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LUEN THAI HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock code: 311)

CHANGE IN THE COMPOSITION OF THE BOARD AND THE BOARD COMMITTEES

Reference is made to the joint announcement dated 19 January 2017 of the Luen Thai Holdings Limited (“**Company**”) and Shangtex (Hong Kong) Limited (“**Shangtex**”) and the composite offer and response document dated 24 January 2017 issued by the Company and Shangtex (the “**Composite Document**”). Unless otherwise specified, capitalised terms used in this announcement shall have the same meanings as defined in the Composite Document.

The board (the “**Board**”) of directors (the “**Directors**”, each a “**Director**”) of the Company (together with its subsidiaries, the “**Group**”) is pleased to announce the following changes in the Company’s directorship and committee composition with effect from 15 February 2017:

- (i) Mr. TAN Siu Lin has resigned as the chairman and a member of the bank facility committee of the Company (the “**Bank Facility Committee**”);
- (ii) Mr. TAN Henry has resigned as an executive Director, and a member of each of the Bank Facility Committee, the nomination committee of the Company (the “**Nomination Committee**”) and the remuneration committee of the Company (the “**Remuneration Committee**”);
- (iii) Mr. TAN Willie has resigned as a non-executive Director;
- (iv) Mr. LU Chin Chu has resigned as a non-executive Director;
- (v) the Bank Facility Committee will be cancelled;
- (vi) Mr. SHEN Yaoqing has been appointed as an executive Director;
- (vii) Mr. TAN Siu Lin has ceased to act as the chairman of the Board and Mr. SHEN Yaoqing has been appointed as the chairman of the Board;
- (viii) Mr. SEING Nea Yie has ceased to act as the chairman of the Nomination Committee and Mr. SHEN Yaoqing has been appointed as the chairman of the Nomination Committee;
- (ix) Mr. QU Zhiming has been appointed as an executive Director and a member of the Remuneration Committee; and

(x) Mr. HUANG Jie has been appointed as a non-executive Director and a member of the audit committee of the Company (the “**Audit Committee**”).

Resignation of Mr. Tan Siu Lin (“Mr. TSL”) as the chairman of the Board and the chairman and a member of the Bank Facility Committee

Mr. TSL has tendered his resignation as the chairman of the Board and the chairman and a member of the Bank Facility Committee with effect from 15 February 2017. Mr. TSL confirmed that he has no claims of any kind against the Company, whether in respect of fees, remuneration, expenses, severance payments, pension or compensation for loss of office or otherwise.

Resignation of Mr. Tan Henry (“Mr. H. Tan”) as an executive Director and a member of each of the Bank Facility Committee, the Nomination Committee and the Remuneration Committee

Mr. H. Tan has tendered his resignation as an executive Director, a member of the Bank Facility Committee, a member of the Nomination Committee and a member of the Remuneration Committee with effect from 15 February 2017. Mr. H. Tan confirmed that he has no claims of any kind against the Company, whether in respect of fees, remuneration, expenses, severance payments, pension or compensation for loss of office or otherwise. There is no matter relating to his resignation that needs to be brought to the attention of the shareholders of the Company (the “**Shareholders**”) or The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

Mr. H. Tan will remain as the chief executive officer of the Company.

Resignation of Mr. Tan Willie (“Mr. W. Tan”) as a non-executive Director

Mr. W. Tan has tendered his resignation as a non-executive Director with effect from 15 February 2017. Mr. W. Tan confirmed that he has no claims of any kind against the Company, whether in respect of fees, remuneration, expenses, severance payments, pension or compensation for loss of office or otherwise. There is no matter relating to his resignation that needs to be brought to the attention of the Shareholders or the Stock Exchange.

The Board would like to take this opportunity to express its sincere gratitude to Mr. W. Tan for his valuable contributions to the Company during his tenure of service.

Resignation of Mr. Lu Chin Chu (“Mr. Lu”) as a non-executive Director

Mr. Lu has tendered his resignation as a non-executive Director with effect from 15 February 2017. Mr. Lu confirmed that he has no claims of any kind against the Company, whether in respect of fees, remuneration, expenses, severance payments, pension or compensation for loss of office or otherwise. There is no matter relating to his resignation that needs to be brought to the attention of the Shareholders or the Stock Exchange.

The Board would like to take this opportunity to express its sincere gratitude to Mr. Lu for his valuable contributions to the Company during his tenure of service.

Appointment of executive Directors

Mr. Shen Yaoqing

Mr. Shen Yaoqing (“**Mr. Shen**”) has been appointed as an executive Director, the chairman of the Board and the chairman of the Nomination Committee with effect from 15 February 2017.

Mr. Shen, born in February 1958, is a senior economist who has been conferred a DBA degree by the Macau University of Science and Technology. Between 1997 and 2006, Mr. Shen assumed various positions, including executive deputy general manager, general manager and board chairman, at Shanghai Shenda (Group) Co., Ltd., a subsidiary of Shangtex Holding Co., Ltd. Between May 2013 and May 2016, Mr. Shen acted as the director of Shanghai Shenda Co., Ltd (a company listed on the Shanghai Stock Exchange). Since October 2006, Mr. Shen has been acting as the vice president of Shangtex Holding Co., Ltd., taking charge of the group’s entire trading business as well as the group’s overseas expansion and resources management. Being a knowledgeable expert in the textile manufacturing industry with over 30 years of relevant business experience, Mr. Shen also has strategic vision and foresight regarding the operations management of sizeable groups, boasting an outstanding track record based upon extensive experience.

Save as disclosed above, Mr. Shen does not at present, and did not in the past three years, hold any directorship in any other listed public companies or any other position with the Company or any other members of the Group.

As at the date of this announcement, Mr. Shen does not have any interest in the shares of the Company and its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance and save as disclosed above, does not have any relationship with any other Directors, senior management or any substantial or controlling Shareholders of the Company.

A letter of appointment will be entered into between Mr. Shen and the Company. The remuneration for Mr. Shen will be considered by the Remuneration Committee and is subject to approval by the Board. Details of Mr. Shen’s remuneration will be disclosed as soon as practicable after the terms of his remuneration has been determined.

Mr. Shen is appointed for a term of 3 years commencing from 15 February 2017, subject to retirement by rotation and be re-election by Shareholders at the annual general meetings of the Company in accordance with the articles of association of the Company and the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

Save as disclosed above, there is no other information which is discloseable nor is/was Mr. Shen involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(w) of the Listing Rules. The Board is not aware of any other matters which need to be brought to the attention of the Shareholders.

Mr. Qu Zhiming

Mr. Qu Zhiming (“**Mr. Qu**”) has been appointed as an executive Director and a member of the Remuneration Committee with effect from 15 February 2017.

Mr. Qu, born in May 1956, is a senior economist who has been conferred an MBA degree by the Asia International Open University (Macau). In 1997, Mr. Qu began to serve as the general manager and board chairman at sizeable import and export trading companies and home textiles companies (such positions held until 2007), by way of which he familiarised himself with the operations across the entire industry chain of the textile industry. Mr. Qu became the assistant to the president of Shangtex Holding Co., Ltd. upon joining the group in July 2007, and has been acting as its deputy chief economist since February 2014. Currently, Mr. Qu also serves as the vice board chairman of Shangtex (Hong Kong) Limited, an executive director of Shanghai Textile Decoration (Group) Co., Limited and the board chairman of Wiseknit Factory Limited, and is mainly responsible for the operations management of the group’s foreign trade enterprises as well as the management of its overseas mergers and acquisitions projects. As an industry expert, Mr. Qu has penetrating market insight in the textile industry.

Save as disclosed above, Mr. Qu does not at present, and did not in the past three years, hold any directorship in any other listed public companies or any other position with the Company or any other members of the Group.

As at the date of this announcement, Mr. Qu does not have any interest in the shares of the Company and its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance and save as disclosed above, does not have any relationship with any other Directors, senior management or any substantial or controlling Shareholders of the Company.

A letter of appointment will be entered into between Mr. Qu and the Company. The remuneration for Mr. Qu will be considered by the Remuneration Committee and is subject to approval by the Board. Details of Mr. Qu’s remuneration will be disclosed as soon as practicable after the terms of his remuneration has been determined.

Mr. Qu is appointed for a term of 3 years commencing from 15 February 2017, subject to retirement by rotation and be re-election by Shareholders at the annual general meetings of the Company in accordance with the articles of association of the Company and the Listing Rules.

Save as disclosed above, there is no other information which is discloseable nor is/was Mr. Qu involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(w) of the Listing Rules. The Board is not aware of any other matters which need to be brought to the attention of the Shareholders.

Appointment of non-executive Director

Mr. Huang Jie

Mr. Huang Jie (“**Mr. Huang**”) has been appointed as a non-executive Director and a member of the Audit Committee with effect from 15 February 2017.

Mr. Huang, born in July 1965, is an economist and international business engineer who graduated from the China Textile University with a Bachelor of Engineering degree (upon completion of a full-time programme) in 1986, and who obtained an MBA degree from the China Europe International Business School as an on-the-job postgraduate student in 1998. Immediately upon graduating from the university, Mr. Huang joined Shangtex Holding Co., Ltd and its subsidiaries (“**Shangtex Group**”) and has been serving at a number of the Shangtex Group’s subsidiaries, including acting as the deputy general manager of Shanghai Shenda Co., Ltd. (an A-share listed company under the group) between 1995 and 2000 and as the deputy general manager of Shanghai Dragon Corporation (another A-share listed company under the group) between 2001 and 2010, taking charge of import and export trading. Since January 2014, Mr. Huang has been acting as the executive general manager of the trading and internationalisation division of Shangtex Holding Co., Ltd. alongside his position as the general manager of Shangtex (Hong Kong) Limited, taking charge of the transformation and upgrading of the group’s foreign trade business as well as the business operations of its overseas companies. Mr. Huang has profound knowledge and understanding of the upstream and downstream operations of the textile industry, coupled with his experience in corporate governance and a remarkable capability of conducting domestic and foreign businesses.

Save as disclosed above, Mr. Huang does not at present, and did not in the past three years, hold any directorship in any other listed public companies or any other position with the Company or any other members of the Group.

As at the date of this announcement, Mr. Huang does not have any interest in the shares of the Company and its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance and save as disclosed above, does not have any relationship with any other Directors, senior management or any substantial or controlling Shareholders of the Company.

A letter of appointment will be entered into between Mr. Huang and the Company. The remuneration for Mr. Huang will be considered by the Remuneration Committee and is subject to approval by the Board. Details of Mr. Huang’s remuneration will be disclosed as soon as practicable after the terms of his remuneration has been determined.

Mr. Huang is appointed for a term of 3 years commencing from 15 February 2017, subject to retirement by rotation and be re-election by Shareholders at the annual general meetings of the Company in accordance with the articles of association of the Company and the Listing Rules.

Save as disclosed above, there is no other information which is discloseable nor is/was Mr. Huang involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(w) of the Listing Rules. The Board is not aware of any other matters which need to be brought to the attention of the Shareholders.

The Board would like to extend a warm welcome to Mr. Shen, Mr. Qu and Mr. Huang on joining the Board.

Cancellation of the Bank Facility Committee

The Board has unanimously resolved that the Bank Facility Committee be cancelled with effect from 15 February 2017.

On behalf of the Board
TAN Henry
Director

Hong Kong, 10 February 2017

As at the date hereof, the Board comprises the following Directors:

Executive Directors:

Tan Siu Lin (*Chairman*)
Tan Henry
Tan Cho Lung Raymond
Mok Siu Wan, Anne

Independent Non-executive Directors:

Chan Henry
Cheung Siu Kee
Seing Nea Yie

Non-executive Directors:

Tan Willie
Lu Chin Chu

Company's website: www.luenthai.com