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CHINA WEAVING MATERIALS HOLDINGS LIMITED 中國織材控股有限公司

*(Incorporated in the Cayman Islands with limited liability)
(Stock code: 3778)*

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR AND MEMBER OF AUDIT COMMITTEE, NOMINATION COMMITTEE AND REMUNERATION COMMITTEE AND RE-DESIGNATION OF DIRECTOR

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR

The board (the “**Board**”) of directors (the “**Directors**”) of China Weaving Materials Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) announces that Mr. Li Guoxing has been appointed as an independent non-executive Director and a member of each of the audit committee, the nomination committee and the remuneration committee of the Company with effect from 5 December 2019. Biographical details of Mr. Li are set out below.

Li Guoxing (李國興), aged 49, has over 17 years of experience in legal practices in the People’s Republic of China (the “**PRC**”). Mr. Li was a lawyer at Fujian Huide Law Firm from 2003 to 2006 and at Fujian Haochen Law Firm from 2006 to 2010. Mr. Li joined Fujian Mintian Law Firm in 2010 and currently is a partner of the firm. Mr. Li graduated with a diploma in Legal Studies from Huaqiao University in 2000 and obtained his legal practice qualification from the PRC Justice Department in 2002. Mr. Li graduated with a degree in Legal Studies from Huaqiao University in 2007. From 1991 to 2002, Mr. Li held various technical positions in the China Civil Aviation Department in Fuzhou and Fuzhou International Airport after he graduated with a diploma in Aircraft Mechanical Engineering from the Shanghai Academy of the China Civil Aviation Department.

As at the date of this announcement, Mr. Li does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company nor does he have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Save as disclosed above, Mr. Li does not hold any directorship in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the three years preceding the date of this announcement, nor has he held any other position with the Company and other members of the Group or possess any other major professional qualifications. Mr. Li has confirmed that he meets the independence criteria as set out in Rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

Mr. Li has entered into a letter of appointment with the Company on 5 December 2019 and his appointment is initially for 3 years. His appointment is also subject to retirement by rotation and/or re-election at the annual general meeting of the Company according to the articles of association of the Company. He is entitled to an annual emolument of HK\$100,000, which was determined by the Board with reference to his duties and responsibilities and the prevailing market conditions. The emolument will be reviewed by the Board and the remuneration committee of the Company on an annual basis.

Save as disclosed above, in relation to the appointment of Mr. Li, the Board is not aware of any information that is required to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules, nor is there any other matter that ought to be brought to the attention of the shareholders of the Company.

The Board would like to express its warmest welcome to Mr. Li for joining the Board.

RE-DESIGNATION OF DIRECTOR

The Board further announces that Mr. Zheng Hong, who was an executive Director, has been re-designated as a non-executive Director with effect from 5 December 2019 in order to spend more time on his other business endeavors. Mr. Zheng Hong will remain as the chairman of the Company, the chairman and member of the nomination committee, a member of the remuneration committee and an authorized representative of the Company for the purposes of Rule 3.05 of the Listing Rules. Biographical details of Mr. Zheng are set out below.

Zheng Hong (鄭洪), aged 43, was appointed as the chairman of the Company and an executive Director on 4 May 2011. Mr. Zheng Hong has over 18 years of experience in the textile industry. He is one of the founders of the Group and was a director of Jiangxi Jinyuan Textile Company Limited, Jiangxi, a subsidiary of the Group, from 2005 to 2017. He is a director of Jolly Success International Limited and Treasure Resources Corporation Limited, both of which are subsidiaries of the Company. He is the vice president (副會長) of the Chinese Cotton and Textile Industry Association (中國棉紡織行業協會), the vice supervisor (副主任) of the cotton trading committee of the Chinese Cotton and Textile Industry Association (中國棉紡織行業協會棉花貿易專業委員會) and a committee member of the Chinese Textile Products Technical Committee (中國棉紡織品技術委員會). Mr. Zheng Hong was awarded the China Textile Outstanding Labour (全國紡織工業勞動模範) in 2010. He was elected as one of the Top Ten Outstanding Young Entrepreneurs of the Textile Industry in China (全國棉紡織產業十大傑出青年企業家) and the National Outstanding Young Textile Entrepreneur (全國優秀紡織青年企業家) in 2014 and 2017 respectively. He was awarded an MBA degree by Fudan University (復旦大學) in 2014 and completed the Commercial Enterprises Information Strategy and Knowledge Management CEO Advanced Programme (工商企業信息戰略與知識管理總裁高級研修班) at Tsinghua University (清華大學) in 2005. Mr. Zheng Hong is the younger brother of Mr. Zheng Yongxiang, an executive Director.

As at the date of this announcement, Mr. Zheng Hong owned the entire issued share capital of Popular Trend Holdings Limited which held 514,305,000 shares of the Company,

representing approximately 41.07% of the issued share capital of the Company. Save as disclosed above, Mr. Zheng Hong does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company nor does he have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Save as disclosed above, Mr. Zheng Hong does not hold any directorship in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the three years preceding the date of this announcement.

Mr. Zheng Hong has entered into a service agreement with the Company for an initial term of 3 years with effect from 3 December 2017. His appointment is subject to retirement by rotation and/or re-election at the annual general meeting of the Company according to the articles of association of the Company. He is entitled to an annual emolument of HK\$1,500,000, which was determined by the Board with reference to his duties and responsibilities and the prevailing market conditions. The emolument will be reviewed by the Board and the remuneration committee of the Company on an annual basis.

Save as disclosed above, in relation to the re-designation of Mr. Zheng Hong as a non-executive Director, the Board is not aware of any information that is required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules, nor is there any other matter that ought to be brought to the attention of the shareholders of the Company.

By order of the Board
China Weaving Materials Holdings Limited
Zheng Hong
Chairman

Hong Kong, 5 December 2019

As at the date of this announcement, the Board comprises Mr. Zheng Yongxiang as the executive Director; Mr. Zheng Hong as the non-executive Director; and Ms. Zhang Baixiang, Mr. Xu Yiliang, Mr. Ng Wing Ka JP and Mr. Li Guoxing as the independent non-executive Directors.