

## MEDIA RELEASE

29 March 2016

### **Valartis Group to sell Valartis Bank (Liechtenstein) AG to Citychamp Watch & Jewellery Group Ltd.**

*Valartis Finance Holding AG is to sell Valartis Bank (Liechtenstein) AG to Citychamp Watch & Jewellery Group Ltd., Hong Kong, within the framework of a Share Purchase Agreement. Valartis Finance Holding AG in Liechtenstein is the Liechtenstein-based finance holding of Valartis Group AG, Baar, Switzerland and holds 70 percent of the capital and 89 percent of the votes in Valartis Bank (Liechtenstein) AG. The transaction is subject to approvals by the competent corporate bodies and by the Financial Market Authority (FMA) Liechtenstein and to other customary conditions. Closing is expected to occur by the end of the second quarter of 2016.*

The agreed sales price of 70 percent of Valartis Bank (Liechtenstein) AG totals CHF 77.7 million (subject to possible adjustments pursuant to the Share Purchase Agreement). From such amount and at closing of the sale, Valartis Finance Holding AG will repay outstanding credit liabilities, including interest and credit costs, amounting to CHF 43.2 million to Valartis Bank (Liechtenstein) AG. The remaining purchase price is intended to be used to further reduce the debt and to satisfy liquidity requirements of the Group. With the successful closing of the sales of the Group's two private banks in Austria and Liechtenstein the divestments required for the recovery of Valartis Group AG and Valartis Finance Holding AG will have been achieved (see passage «Valartis Group AG» below). The Board of Directors of Valartis Group AG and of Valartis Finance Holding AG will continue to work towards the swift implementation of the recovery plans with a view to terminating the deferment of bankruptcy in Liechtenstein and the moratorium in Switzerland as soon as possible and to recover fully by the end of the process.

#### Continuity for clients and employees

Citychamp Watch & Jewellery Group Ltd. intends to keep the existing management members and employees who will continue to provide private banking, investment and fund management advisory services.

#### Valartis Group AG

The divestment of Valartis Bank (Liechtenstein) AG is an integral part of Valartis Group AG's and Valartis Finance Holding AG's recovery plans (see Media Releases dated 16 November and 23 November 2015). The recovery plans include divestment of the Group's two private banks in Austria and Liechtenstein. In the case of Valartis Bank (Austria) AG, signing of sales contracts took place on 21 December 2015 within the framework of an asset deal, and closing is expected to occur by the end of the first quarter of 2016.

The moratorium on Valartis Group AG in Switzerland will end on 23 May 2016, thus before the Liechtenstein transaction is expected to be closed. Valartis Group AG intends to request the Cantonal Court of Zug to grant a six-month extension of the current moratorium until 23 November 2016. The deferral of bankruptcy granted to Valartis Finance Holding AG is currently scheduled to expire on 28 June 2016 and a further deferral may have to be applied for. This will establish the preconditions required for the successful conclusion of the recovery

plans within the extended time limits. The successful completion of transactions for both private banks is an essential pre-requisite for successful recovery and, thus, for the termination of the moratorium on Valartis Group AG in Switzerland and the cancellation of bankruptcy deferment for Valartis Finance Holding AG in Liechtenstein, respectively.

#### Citychamp Watch & Jewellery Group Ltd.

Citychamp Watch & Jewellery Group Ltd. (former China Haidian Holdings Ltd.) has been listed in the main board of the Stock Exchange of Hong Kong since 1991. The company manufactures and sells globally renowned proprietary watch brands as well as international non-proprietary brands in China.

This transaction is an excellent opportunity for Citychamp Watch & Jewellery Group Ltd. to take a majority stake ownership in a private bank in the Principality of Liechtenstein and enables the company from Hong Kong to provide a full range of banking services. It will serve as an excellent platform for Citychamp Watch & Jewellery Group Ltd. to expand such services internationally.

**Hon Kwok Lung, Chairman of the Board of Directors of Citychamp Watch & Jewellery Group Ltd.:** «The acquisition of Valartis Bank (Liechtenstein) AG will help us to achieve our vision to diversify our business segments into banking, investment advisory and fund management services. Such business segments will generate sustainable revenue and profit for Citychamp Watch & Jewellery Group Ltd.»

**Stephan Häberle, Member of the Board of Directors and Group CEO of Valartis Group AG:** «The Board of Directors and Group Executive Management of Valartis Group welcome this transaction. We are convinced that the divestment to Citychamp Watch & Jewellery Group Ltd. is a solid, long-term solution for the bank in Liechtenstein. We are pleased to have found a partner with a strong background and professional management who will continue to offer the bank's employees a sustainable development potential.»

#### Agenda

Results media conference 2016	7 June 2016, at latest
General Meeting 2016	28 June 2016

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#### Valartis Group

*Valartis Group is today an international finance group with offices in Switzerland, Vienna and Liechtenstein as well as in Luxembourg and Moscow. Valartis Group AG (Baar, Switzerland) is listed on SIX Swiss Exchange. Operations include the fields Corporate Finance, Private Equity and Real Estate Management together with holdings in the financial services sector.*

[www.valartisgroup.ch](http://www.valartisgroup.ch)