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ERNEST BOREL HOLDINGS LIMITED

依波路控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1856)

(1) RESIGNATION OF CHAIRMAN, CEO AND AUTHORISED REPRESENTATIVE

(2) APPOINTMENT OF EXECUTIVE DIRECTORS, CHAIRMAN, VICE CHAIRMAN, CEO AND AUTHORISED REPRESENTATIVE

AND

(3) CHANGE OF COMPOSITION OF BOARD COMMITTEES

RESIGNATION OF CHAIRMAN, CEO AND AUTHORISED REPRESENTATIVE

On 12 October 2018, Mr. Sit has tendered his resignation as (i) the Chairman of the Board; (ii) the chief executive officer of the Company; and (iii) Authorised Representative of the Company.

APPOINTMENT OF EXECUTIVE DIRECTORS, CHAIRMAN, VICE CHAIRMAN, CEO AND AUTHORISED REPRESENTATIVE

With effect from 12 October 2018, (i) Mr. Shang is appointed as executive director and Chairman of the Company; (ii) Mr. Halim is appointed as executive director and Vice Chairman of the Company; (iii) Ms. Lam is appointed as executive director and Authorised Representative of the Company; and (iv) Mr. Tao is appointed as the chief executive officer of the Company.

CHANGE OF COMPOSITION OF BOARD COMMITTEES

With effect from 12 October 2018, (i) Mr. Sit has stepped down from his position as the Chairman of the Nomination Committee and ceased to be a member of the Nomination Committee, Remuneration Committee, Executive Committee and Investment Committee; (ii) Mr. Shang has been appointed as member and Chairman of the Nomination Committee and member of the Executive Committee and Investment Committee; (iii) Mr. Halim has been appointed as member of the Remuneration Committee, Executive Committee and Investment Committee; and (iv) Ms. Lam has been appointed as member of the Executive Committee and Investment Committee.

RESIGNATION OF CHAIRMAN, CEO AND AUTHORISED REPRESENTATIVE

The board (the “**Board**”) of directors (the “**Directors**”) of Ernest Borel Holdings Limited (the “**Company**”) announced that Mr. Sit Yau Chiu (“**Mr. Sit**”) has tendered his resignation as (i) the Chairman of the Board; (ii) the chief executive officer of the Company; and (iii) authorised representative (“**Authorised Representative**”) of the Company pursuant to Rules 3.05 and 19.05(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and part 16 of the Companies Ordinance on 12 October 2018 in order to devote more time to his other business commitments.

Mr. Sit has confirmed that he has no disagreement with the Board and that he is not aware of any matters that need to be brought to the attention of shareholders of the Company in relation to his resignation.

APPOINTMENT OF EXECUTIVE DIRECTORS, CHAIRMAN, VICE CHAIRMAN, CEO AND AUTHORISED REPRESENTATIVE

The Board further announces that, with effect from 12 October 2018, (i) Mr. Shang Jianguang (“**Mr. Shang**”) is appointed as executive director and Chairman of the Board; (ii) Mr. Teguh Halim (“**Mr. Halim**”) is appointed as executive director and Vice Chairman of the Company; (iii) Ms. Lam Lai (“**Ms. Lam**”) is appointed as executive director and Authorised Representative of the Company; and (iv) Mr. Tao Li (“**Mr. Tao**”) is appointed as the chief executive officer of the Company. Set out below are the biographical details of Mr. Shang, Mr. Halim, Ms. Lam and Mr. Tao.

Mr. Shang Jianguang, aged 66, is the executive director and chief executive officer of Citychamp Watch & Jewellery Group Limited (“**Citychamp**”), a company listed on the main board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) with stock code 256 which currently holds 58.22% equity interest in the Company through VGB Limited, a wholly-owned subsidiary of Citychamp. He joined the board of Citychamp in November 2004. He is a member of the remuneration committee and the nomination committee of Citychamp and the general manager of Zhuhai Rossini Watch Industry Limited, a subsidiary of Citychamp. Mr. Shang is also appointed as director of various subsidiaries of Citychamp, including Bendura Bank AG. Mr. Shang, graduated in Fuzhou University majoring in Chemistry, is a qualified senior engineer in the Mainland China. Prior to joining the Citychamp group, he assumed senior posts in various large companies

and was the general manager and director of Min Xin Holdings Limited, a company listed on the main board of the Stock Exchange with stock code 222. He also serves as a director of Citychamp Dartong Company Limited, the shares of which are listed on the Shanghai Stock Exchange with stock code 600067 and has extensive knowledge and experience in corporate and investment management.

Mr. Shang has entered into a service contract with the Company for his appointment as an executive director of the Company effective from 12 October 2018 for a term of 3 years. He shall be subject to retirement by rotation and re-election at the Company's annual general meetings pursuant to the articles of association of the Company. Mr. Shang is entitled to receive a remuneration of HK\$1,300,000 per annum which was determined by arm's length negotiation between Mr. Shang and the Company with reference to the prevailing market conditions and his duties and responsibilities. The amount of the remuneration has been approved by the remuneration committee of the Company (the "**Remuneration Committee**") and the Board.

As at the date of this announcement, Mr. Shang is interested in 5,300,000 shares of Citychamp, representing approximately 0.12% of the issued share capital of Citychamp.

Save as disclosed above, as at the date of this announcement, Mr. Shang (i) does not have any relationship with any Directors, senior management, or substantial or controlling shareholders of the Company; (ii) does not have any interest in or is not deemed to be interested in any shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (the "**SFO**"); and (iii) did not hold any other directorships in the last three years up to the date of this announcement in public companies, the securities of which are listed on any securities market in Hong Kong or overseas. Save as disclosed above, there are no other matters relating to the appointment of Mr. Shang that should be brought to the attention of the shareholders of the Company and there is no other information that should be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

Mr. Teguh Halim, aged 36, is an executive director of Citychamp. He joined Citychamp in October 2008 and has been appointed as an executive director of Citychamp since 23 January 2018. Mr. Halim is a director of VGB Limited, a wholly-owned subsidiary of Citychamp and a direct controlling shareholder of the Company. Before being appointed as an executive director of Citychamp, he was a vice president of Citychamp. Mr. Halim is also the chairman of the European executive committee of the Citychamp group and director of several subsidiaries of Citychamp engaged in watch business. He has extensive experience in the watch manufacturing and distribution industry and business management. Mr. Halim graduated from Ohio State University as bachelor of science in business administration majoring in accounting.

Mr. Halim has entered into a service contract with the Company for his appointment as an executive director of the Company effective from 12 October 2018 for a term of 3 years. He shall be subject to retirement by rotation and re-election at the Company's annual general meetings pursuant to the articles of association of the Company. Mr. Halim is entitled to receive a remuneration of HK\$1,300,000 per annum which was determined by arm's length

negotiation between Mr. Halim and the Company with reference to the prevailing market conditions and his duties and responsibilities. The amount of the remuneration has been approved by the Remuneration Committee and the Board.

As at the date of this announcement, Mr. Halim is interested in or is deemed to be interested in 6,000,000 shares of Citychamp, representing approximately 0.14% of the issued share capital of Citychamp.

Save as disclosed above, as at the date of this announcement, Mr. Halim (i) does not have any relationship with any Directors, senior management, or substantial or controlling shareholders of the Company; (ii) does not have any interest in or is not deemed to be interested in any shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO; and (iii) did not hold any other directorships in the last three years up to the date of this announcement in public companies, the securities of which are listed on any securities market in Hong Kong or overseas. Save as disclosed above, there are no other matters relating to the appointment of Mr. Halim that should be brought to the attention of the shareholders of the Company and there is no other information that should be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

Ms. Lam Lai, aged 39, joined Citychamp in 2008 as investment manager and has been redesignated as CEO assistant mainly responsible for merger and acquisition and business development. Ms. Lam leads overseas investments and the merger and acquisition projects of Citychamp. She is also appointed as director of various subsidiaries of Citychamp, including Bendura Bank AG and VGB Limited. Ms. Lam is currently a representative for Type 1 (dealing in securities) regulated activity under the SFO. Ms. Lam graduated from University of Western Sydney in 2001 with a degree of bachelor of business majoring in marketing.

Ms. Lam has entered into a service contract with the Company for her appointment as an executive director of the Company effective from 12 October 2018 for a term of 3 years. She shall be subject to retirement by rotation and re-election at the Company's annual general meetings pursuant to the articles of association of the Company. Ms. Lam is entitled to receive a remuneration of HK\$1,300,000 per annum which was determined by arm's length negotiation between Ms. Lam and the Company with reference to the prevailing market conditions and her duties and responsibilities. The amount of the remuneration has been approved by the Remuneration Committee and the Board.

Save as disclosed above, as at the date of this announcement, Ms. Lam (i) does not have any relationship with any Directors, senior management, or substantial or controlling shareholders of the Company; (ii) does not have any interest in or is not deemed to be interested in any shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO; and (iii) did not hold any other directorships in the last three years up to the date of this announcement in public companies, the securities of which are listed on any securities market in Hong Kong or overseas. Save as disclosed above, there are no other matters relating to the appointment of Ms. Lam that should be brought to the attention of the shareholders of the Company and there is no other information that should be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

Mr. Tao Li, aged 65, joined the Company in January 2018 and is currently the general manager of the Company and the vice-president of Ernest Borel S.A., a wholly-owned subsidiary of the Company (“**EB Switzerland**”). Mr. Tao had been appointed as vice president of Citychamp from January 2005 to November 2014 in charge of the watch manufacturing and distribution businesses for certain subsidiaries of Citychamp and an executive director of Citychamp from November 2014 to January 2018. Mr. Tao had also acted as the general manager of EBOHR Luxuries International Limited, a company acquired by Citychamp in 2004, from February 1991 to November 2014. Mr. Tao graduated from Beijing Foreign Trade College (currently known as China Foreign Economy and Trade University) majoring in Foreign Trade English. He is also a senior economist in Mainland China. He has over 30 years of experience in respect of business administration, international trading, brands building and marketing.

Mr. Tao has previously entered into a letter of employment with the Company for his appointment as the general manager of the Company. Subsequent to his appointment as the chief executive officer of the Company on 12 October 2018, Mr. Tao has entered into a supplemental letter of employment (the “**Supplemental Letter**”) with the Company, pursuant to which Mr. Tao is not appointed for a specific term but either party to the Supplemental Letter may terminate the appointment by giving the other party no less than six (6) months’ written notice. As a result of his appointment as the chief executive officer of the Company, the remuneration of Mr. Tao will be revised to HK\$1,371,500 per annum which was determined by arm’s length negotiation between Mr. Tao and the Company with reference to the prevailing market conditions and his duties and responsibilities. The amount of remuneration has been approved by the Remuneration Committee and the Board. In addition, Mr. Tao has entered into an employment contract with EB Switzerland for his employment as the vice-president of EB Switzerland and is entitled to a salary of CHF 130,338 per annum. Save as disclosed above, Mr. Tao is not entitled to any other emoluments.

As at the date of this announcement, Mr. Tao is interested in 5,000,000 shares of Citychamp, representing approximately 0.11% of the issued share capital of Citychamp.

Save as disclosed above, as at the date of this announcement, Mr. Tao (i) does not have any relationship with any Directors, senior management, or substantial or controlling shareholders of the Company; (ii) does not have any interest in or is not deemed to be interested in any shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO; and (iii) did not hold any other directorships in the last three years up to the date of this announcement in public companies, the securities of which are listed on any securities market in Hong Kong or overseas. Save as disclosed above, there are no other matters relating to the appointment of Mr. Tao that should be brought to the attention of the shareholders of the Company and there is no other information that should be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

CHANGE OF COMPOSITION OF BOARD COMMITTEES

Mr. Sit has stepped down from his position as the Chairman of the nomination committee of the Company (the “**Nomination Committee**”) and ceased to be a member of the Nomination Committee, the Remuneration Committee, the executive committee of the Company (the “**Executive Committee**”) and the investment committee of the Company (the “**Investment Committee**”) with effect from 12 October 2018.

Mr. Shang has been appointed as member and Chairman of the Nomination Committee and member of the Executive Committee and Investment Committee with effect from 12 October 2018.

Mr. Halim has been appointed as member of the Remuneration Committee, Executive Committee and Investment Committee with effect from 12 October 2018.

Ms. Lam has been appointed as member of the Executive Committee and Investment Committee with effect from 12 October 2018.

The Board would like to take this opportunity to welcome each of Mr. Shang, Mr. Halim, Ms. Lam and Mr. Tao on their appointments.

By Order of the Board
ERNEST BOREL HOLDINGS LIMITED
Sit Yau Chiu
Executive Director

Hong Kong, 12 October 2018

As at the date of this announcement, the Board comprises the following members:

Executive Directors: Mr. Sit Yau Chiu, Mr. Xiong Wei,
Mr. Shang Jianguang, Mr. Teguh Halim and
Ms. Lam Lai

Non-executive Director: Ms. Lou Liuqing

Independent non-executive Directors: Mr. Lui Wai Ming, Mr. To Chun Kei and
Ms. Chan Lai Wa