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CHUN WO DEVELOPMENT HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 00711)

CHANGE IN BOARD COMPOSITION AND CHANGE IN COMPOSITION OF BOARD COMMITTEES

CHANGE IN BOARD COMPOSITION

As a result of the change in control of the Company, the Board announces that, with effect from 1 February 2015, (i) Madam Li Wai Hang, Christina has resigned as executive Director; and (ii) each of Mr. Au Son Yiu, Mr. Chan Chiu Ying, Alec, Mr. Hui Chiu Chung, Stephen JP and Mr. Lee Shing See GBS, OBE, JP has resigned as independent non-executive Director.

The Board is pleased to announce that, with effect from 1 February 2015, (i) each of Mr. Zhang Xiaoliang and Mr. Chow Wing Kin, Anthony SBS, JP has been appointed as non-executive Director; and (ii) each of Mr. Chan Stephen Yin Wai, Mr. Kwan Ringo Cheukkai and Mr. Wu William Wai Leung has been appointed as independent non-executive Director.

CHANGE IN COMPOSITION OF BOARD COMMITTEES

Upon resignation as Directors, each of Madam Li Wai Hang, Christina, Mr. Au Son Yiu, Mr. Chan Chiu Ying, Alec, Mr. Hui Chiu Chung, Stephen JP and Mr. Lee Shing See GBS, OBE, JP has also resigned from their respective roles in the Board committees.

The Board announces that (i) Mr. Pang Yat Bond, Derrick has resigned as a member of remuneration committee of the Company; (ii) Mr. Pang Yat Ting, Dominic has been re-designated from a member of nomination committee to the chairman of nomination committee of the Company and re-designated from the chairman of executive committee to a member of executive committee of the Company; (iii) Mr. Kwok Yuk Chiu, Clement has been re-designated from a member of executive committee to the chairman of executive committee of the Company and (iv) the following Directors have been appointed to the respective roles in the Board committees set out below, all with effect from 1 February 2015:

Audit committee:	Mr. Chan Stephen Yin Wai (chairman), Mr. Kwan Ringo Cheukkai (member) and Mr. Wu William Wai Leung (member)
Nomination committee:	Mr. Pang Yat Ting, Dominic (chairman), Mr. Kwan Ringo Cheukkai (member) and Mr. Wu William Wai Leung (member)
Remuneration committee:	Mr. Kwan Ringo Cheukkai (chairman), Mr. Chan Stephen Yin Wai (member) and Mr. Chow Wing Kin, Anthony SBS, JP (member)

CHANGE IN BOARD COMPOSITION

Resignation of Directors

As a result of the change in control of Chun Wo Development Holdings Limited (the “**Company**”), the board of directors of the Company (the “**Board**” or “**Director(s)**”) announces that, with effect from 1 February 2015:

- (i) Madam Li Wai Hang, Christina has resigned as executive Director and a member of management committee of the Company;
- (ii) Mr. Au Son Yiu has resigned as independent non-executive Director, the chairman of remuneration committee and a member of each of audit committee and nomination committee of the Company;
- (iii) Mr. Chan Chiu Ying, Alec has resigned as independent non-executive Director, the chairman of audit committee and a member of remuneration committee of the Company;
- (iv) Mr. Hui Chiu Chung, Stephen JP has resigned as independent non-executive Director, and a member of audit committee of the Company; and
- (v) Mr. Lee Shing See GBS, OBE, JP has resigned as independent non-executive Director and the chairman of nomination committee of the Company.

Each of Madam Li Wai Hang, Christina, Mr. Au Son Yiu, Mr. Chan Chiu Ying, Alec, Mr. Hui Chiu Chung, Stephen JP and Mr. Lee Shing See GBS, OBE, JP has confirmed to the Board that he/she has no disagreement with the Board and that there are no other matters in relation to his/her resignation that need to be brought to the attention of the shareholders of the Company (the “**Shareholders**”) and The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The Board would like to take this opportunity to express its sincere gratitude to Madam Li Wai Hang, Christina, Mr. Au Son Yiu, Mr. Chan Chiu Ying, Alec, Mr. Hui Chiu Chung, Stephen JP and Mr. Lee Shing See GBS, OBE, JP for their valuable contribution to the Company during their tenure of services.

Appointment of Directors

The Board is pleased to announce that, with effect from 1 February 2015:

- (i) each of Mr. Zhang Xiaoliang and Mr. Chow Wing Kin, Anthony SBS, JP has been appointed as non-executive Director; and
- (ii) each of Mr. Chan Stephen Yin Wai, Mr. Kwan Ringo Cheukkai and Mr. Wu William Wai Leung has been appointed as independent non-executive Director.

With reference to the composite document jointly issued by China New Way Investment Limited (the “**Offeror**”) and the Company dated 2 January 2015, one of the proposed independent non-executive Director, Mr. Chow Chan Lum does not wish to be appointed as Director due to personal reasons. In addition, the Board has appointed each of Mr. Chan Stephen Yin Wai and Mr. Wu William Wai Leung as independent non-executive Director whose biographical details are set out below in this announcement.

The Board would like to take this opportunity to express its warm welcome to all the newly appointed Directors for joining the Board.

BIOGRAPHICAL DETAILS OF THE NEWLY APPOINTED DIRECTORS

The biographical details of the newly appointed Directors are set forth below:

Non-executive Directors

*Zhang Xiaoliang (“**Mr. Zhang**”)*

Mr. Zhang, aged 47, has been appointed as a non-executive Director. He graduated from Jilin University of Technology. He has over 15 years of investment and corporate management experience. Mr. Zhang is the legal representative of 深圳市匯龍園投資有限公司 (transliterated as Shenzhen Huilongyuan Investment Co., Ltd.) and 深圳市警安實業有限公司 (transliterated as Shenzhen Jinan Industrial Co., Ltd.).

As at the date of this announcement, Mr. Zhang is the beneficial owner of 25% of the equity interest in New Way International Investment Holdings Limited, which directly holds the entire issued share capital of the Offeror. The Offeror in turn is interested in (i) 740,544,830 shares of the Company, representing approximately 62.04% of the issued share capital of the Company; and (ii) 182,000,000 underlying shares of the Company, representing approximately 15.25% of the issued share capital of the Company, issuable to the Offeror upon full conversion of the convertible bonds issued by the Company.

Pursuant to the appointment letter entered into between Mr. Zhang and the Company, Mr. Zhang is appointed as a non-executive Director of the Company for a term of 3 years commencing from 1 February 2015 subject to retirement by rotation and re-election at annual general meetings in accordance with the bye-laws of the Company (the “**Bye-laws**”). Mr. Zhang is entitled to an annual director’s fee of HK\$230,000 and subject to review by the remuneration committee and determination by the Board from time to time.

Chow Wing Kin, Anthony SBS, JP (“Mr. Chow”)

Mr. Chow, aged 64, has been appointed as a non-executive Director. Mr. Chow is a solicitor admitted to practice in Hong Kong and England and Wales. He has been a practising solicitor in Hong Kong for over 34 years and is currently the Senior Partner of the law firm Messrs. Peter C. Wong, Chow & Chow in association with Guantao Law Firm (Hong Kong). Mr. Chow is a China-appointed attesting officer, and a member of the South China International Economic and Trade Arbitration Commission. He is currently the deputy chairman of the board of stewards of The Hong Kong Jockey Club. Mr. Chow is also an independent non-executive director of The Link Real Estate Investment Trust (stock code: 00823) and Fountain Set (Holdings) Limited (stock code: 00420), a non-executive director of Kingmaker Footwear Holdings Limited (stock code: 01170), all of which are listed on the Main Board of the Stock Exchange. He is the former president of The Law Society of Hong Kong and the former chairman of the process review panel for the Securities and Futures Commission.

Pursuant to the appointment letter entered into between Mr. Chow and the Company, Mr. Chow is appointed as a non-executive Director of the Company for a term of 3 years commencing from 1 February 2015 subject to retirement by rotation and re-election at annual general meetings in accordance with the Bye-laws. Mr. Chow is entitled to an annual director’s fee of HK\$230,000 and subject to review by the remuneration committee and determination by the Board from time to time.

Independent non-executive Directors

Chan Stephen Yin Wai (“Mr. Chan”)

Mr. Chan, aged 52, has been appointed as an independent non-executive Director. Mr. Chan holds a Bachelor of Science degree in Civil Engineering from Columbia University, New York. He obtained his accounting qualification from The Institute of Chartered Accountants in England and Wales and is a member of Hong Kong Institute of Certified Public Accountants. Mr. Chan has over 20 years of experience in the fields of accounting, investment banking, corporate financial management, fund raising and property fund management. He held senior management role with regional responsibilities for a major investment bank. Mr. Chan was also a Managing Director of Macquarie Real Estate Asia Limited and Head of Acquisitions Greater China for LaSalle Investment Management.

In addition, Mr. Chan served as a board director of Shanghai Dajiang Food Group Co., Ltd. (stock code: 600695), which is listed on The Shanghai Stock Exchange. Mr. Chan was elected by a panel consisting of Bloomberg, Fortune Magazine China, and China Business Network to receive the “Top Ten Outstanding Financial Professionals in Promoting the Growth of the China Real Estate Industry Award (年度十大中國房地產金融傑出推動力人物獎)” in 2007.

Pursuant to the appointment letter entered into between Mr. Chan and the Company, Mr. Chan is appointed as an independent non-executive Director of the Company for a term of 3 years commencing from 1 February 2015 subject to retirement by rotation and re-election at annual general meetings in accordance with the Bye-laws. Mr. Chan is entitled to an annual director’s fee of HK\$230,000 and subject to review and determination by the Board from time to time.

Mr. Chan has confirmed that he meets the independence guidelines set out in Rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

Kwan Ringo Cheukkai (“Mr. Kwan”)

Mr. Kwan, aged 45, has been appointed as an independent non-executive Director. Mr. Kwan obtained a Bachelor of Arts degree in business-economics with a minor in accounting from the University of California, Los Angeles with honors in 1996 and a master degree in business administration from The Chinese University of Hong Kong in 2008. He has over 17 years of experience in corporate finance and investment banking and worked in a number of investment banks in Hong Kong. Mr. Kwan is currently the Head of Investment Banking in KGI Capital Asia Limited, being a registered license holder to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

Pursuant to the appointment letter entered into between Mr. Kwan and the Company, Mr. Kwan is appointed as an independent non-executive Director of the Company for a term of 3 years commencing from 1 February 2015 subject to retirement by rotation and re-election at annual general meetings in accordance with the Bye-laws. Mr. Kwan is entitled to an annual director's fee of HK\$230,000 and subject to review and determination by the Board from time to time.

Mr. Kwan has confirmed that he meets the independence guidelines set out in Rule 3.13 of the Listing Rules.

Wu William Wai Leung (“Mr. Wu”)

Mr. Wu, aged 48, has been appointed as an independent non-executive Director. Mr. Wu obtained a Bachelor of Business Administration degree and a Master of Business Administration degree from Simon Fraser University in Canada. He was qualified as a chartered financial analyst of The Institute of Chartered Financial Analysts in 1996. He was appointed as executive director and chief executive officer of RHB Holdings Hong Kong Limited (formerly known as OSK Holdings Hong Kong Limited) on 1 April 2011. Prior to that, Mr. Wu was chief executive officer of Sunwah Kingsway Capital Holdings Limited (stock code: 00188) (formerly known as SW Kingsway Capital Holdings Limited) from April 2006 to September 2010. Mr. Wu previously worked for a number of international investment banks and possesses over 20 years of experience in the investment banking, capital markets, institutional broking and direct investment businesses. Mr. Wu is currently being a registered license holder to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO. Mr. Wu was appointed as a member of the Guangxi Zhuang Autonomous Region Committee of the Chinese People's Political Consultative Conference in January 2013.

Pursuant to the appointment letter entered into between Mr. Wu and the Company, Mr. Wu is appointed as an independent non-executive Director of the Company for a term of 3 years commencing from 1 February 2015 subject to retirement by rotation and re-election at annual general meetings in accordance with the Bye-laws. Mr. Wu is entitled to an annual director's fee of HK\$230,000 and subject to review and determination by the Board from time to time.

Mr. Wu has confirmed that he meets the independence guidelines set out in Rule 3.13 of the Listing Rules.

Save as disclosed above and as at the date of this announcement, each of Mr. Zhang, Mr. Chow, Mr. Chan, Mr. Kwan and Mr. Wu (a) has not held any directorship in any public company listed in Hong Kong or overseas in the past three years; (b) does not hold any other position with the Company or its subsidiaries and does not have any other relationships with any Directors, senior management, substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company; (c) does not have any other interest in the securities of the Company within the meaning of Part XV of the SFO; and (d) there is no other information which is discloseable pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules; and (e) there are no other matters that need to be brought to the attention of the Shareholders and the Stock Exchange in connection with each of their appointments.

CHANGE IN COMPOSITION OF BOARD COMMITTEES

The Board announces that (i) Mr. Pang Yat Bond, Derrick has resigned as a member of remuneration committee of the Company; (ii) Mr. Pang Yat Ting, Dominic has been re-designated from a member of nomination committee to the chairman of nomination committee of the Company and re-designated from the chairman of executive committee to a member of executive committee of the Company; (iii) Mr. Kwok Yuk Chiu, Clement has been re-designated from a member of executive committee to the chairman of executive committee of the Company and (iv) the following Directors have been appointed to the respective roles in the Board committees set out below, all with effect from 1 February 2015:

Audit committee:	Mr. Chan Stephen Yin Wai (chairman), Mr. Kwan Ringo Cheukkai (member) and Mr. Wu William Wai Leung (member)
Nomination committee:	Mr. Pang Yat Ting, Dominic (chairman), Mr. Kwan Ringo Cheukkai (member) and Mr. Wu William Wai Leung (member)
Remuneration committee:	Mr. Kwan Ringo Cheukkai (chairman), Mr. Chan Stephen Yin Wai (member) and Mr. Chow Wing Kin, Anthony SBS, JP (member)

By Order of the Board
Xu Jianhua **Pang Yat Ting, Dominic**
Co-Chairman Co-Chairman

Hong Kong, 2 February 2015

As at the date of this announcement, the executive directors of the Company are Mr. Xu Jianhua, Mr. Pang Yat Bond, Derrick and Mr. Kwok Yuk Chiu, Clement, the non-executive directors of the Company are Mr. Pang Yat Ting, Dominic, Mr. Zhang Xiaoliang and Mr. Chow Wing Kin, Anthony SBS, JP and the independent non-executive directors of the Company are Mr. Chan Stephen Yin Wai, Mr. Kwan Ringo Cheukkai and Mr. Wu William Wai Leung.

The directors of the Company jointly and severally accept full responsibility for accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.