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## **YGM TRADING LIMITED**

*(incorporated in Hong Kong with limited liability)*

(Stock Code: 00375)

### **RE-DESIGNATION OF THE DIRECTORS AND RESIGNATION OF AN INDEPENDENT NON-EXECUTIVE DIRECTOR AND MEMBER OF THE AUDIT COMMITTEE AND REMUNERATION COMMITTEE**

#### **RE-DESIGNATION OF THE DIRECTORS**

The Board is pleased to announce the re-designation of the Directors with effect from 6 May 2010:

- (i) Dr. Chan Sui Kau, the Chairman and an executive Director, has been re-designated from the Chairman to the Honorary Chairman;
- (ii) Mr. Chan Wing Fui, Peter, an executive Director and Vice Chairman of the Board, has been re-designated as the Chairman of the Board;
- (iii) Mr. Chan Wing Sun, Samuel, an executive Director and the chief executive officer of the Company, has been re-designated as the Vice Chairman of the Board;
- (iv) Madam Chan Suk Ling, Shirley, an executive Director and the managing director of the Company, has been re-designated as the chief executive officer of the Company; and
- (v) Mr. Fu Sing Yam, William, an executive Director and the deputy managing director of the Company, has been re-designated as the managing director of the Company.

Notwithstanding the above re-designation, all of the above-named Directors will remain as executive Directors.

#### **RESIGNATION OF AN INDEPENDENT NON-EXECUTIVE DIRECTOR AND MEMBER OF THE AUDIT COMMITTEE AND REMUNERATION COMMITTEE**

The Board also announces that Mr. Wong Lam, OBE, JP resigned as an independent non-executive Director and a member of each of the audit committee and remuneration committee of the Company on 6 May 2010 with immediate effect.

#### **RE-DESIGNATION OF THE DIRECTORS**

The board (the “**Board**”) of directors (the “**Directors**”) of YGM Trading Limited (the “**Company**”, which together with its subsidiaries, the “**Group**”) is pleased to announce the re-designation (the “**Re-designation**”) of the following Directors with effect from 6 May 2010:

- (i) Dr. Chan Sui Kau, the chairman of the Board (the “**Chairman**”) and an executive Director, has been re-designated from the Chairman to the Honorary Chairman;

- (ii) Mr. Chan Wing Fui, Peter (“**Mr. Peter Chan**”), an executive Director and Vice Chairman of the Board, has been re-designated as the Chairman of the Board;
- (iii) Mr. Chan Wing Sun, Samuel (“**Mr. Samuel Chan**”), an executive Director and the chief executive officer of the Company, has been re-designated as the Vice Chairman of the Board;
- (iv) Madam Chan Suk Ling, Shirley (“**Madam Chan**”), an executive Director and the managing director of the Company, has been re-designated as the chief executive officer of the Company; and
- (v) Mr. Fu Sing Yam, William (“**Mr. Fu**”), an executive Director and the deputy managing director of the Company, has been re-designated as the managing director of the Company.

Notwithstanding the Re-designation, all of the above-named Directors will remain as executive Directors.

**Dr. Chan Sui Kau, GBM, GBS, JP**, aged 85, is the founder of the Group. Dr. Chan established Yangtzekiang Garment Limited in 1949, and he is the chairman of the board of director of and an executive director of Yangtzekiang Garment Limited. Having been a Justice of the Peace since 1983, Dr. Chan was awarded the Gold Bauhinia Star in 2002 and six years later in 2008 he was awarded the Grand Bauhinia Medal. Dr. Chan used to serve as a member of the 8th and 9th terms of the Chinese People’s Political Consultative Committee until he reached the retirement age. Dr. Chan is also an Honorary Citizen of Dongguan, Foshan, Guangzhou and Wuxi (Jiangsu).

Dr. Chan received an Honorary Doctoral Degree of Business Administration from The Hong Kong Polytechnic University in 2001; an Honorary Doctoral Degree of Social Sciences from City University of Hong Kong in 2007 and in the same year an Honorary University Fellowship from The University of Hong Kong. Then in 2008, Dr. Chan received another two honorary university conferments; one was an Honorary University Fellowship from Hong Kong Baptist University and the other one was an Honorary Doctoral Degree of Social Sciences from The Hong Kong University of Science & Technology.

Dr. Chan is the former Chairman of the Clothing Industry Training Authority (1986); former Chairman of The Textile Council of Hong Kong (1988 to 1994) and presently its Honorary Chairman; former President of the Federation of Hong Kong Garment Manufacturers (1977 to 1988) and currently its Life Honorary President; Honorary President of the Hong Kong Woollen & Synthetic Knitting Manufacturers’ Association since 1980 and former member of the Textile Advisory Board of Hong Kong (1971 to 1987) as well as the Hong Kong Labour Advisory (1985 to 1995).

Dr. Chan is the father of Mr. Peter Chan, Mr. Samuel Chan and Madam Chan (all of whom are the executive Directors) and also the uncle of Mr. Chan Wing Kee, Mr. Chan Wing To and Mr. Fu (all of whom are the executive Directors). Save as disclosed hereinbefore, Dr. Chan did not hold any directorship in any listed public companies in the past three years immediately preceding the date of this announcement and does not hold any other position with the Company or other members of the Group. Dr. Chan has not entered into any service agreement with the Company. He does not and will not have any fixed term of service with the Company but is and will still be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the articles (the “**Articles**”) of association of the Company. Dr. Chan is entitled to a director’s fee of HK\$30,000, emoluments of HK\$1,463,000 per year and a discretionary bonus for his service. In addition, share options may also be granted to Dr. Chan under the share option scheme from time to time adopted by the Company subject to compliance with the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The

emoluments were mutually agreed upon between the Board and Dr. Chan with reference to the prevailing market conditions and past contributions made by Dr. Chan to the Group.

**Chan Wing Fui, Peter, MA**, aged 64, received a Master's degree in Administrative Science from Yale University, U.S.A. in 1969 and joined YangtzeKiang Garment Limited in the same year. He was appointed as the director and managing director of YangtzeKiang Garment Limited in 1971 and 1980 respectively and Vice Chairman of the board of directors of both the Company and YangtzeKiang Garment Limited in 1987. Mr. Peter Chan has been actively involved in garment manufacturing and marketing in the Far East and the U.S.A. for over 30 years.

Mr. Peter Chan is the son of Dr. Chan (an executive Director) and the brother of Mr. Samuel Chan and Madam Chan (all of whom are the executive Directors) and also the cousin of Mr. Chan Wing Kee, Mr. Chan Wing To and Mr. Fu (all of whom are the executive Directors). Save as disclosed hereinbefore, Mr. Peter Chan did not hold any directorship in any listed public companies in the past three years immediately preceding the date of this announcement and does not hold any other position with the Company or other members of the Group. Mr. Peter Chan has not entered into any service agreement with the Company. He does not and will not have any fixed term of service with the Company but is and will still be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles. Mr. Peter Chan is entitled to a director's fee of HK\$30,000 and a discretionary bonus for his service. In addition, share options may also be granted to Mr. Peter Chan under the share option scheme from time to time adopted by the Company subject to compliance with the Listing Rules. The emoluments were mutually agreed upon between the Board and Mr. Peter Chan with reference to the prevailing market conditions and past contributions made by Mr. Peter Chan to the Group.

**Chan Wing Sun, Samuel, FCA**, aged 62, received a Bachelor's degree from the University of Manchester, the United Kingdom in 1970 and qualified as a Chartered Accountant in 1973. He was the company secretary of YangtzeKiang Garment Limited from 1974 to 1988 and has been a director of YangtzeKiang Garment Limited since 1977. Mr. Samuel Chan was appointed as the managing director of the Company from 1987 to 2006 and the chief executive officer of the Company since 2006. He has been appointed as the chairman of Hang Ten Group Holdings Limited since 2003.

Mr. Samuel Chan is the son of Dr. Chan (an executive Director) and the brother of Mr. Peter Chan and Madam Chan (all of whom are the executive Directors) and also the cousin of Mr. Chan Wing Kee, Mr. Chan Wing To and Mr. Fu (all of whom are the executive Directors). Save as disclosed hereinbefore, Mr. Samuel Chan did not hold any directorship in any listed public companies in the past three years immediately preceding the date of this announcement and does not hold any other position with the Company or other members of the Group. Mr. Samuel Chan has not entered into any service agreement with the Company. He does not and will not have any fixed term of service with the Company but is and will still be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles. Mr. Samuel Chan is entitled to a director's fee of HK\$30,000, emoluments of HK\$2,637,000 per year and a discretionary bonus for his service. In addition, share options may also be granted to Mr. Samuel Chan under the share option scheme from time to time adopted by the Company subject to compliance with the Listing Rules. The emoluments were mutually agreed upon between the Board and Mr. Samuel Chan with reference to the prevailing market conditions and past contributions made by Mr. Samuel Chan to the Group.

**Chan Suk Ling, Shirley**, aged 58, has been the managing director of the Company since 2006. She joined YangtzeKiang Garment Limited in 1973 and was appointed as the director of YangtzeKiang Garment Limited in 1983. Madam Chan was the deputy managing director of the Company from 1987. She has extensive experience of management in the garment retail and wholesale business. Madam Chan is a member of the Textiles Advisory Board of Hong Kong Special Administrative Region, a member of the Hong Kong-France Business

Partnership Committee of the Hong Kong Trade Development Council, the vice president of the Chinese Manufacturers' Association of Hong Kong, the chairman of the Hong Kong Brand Development Council, a member of the DesignSmart Initiative Assessment Panel, a member of the board of directors of the Hong Kong Tourism Board, a member of the board of directors of Ocean Park Corporation, a committee member of the Tianjin Municipal Committee of the Chinese People's Political Consultative Conference, the vice president of the Guangdong Association of Enterprises with Foreign Investment and a member of The Council of the City University of Hong Kong. She received a Bachelor's degree from Nottingham Trent University, the United Kingdom in 1973.

Madam Chan is the daughter of Dr. Chan (an executive Director) and the sister of Mr. Peter Chan and Mr. Samuel Chan (all of whom are the executive Directors) and also the cousin of Mr. Chan Wing Kee, Mr. Chan Wing To and Mr. Fu (all of whom are the executive Directors). Save as disclosed hereinbefore, Madam Chan did not hold any directorship in any listed public companies in the past three years immediately preceding the date of this announcement and does not hold any other position with the Company or other members of the Group. Madam Chan has not entered into any service agreement with the Company. She does not and will not have any fixed term of service with the Company but is and will still be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles. Madam Chan is entitled to a director's fee of HK\$30,000, emoluments of HK\$2,064,000 per year and a discretionary bonus for her service. In addition, share options may also be granted to Madam Chan under the share option scheme from time to time adopted by the Company subject to compliance with the Listing Rules. The emoluments were mutually agreed upon between the Board and Madam Chan with reference to the prevailing market conditions and past contributions made by Madam Chan to the Group.

**Fu Sing Yam, William**, aged 47, received a Bachelor's degree from the University of Western Ontario, Canada in 1984. He joined the Company in 1985 and was appointed as the Director in 1995 and the deputy managing director of the Company in 2006. Mr. Fu has extensive experience in fashion retailing, wholesaling, marketing and merchandising. Mr. Fu is a committee member of the Heilongjiang Provincial Committee of the Chinese People's Political Consultative Conference.

Mr. Fu is the nephew of Dr. Chan (an executive Director) and the cousin of Mr. Peter Chan, Mr. Samuel Chan, Madam Chan, Mr. Chan Wing Kee and Mr. Chan Wing To (all of whom are the executive Directors). Save as disclosed hereinbefore, Mr. Fu did not hold any directorship in any listed public companies in the past three years immediately preceding the date of this announcement and does not hold any other position with the Company or other members of the Group. Mr. Fu has not entered into any service agreement with the Company. He does not and will not have any fixed term of service with the Company but is and will still be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles. Mr. Fu is entitled to a director's fee of HK\$30,000, emoluments of HK\$1,500,000 per year and a discretionary bonus for his service. In addition, share options may also be granted to Mr. Fu under the share option scheme from time to time adopted by the Company subject to compliance with the Listing Rules. The emoluments were mutually agreed upon between the Board and Mr. Fu with reference to the prevailing market conditions and past contributions made by Mr. Fu to the Group.

Save as disclosed hereinbelow, none of Dr. Chan, Mr. Peter Chan, Mr. Samuel Chan, Madam Chan and Mr. Fu has any interests in the ordinary shares (the "Shares") at a par value of HK\$0.50 each in the share capital of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO"):

Personal interest (Number of Shares) <i>(Note i)</i>	Family interest (Number of Shares)	Corporate interest (Number of Shares)	Other interests
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Dr. Chan	5,929,272	214,368	3,840,820	<i>Note (ii)</i>
Mr. Peter Chan	1,024,068	11,407,420	-	<i>Notes (ii) &amp; (iii)</i>
Mr. Samuel Chan	7,450,072	250,000	7,541,144	<i>Notes (ii) &amp; (iii)</i>
Madam Chan	6,702,544	16,000	-	<i>Notes (ii) &amp; (iii)</i>
Mr. Fu	2,100,462	-	-	<i>Notes (ii)</i>

*Notes:*

- (i) *The Shares are registered under the names of the Directors who are the beneficial owners.*
- (ii) *29,601,700 Shares were held by Chan Family Investment Corporation Limited (which is owned by Dr. Chan, Mr. Peter Chan, Mr. Chan Wing Kee, Mr. Samuel Chan, Mr. Chan Wing To, Mr. Fu, Madam Chan and other members of the Chan family) and its subsidiaries.*
- (iii) *2,920,388 Shares were held by Hearty Development Limited which is indirectly owned by Mr. Peter Chan, Mr. Chan Wing Kee, Mr. Samuel Chan, Mr. Chan Wing To, Madam Chan and other members of the Chan family.*

Save as disclosed above and as at the date of this announcement, none of Dr. Chan, Mr. Peter Chan, Mr. Samuel Chan, Madam Chan and Mr. Fu is connected with any Directors, senior management or substantial or controlling shareholders of the Company.

Save as disclosed hereinbefore, the Board is not aware of any matter in relation to Dr. Chan, Mr. Peter Chan, Mr. Samuel Chan, Madam Chan and Mr. Fu that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and or any other matters that need to be brought to the attention of holders of securities of the Company.

#### **RESIGNATION OF AN INDEPENDENT NON-EXECUTIVE DIRECTOR AND MEMBER OF THE AUDIT COMMITTEE AND REMUNERATION COMMITTEE**

The Board also announces that **Mr. Wong Lam, OBE, JP** resigned as an independent non-executive Director and a member of each of the audit committee and remuneration committee of the Company on 6 May 2010 with immediate effect. His resignation is due to his age. Mr. Wong has confirmed that he has no disagreement with the Board and there is no matter which needs to be brought to the attention of the shareholders of the Company in respect of his resignation.

Taking this opportunity, the Board would like to express gratitude to Mr. Wong for his valuable contribution to the Company during the tenure of his office.

By order of the Board  
**YGM Trading Limited**  
**Chan Wing Fui, Peter**  
*Chairman*

Hong Kong, 6 May 2010

*As at the date of this announcement, the Board consists of seven executive Directors, namely, Dr. Chan Sui Kau, Mr. Chan Wing Fui Peter, Mr. Chan Wing Sun Samuel, Madam Chan Suk Ling Shirley, Mr. Fu Sing Yam William, Mr. Chan Wing Kee and Mr. Chan Wing To; and three independent non-executive Directors, namely, Mr. Leung Hok Lim, Mr. Lin Keping and Mr. Sze Cho Cheung Michael.*