in accordance with the Listing Rules, the Memorandum of Association, the Articles of Association and the laws of the Cayman Islands.

8. SHARES BUY-BACK MADE BY THE COMPANY

The Company has not bought back any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

Ms. Sit Lai Hei

Ms. Sit Lai Hei, aged 40, was first appointed as a Non-executive Director of the Company on 18 November 2004 and has been re-designated as an Executive Director of the Company since 26 March 2012. Ms. Sit also serves as the chairman of the risk management committee of the Company and director for various subsidiaries of the Company. She was graduated in Fuzhou University taking Marketing as her major and is a qualified assistant engineer in Mainland China. She is currently a director of Citychamp Dartong Company Limited, the share of which are listed on the Shanghai Stock Exchange in Mainland China, and the legal representative and director of Fujian Fengrong Investment Co., Ltd. (福建豐榕投資有限公司) (“Fujian Fengrong”).

Ms. Sit has entered into a service agreement with the Company for an initial term of two years commencing from 26 March 2012 and is subject to termination by either party by giving not less than two months’ written notice. The service agreement will continue for successive terms of one year unless terminated by not less than two months’ written notice served by either party to the other. Her term of office is subject to retirement by rotation and re-election in accordance with the Articles of Association.

Ms. Sit is entitled to a monthly salary of HK\$110,000 payable on a 13-month basis and a discretionary bonus for each completed year of service to be determined by the Board with reference to the Company’s performance and profitability.

Ms. Sit is the daughter-in-law of Mr. Hon Kwok Lung, the Chairman of the Board and the controlling shareholder of the Company, who is deemed to have an interest, together with his wife, Ms. Lam Suk Ying, in the same parcel of 3,022,263,515 Shares, representing approximately 69.47% of the issued share capital of the Company. In addition, Ms. Sit is niece-in-law of Mr. Lam Toi Man and sister-in-law of Mr. Hon Hau Wong and Mr. Teguh Halim, all being Executive Directors of the Company.

Ms. Sit Lai Hei is deemed to have interest in 200,000,000 Shares of the Company which are held by Qiangda Limited (“Qiangda”), representing approximately 4.60% of the issued share capital of the Company. Qiangda is a wholly-owned subsidiary of Fengrong Investment (Hong Kong) Company Limited (“Fengrong Hong Kong”). Fengrong Hong Kong is wholly owned by Fujian Fengrong, which is owned approximately 68.5% by Ms. Sit. Fujian Fengrong also directly holds 9% of Zhuhai Rossini Watch Industry Limited, a 91% subsidiary indirectly held by the Company. Save as disclosed herein, Ms. Sit does not have any relationships with any Directors, senior management or substantial or controlling shareholders of the Company and does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Ms. Sit neither have any positions held with the Company and other members of the Company’s group nor have other directorships held in listed public companies in the last three years and other major appointments and qualifications.

Pursuant to the section 13.51(2) of the Listing Rules, there are no other matters with respect to the above that need to be brought to the attention of the Shareholders of the Company.

Mr. Fung Tze Wa

Mr. Fung, aged 61, has been appointed as an Independent Non-executive Director of the Company since 8 April 2004 and is currently the chairman of the audit committee and remuneration committee, and a member of the nomination committee of the Company. He is a Certified Public Accountant and a director of an accounting firm in Hong Kong. Mr. Fung has tremendous years of experience in auditing, taxation and company secretarial practice in Hong Kong. He obtained a Master degree in professional accounting from the Hong Kong Polytechnic University in 2000. He is a member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants, the Taxation Institute of Hong Kong and the Society of Chinese Accountants and Auditors. He has been appointed as an independent non-executive director of Imperium Group Global Holdings Limited (Stock code: 776), (*formerly known as JF Household Furnishings Limited*) since October 2012 and Freeman Fintech Corporation Limited (Stock code: 279) since January 2017. The shares of the above companies are listed on the Stock Exchange.

Mr. Fung has entered into a letter of appointment with the Company for a term of 2 years commencing from 3 May, 2004 and shall continue thereafter for successive terms of one year commencing from the date next after the expiry of the then current term. Under the terms of the service agreement, Mr. Fung is entitled to a director's fee of HK\$200,000 per annum which is determined with reference to the estimated time to be spent by him on the Company's matters.

As at the Latest Practicable Date, Mr. Fung is, for the purposes of Part XV of the SFO, interested in 1,400,000 Shares, representing approximately 0.03% of the issued share capital of the Company. Save as disclosed above, he does not have any interests in the securities of the Company within the meaning of Part XV of the SFO, nor does he have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company as at the Latest Practicable Date.

Save as disclosed above, Mr. Fung does not have any other positions in the Company and other members of the Company's group nor does he have other directorships held in listed public companies in the last three years and other major appointments and qualifications. Besides, there is no other information required to be disclosed under Rules 13.51(2) of the Listing Rules and any other matters that need to be brought to the attention of the Shareholders of the Company.

Mr. Fung has been serving the Company as an Independent Non-executive Director for more than fourteen years. In the process of assessing his independence, each of the factors set forth in the Listing Rule 3.13(1) to (8) has been confirmed by him and reviewed by the Company. Taking into account that Mr. Fung is not involved in executive management of the Company and has been demonstrating his ability to provide independent view to the Company's matters during his years of appointment, the Board considers him to be independent under Rule 3.13 of the Listing Rules. Serving as an Independent Non-executive Director and the chairman of the audit committee, Mr. Fung has always brought his expertise and knowledge in the field of accounting and related financial management to the supervision of the Group's financial reporting and actively

promoted a high standard internal control structure and corporate governance practice. The Board, therefore, believes that the re-election of Mr. Fung as an Independent Non-executive Director enables the Board to continuously maintain a high level of compliance in financial reporting and a sound internal control system.

Dr. Kwong Chun Wai, Michael

Dr. Kwong Chun Wai, Michael, aged 53, has been appointed as an Independent Non-executive Director of the Company since 8 April, 2004 and is currently a member of the audit committee, remuneration committee and nomination committee of the Company. He is a fellow of the International Institute of Management, a member of the Hong Kong Institute of Marketing and a business strategist specialising in the area of marketing and business administration. Dr. Kwong obtained a Bachelor of arts degree with honours in philosophy from the University of Nottingham in the United Kingdom in 1987 and a Doctorate degree in business administration from Newport University (US) in 2001.

Dr. Kwong has entered into a letter of appointment with the Company for a term of 2 years commencing from 3 May, 2004 and shall continue thereafter for successive terms of one year commencing from the date next after the expiry of the then current term. Under the terms of the service agreement, Dr. Kwong is entitled to a director's fee of HK\$150,000 per annum which is determined with reference to the estimated time to be spent by him on the Company's matters.

As at the Latest Practicable Date, Dr. Kwong does not have any interests in the securities of the Company within the meaning of Part XV of the SFO, nor does he have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company as at the Latest Practicable Date.

Save as disclosed above, Dr. Kwong does not have any other positions in the Company and other members of the Company's group nor does he have other directorships held in listed public companies in the last three years and other major appointments and qualifications. Besides, there is no other information required to be disclosed under Rules 13.51(2) of the Listing Rules and any other matters that need to be brought to the attention of the Shareholders of the Company.

Dr. Kwong has been serving the Company as an Independent Non-executive Director for more than fourteen years. In the process of assessing his independence, each of the factors set forth in the Listing Rule 3.13(1) to (8) has been confirmed by him and reviewed by the Company. Taking into account that Dr. Kwong is not involved in executive management of the Company and is able to demonstrate the independence to fulfill his role effectively during his years of appointment, the Board considers him to be independent under Rule 3.13 of the Listing Rules. Dr. Kwong has acted objectively and independently in monitoring the management team, promoting the objective decision-making of the Board and advising the Board and senior management based on his expertise and experience in business administration. Therefore, the Board believes that Dr. Kwong should be re-elected since the continuous appointment of him is of value to the Company.

Mr. Zhang Bin

Mr. Zhang, aged 53, has been appointed as an Independent Non-executive Director of the Company since 26 November 2014 and is currently a member of the audit committee, remuneration committee and nomination committee of the Company. Mr. Zhang is currently a partner of Beijing Hylands Law Firm (“Hylands”). He obtained a degree of 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. According to the terms of the letter of appointment, Mr. Zhang is entitled to a director’s 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 Latest Practicable Date, Mr. Zhang does not hold any position within the Company and other members of the group nor does he hold any directorship in any listed public company in Hong Kong or overseas in the last three years.

As at the Latest Practicable Date, 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.

Mr. Teguh Halim

Mr. Teguh Halim, aged 36, has been appointed as an Executive Director of the Company with effect from 23 January 2018. Mr. Halim graduated from Ohio State University majoring in accounting. Mr. Halim joined the Group in October 2008 and had served as the vice president of the Company before he was appointed as an Executive Director. Mr. Halim has gained years of experience in the watch manufacturing and distribution industry and business management. In addition, Mr. Halim is currently the chairman of the European Executive Committee of the Company. He is also appointed as a director of some subsidiaries of the Group engaged in watch business and Fair Future Industrial Limited, an associate of the Company.

Mr. Halim has entered into a service contract with the Company for an initial term of two years commencing from 23 January 2018, which is automatically renewed for successive terms unless it is terminated by either party by giving not less than two months

written notice. According to the service contract, Mr. Halim is entitled to a monthly salary of HK\$110,000 for thirteen months as director remuneration and a discretionary bonus after one-year service in the Company. Mr. Halim'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.

Mr. Halim is the son-in-law of Mr. Hon Kwok Lung, the Chairman of the Board and the controlling shareholder of the Company, who is deemed to have an interest, together with his wife, Ms. Lam Suk Ying, in the same parcel of 3,022,263,515 Shares, representing approximately 69.47% of the issued share capital of the Company. In addition, Mr. Halim is brother in law of Ms. Sit Lai Hei and Mr. Hon Hau Wong, all being Executive Directors of the Company.

For Part XV of the SFO, Mr. Halim is deemed to have an interest in 6,000,000 Shares of the Company (3,000,000 Shares held by Mr. Halim himself and 3,000,000 Shares held by his spouse), representing approximately 0.14% of the issued share capital of the Company.

Save as disclosed above, Mr. Halim does not hold any other position within the Company or any of its subsidiaries nor does he hold any directorship in any other listed public company in the last three years. There are no other matters relating to the aforesaid appointment that need to be brought to the attention of the Shareholders of the Company under Rule 13.51(2) of the Listed Rules.