



[Press Release]

**Professor K C Chan hosts the inauguration ceremony of the 43rd CGSE Executive and Supervisory Committees
Launch of “Loco Hong Kong Silver” to mark the operation of Asia’s first trading platform of spot silver and presentation of “2012/13 Most Active Loco London Gold/Silver Dealer Award” to motivate CGSE Members.**

Hong Kong, May 2 2013 – Today, **Secretary for Financial Services and the Treasury, Professor K C Chan** officiated at the inauguration ceremony of the President, Mr. Haywood Cheung, Directors and Supervisors of the 43rd CGSE Executive and Supervisory Committees. Upon completion of the ceremony, Professor Chan joined President Mr. Haywood Cheung, Vice President Mr. Steven Chan, Vice President Mr. Wilson Cheng, and Chairman of the Supervisory Committee Mr. Leo Siu to host a ceremony to mark the launch of trading platform for spot contract of “Loco Hong Kong Silver”- CGSE’s new product. They stamped the CGSE“PASSED” mark on the first 15-kg silver bar contract.

President Mr. Haywood Cheung said: “our Exchange (CGSE) will set up gold and silver vaults at the Hong Kong International Airport and VIAMAT, a professional warehousing and logistics company. CGSE gained widespread support and recognition from international and local silver merchants after hosting a large scale international silver conference in Hong Kong in November last year. In addition to a trading platform for spot silver, CGSE also has well-established mechanisms for “Loco Hong Kong Silver” in respect of trade settlement, physical delivery and settlement for international liquidity, which are comparable to the operation model of “Loco London Gold”. CGSE’s “Loco Hong Kong Silver” is **the only spot silver trading platform in the entire Asian region which combines these four key functions**. I believe that “Loco Hong Kong Silver” will establish its right of silver fixing in Asian trading session in the foreseeable future.”

As an Asian gateway to international gold market, CGSE has a long and rich history as a trading centre for spot gold. Due to the existence of a free and liberal FX market, Hong Kong has always been a key distribution hub for Asian silver. According to some statistics, silver import from the Mainland China accounted for 77% of Hong Kong’s total silver import

(about 1,290 tonnes) in 2011; silver export through Hong Kong to South Korea, Japan, India and Taiwan accounted for 36% of total silver export and 31% of silver re-export for Hong Kong. The combined quantity of silver amounted to 3,742 tonnes. These figures highlighted the significant position of Hong Kong in Asia's silver market.

As the last activity of today event, President Mr. Haywood Cheung stressed the significance of "2012/13 CGSE Most Active Loco London Gold/Silver Dealer Award" , noting that the presentation of award served as a commendation of CGSE Member's for tremendous contribution to electronic trading. Winning the award may help CGSE Members to gain recognition among regional investors. As a guest of today's event, Mr. Wang Bingxin, Director General of Economic Affairs Department of the Liaison Office of the Central People's Government in the Hong Kong Special Administrative Region, presented the award to the following CGSE Members: Goldenway Precious Metals Limited (CGSE: 74), Prestige Gold Trader Limited (CGSE: 25), Hantec Bullion Limited (CGSE: 163), HXPM Limited (CGSE: 210), COCUS Financial Group Company Limited (CGSE: 85), Chancellor Precious Metals Limited (CGSE: 64), Acetop Precious Metals Limited (CGSE: 145), First Asia Merchants Bullion Limited (CGSE: 114), and Marigold International Bullion Dealers Limited (CGSE: 23).



Annex I

List of Directors and Supervisors of the 43rd Executive and Supervisory Committees

President	Haywood Cheung
Vice President	Steven Chan Wilson Cheng
Chairman of the Supervisory Committee	Leo Siu
Head of Treasury Division	Stephen Wong

Executive and Supervisory Committees Members

Man Fai To	Robert Lee	Henry Lo	Simon Kwong
D.S.Kwong	Sunny Lee	David Kwong	Vincent Tse
Sunny Tiu	Thomas Yu	Peter Fung	Stephen Lee
Danny Chan	Henry Chan	Kai Yee Law	Graham Lee
C.W.Ko	Raymond Chan	Ken Wong	Sammy So



Secretary for Financial Services and the Treasury, Professor K C Chan (at centre with red tie) officiated at the inauguration ceremony of the President, Mr. Haywood Cheung, Directors and Supervisors of the 43rd CGSE Executive and Supervisory Committees.



Secretary for Financial Services and the Treasury, Professor K C Chan, President Mr. Haywood Cheung, Vice President Mr. Steven Chan, Vice President Mr. Wilson Cheng, and Chairman of the Supervisory Committee Mr. Leo Siu, jointly hosted a ceremony to mark the launch of trading platform for spot contract of “Loco Hong Kong Silver”- CGSE’s new product. They stamped the CGSE “PASSED” mark on the first 15-kg silver bar contract.



Mr. Wang Bingxin, Director General of Economic Affairs Department of the Liaison Office of the Central People's Government in the Hong Kong Special Administrative Region presented “2012/13 CGSE Most Active Loco London Gold/Silver Dealer Award” to the representatives of nine CGSE Members.

About the CGSE

Founded in 1910, the Chinese Gold and Silver Exchange Society (“CGSE”) has 103 years of history. Run on a membership-based system, the CGSE now has 171 Members and is managed by the Executive and Supervisory Committees, which comprise 21 Directors and Supervisors. The CGSE is the sole exchange in Hong Kong which trades spot gold. The CGSE trades 99 Tael Gold and Kilobar through an open outcry system; and Loco London Gold / Silver Contract through “Electronic Trading Platform”. “Transaction Code” is also provided to parties in the transactions. In 2011, the CGSE launched the world’s first offshore Renminbi-denominated gold product -“Renminb Kilobar Gold” and established Hong Kong Precious Metals Assay Centre to provide independent and professional gold assay service. In addition, the CGSE launched 9999 5-tael gold bar and 9999 kilo silver bar in 2013. In order to tie in with the implementation of “Practitioners’ Registration System”, the CGSE has conducted course on “Certificate in Gold and Silver Markets” in collaboration with the Hong Kong Securities Institute to enhance practitioners’ professional knowledge about precious metals markets and their integrity.

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