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## **YUXING INFOTECH INVESTMENT HOLDINGS LIMITED**

**裕興科技投資控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 8005)**

### **CHANGE OF CHIEF EXECUTIVE OFFICER CONTINUING CONNECTED TRANSACTION**

#### **CHANGE OF CHIEF EXECUTIVE OFFICER**

The Board announces that (i) Mr. Zhu has stepped down as the Chief Executive Officer of the Company with effect from 18th November 2015 and will remain as the chairman and an executive Director of the Company; and (ii) Mr. Choo, Vice-President of Global Operations of the Group, has been appointed as the Chief Executive Officer of the Company with effect from 18th November 2015.

The resignation of Mr. Zhu and the appointment of Mr. Choo as the Chief Executive Officer of the Company enable the Company to comply with the code provision of separating the roles of chairman and chief executive officer under the Corporate Governance Code as set out in Appendix 15 to the GEM Listing Rules.

#### **CONTINUING CONNECTED TRANSACTION**

As Mr. Choo has been promoted to the position of Chief Executive Officer of the Company, he is considered as a chief executive under rule 1.01 of the GEM Listing Rules and a connected person of the Company under rule 20.07(1) of the GEM Listing Rules. The Service Agreement therefore is a continuing connected transaction for the Company, terms of which are announced pursuant to rule 20.58 of the GEM Listing Rules.

#### **RESIGNATION OF CHIEF EXECUTIVE OFFICER**

The board of directors of Yuxing InfoTech Investment Holdings Limited (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) (the “**Board**”) announces that Mr. Zhu Wei Sha (“**Mr. Zhu**”) has stepped down as the chief executive officer of the Company (the “**Chief Executive Officer**”) with effect from 18th November 2015. Mr. Zhu will remain as the chairman and an executive director of the Company.

Mr. Zhu was the co-founder of the Group and has worked for the Group for over 20 years. The Board highly recognizes Mr. Zhu's outstanding contributions to the Group. The Board and Mr. Zhu agree mutually that it is now the appropriate time for bringing in new leadership for the Group for its next phase of development. The Board is pleased that Mr. Zhu will continue to act as the chairman and an executive director of the Company.

Mr. Zhu has confirmed that he has no disagreement with the Board in any aspect during his term of office as the Chief Executive Officer and there is no matter relating to his resignation that will need to be brought to the attention of the shareholders of the Company (the "**Shareholders**").

## **APPOINTMENT OF CHIEF EXECUTIVE OFFICER**

The Board is pleased to announce that Mr. Kevin Choo ("**Mr. Choo**") has been appointed as the Chief Executive Officer with effect from 18th November 2015.

Mr. Choo, aged 47, is currently the Vice-President of Global Operations of the Group and he graduated from Stanford Graduate School of Business (MBA) in the United States of America (the "**USA**") and Sun Yat-Sen University (Clinic Medicine) in the PRC. He has over 20 years' management and investment experiences in the USA, Europe, Asia, and Latin America and in many industries including new energy heat exchanger, testing and certification, telephony systems and strategic consultancy. Mr. Choo joined the Group in November 2014. Prior to joining the Group, he was a chief executive officer of a Sino-American joint venture company in the new energy heat exchanger area and worked for a leading company in testing and certification industry for many years. As a dedicated member of American Chamber of Commerce ("**ACC**") in Shanghai and Hong Kong, he is also a guest speaker of ACC and FuDan University in Shanghai.

Mr. Choo has been promoted from the Vice-President of Global Operations of the Group to Chief Executive Officer. He has on 4th November 2015 entered into a service agreement ("**Service Agreement**") with the Company for a fixed term of two years commencing from 1st April 2015 and ending at 31st March 2017 ("**Term**"). Under the Service Agreement, Mr. Choo is entitled to a remuneration package in the annual total amount of approximately HK\$6.2 million (including other allowances) ("**Remuneration Package**") plus, at the absolute discretion of the Company and subject always to compliance with the requirements of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "**GEM Listing Rules**"), a management discretionary bonus, which shall be determined with reference to his duties, responsibilities and experience, and to prevailing market conditions. He is also participate in a pension fund scheme which is funded by the Company. The Company, may, at the sole discretion and determination of the Board and recommendation of the remuneration committee of the Company, grant options to Mr. Choo to subscribe for shares in the Company in accordance with the share options schemes adopted by the Company from time to time. Upon the expiration of the Term of the Service Agreement, Mr. Choo shall be entitled to have a package bonus of HK\$4.6 million ("**Package Bonus**") and a relocation allowance of up to HK\$0.1 million ("**Relocation Allowance**"). The Service Agreement may be terminated by either party thereto giving to the other party two-month's prior notice in writing and provided that if the Service Agreement is terminated by the Company before the end of the Term of the Service Agreement, Mr. Choo shall be entitled to the remaining unpaid portion of the Remuneration Package, the Package Bonus and the Relocation Allowance. The maximum amount which may be payable to Mr. Choo if the Company terminates in the first and second year of the Term of the Service Agreement is therefore approximately HK\$13.4 million and approximately HK\$10.9 million respectively. The Remuneration Package, terms and conditions of the Service Agreement remain unchanged following the appointment of Mr. Choo as the Chief Executive Officer on 18th November 2015.

The directors of the Company (“**Directors**”) believe that following the step down of Mr. Zhu as Chief Executive Officer, it is in the interest of the Company to fill up such position to maintain continuity and ensure smoothness of transition. As Mr. Choo is the Vice-President of Global Operations of the Group, he possesses ample knowledge of the Group’s operations. The Board therefore considers that he is well suited for the position.

The terms of the Service Agreement including the Remuneration Package have been determined after considering factors including the job responsibilities of the employee, the background, experience and qualification of the employee and the level of remuneration of persons in comparable positions with similar roles. The Directors (including the independent non-executive Directors) believe that the Service Agreement is on normal commercial terms and its terms are fair and reasonable and in the interests of the Shareholders as a whole. As Mr. Choo has been promoted to the position of Chief Executive Officer, he is considered as a chief executive under rule 1.01 of the GEM Listing Rules and a connected person of the Company under rule 20.07(1) of the GEM Listing Rules. The Service Agreement therefore is a continuing connected transaction for the Company, details of which must be announced in compliance with rule 20.58 of the GEM Listing Rules.

As at the date of this announcement, Mr. Choo is interested in 8 million underlying shares of the Company (representing 0.44% of the issued share capital of the Company as at the date of this announcement) which may be issued upon the exercise of the share options under the share option scheme which was adopted on 14th January 2015 by the Company. Save as disclosed above, Mr. Choo confirms that (i) he does not have any relationship with any of the Directors, senior management, or substantial and controlling shareholder of the Company; (ii) he does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance, Cap. 571 of the Laws of Hong Kong; (iii) he did not hold any directorship in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the preceding three years; and (iv) there are no other matters that need to be brought to the attention of the Shareholders nor does he have any other information that is required to be disclosed pursuant to any of the requirements under paragraphs (h) to (v) of rule 17.50(2) of the GEM Listing Rules.

The resignation of Mr. Zhu and the appointment of Mr. Choo as the Chief Executive Officer enable the Company to comply with the code provision of separating the roles of chairman and chief executive officer under the Corporate Governance Code as set out in Appendix 15 to the GEM Listing Rules.

The Board again would like to express its gratitude to Mr. Zhu for his contribution to the Group and congratulate Mr. Choo’s new appointment as the Chief Executive Officer of the Company.

Yours faithfully,  
By order of the Board  
**Yuxing InfoTech Investment Holdings Limited**  
**Zhu Wei Sha**  
*Chairman*

Hong Kong, 18th November 2015

\* *For identification purposes only*

*As at the date hereof, the executive Directors are Mr. Zhu Wei Sha, Mr. Chen Fu Rong, Mr. Shi Guang Rong, Mr. Wang An Zhong and Mr. Zhu Jiang; the independent non-executive Directors are Mr. Wu Jia Jun, Mr. Zhong Peng Rong and Ms. Shen Yan.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its publication and on the website of the Company at [www.yuxing.com.cn](http://www.yuxing.com.cn).*