

CORPORATE PROFILE

Xinyu Hengdeli Holdings Limited (“Xinyu Hengdeli” or “the Company”) and its subsidiaries, collectively as “the Group” (Stock Code: 3389), was listed on The Stock Exchange of Hong Kong Limited since 26 September 2005. The Group also introduced The Swatch Group (Hong Kong) Limited (“Swatch Hong Kong”), a subsidiary of the world’s largest watch manufacturer and distributor, The Swatch Group Limited (“Swatch Group”), as the strategic shareholder of the Group.

Xinyu Hengdeli is a major retailer and distributor of imported medium and high-grade watch in the PRC, distributing 19 renowned watch brands of 4 major watch brand suppliers (LVMH Group, Swatch Group, Richemont Group and Desco Group), of which 15 are on exclusive basis. Xinyu Hengdeli also maintained good relationship with the Rolex Group. Meanwhile, the Group also owns the renowned Swiss watch brands of “NIVADA” (尼維達), “OLMA” (奧爾瑪) and “NUMA JEANNIN” (龍馬珍), enabling the Group to enjoy a predominant leading role in the industry. As at 31 December 2005, the Group had 65 retail outlets in various major cities of the PRC and had over 300 wholesale customers. Moreover, the Group provides professional after-sales services for the customers by setting up on-spot repair and maintenance services at all the outlets and there are also two large customer services centers in Beijing and Shanghai.



In addition, the Group has allied with 3 major famous watch retailers in the PRC, namely Shanghai San Lian Group (上海三聯(集團)有限公司), Shanghai Oriental Commercial Building Ltd. (上海東方商廈有限公司) and Shenzhen Hengjili World Brand Watches Centre Ltd. (深圳市亨吉利世界名錶中心有限公司). Such alliance can effectively counter competition and enhance operational efficiency. In 2003, the Company has set up a joint venture called “SMH SWISS WATCH” (瑞韻達) with Swatch Hong Kong, distributing the two international renowned watch brands: Omega (歐米茄) and Rado (雷達) under the Swatch Group.