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CHINA HAIDIAN HOLDINGS LIMITED

中國海澱集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 256)

RE-DESIGNATION OF DIRECTOR

The Board is pleased to announce that Ms. Sit Lai Hei, previously a Non-executive Director of the Company, has been re-designated as an Executive Director of the Company with effect from 26 March 2012.

The board of directors (the “**Board**”) of China Haidian Holdings Limited (the “**Company**”) is pleased to announce that Ms. Sit Lai Hei, previously a Non-executive Director of the Company, has been re-designated as an Executive Director of the Company with effect from 26 March 2012.

Ms. Sit Lai Hei, aged 35 and graduated in Fuzhou University taking Marketing as her major, is a qualified assistant engineer in Mainland China. She has been appointed as a Non-executive Director of the Company since November 2004. Ms. Sit is also a Director of Citychamp Dartong Company Ltd. (“Citychamp Dartong”), the shares of which are listed on the Shanghai Stock Exchange in the PRC. Ms. Sit is the daughter-in-law of Mr. Hon Kwok Lung, the Chairman of the Board and controlling shareholder of the Company. In addition, Ms. Sit’s husband is a nephew of Mr. Lam Toi Man, a Executive Director of the Company.

Zhuhai Rossini Watch Industry Limited (“Rossini”) is owned as to 91% indirectly by the Company and 9% by Fujian Fengrong Investment Company Limited (“Fengrong”). Rossini is an associated corporation of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Fengrong is owned as to approximately 68.5% by Ms. Sit and she is the chairman of Fengrong.

Ms. Sit has entered into a service agreement with the Company for an initial term of 2 years commencing from 26 March 2012 and is subject to termination by either party by giving not less than two months' written notice. The service agreement will continue for successive terms of one year unless terminated by not less than two months' written notice served by either party to the other. Ms. Sit will be subject to retirement by rotation once every three years in accordance with the Articles of Association of the Company. She would be eligible for re-election.

Ms. Sit is entitled to a monthly salary of HK\$110,000 payable on a 12-month basis and a discretionary bonus payable for each completed year of service to be decided by the Board with reference to the Company's performance and profitability. Her remuneration package has been reviewed and approved by the Board of the Company taking into consideration of her duties and responsibilities within the Company, the composition of the Board and the Company's performance.

Save as disclosed above, Ms. Sit does not hold any other position with the Company or any of its subsidiaries nor did she hold a directorship in any other listed public company in the last three years.

Save as disclosed above, as at the date of this announcement, Ms. Sit is not interested or deemed to have any interests in the shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the Securities and Futures Ordinance; Ms. Sit does not have any relationships with any directors, senior management, substantial or controlling shareholders of the Company (as defined in The Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). Save as disclosed above, Ms. Sit confirmed that there is no other information required to be disclosed under Rules 13.51(2) of the Listing Rules and any other matters that need to be brought to the attention of the shareholders of the Company in relation to her appointment.

For and on behalf of
China Haidian Holdings Limited
Hon Kwok Lung
Chairman

Hong Kong, 26 March 2012

As at the date of this announcement, the Board of the Company comprises Mr. Hon Kwok Lung, Mr. Shang Jianguang, Mr. Shi Tao, Mr. Lam Toi Man, Mr. Bi Bo and Ms. Sit Lai Hei, who are the Executive Directors, and Mr. Fung Tze Wa, Dr. Kwong Chun Wai Michael and Mr. Li Qiang, who are the Independent Non-Executive Directors.