
FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements that are, by their nature, subject to significant risks, assumptions and uncertainties, including the risk factors set forth in the section headed “Risk Factors” in this prospectus and certain forecast made in the section headed “Industry Overview” in this prospectus. These forward-looking statements include, without limitation, statements relating to:

- our business strategies;
- our investment and capital expenditure plans;
- our operations and business prospects;
- the regulatory environments; and
- the industry outlook generally.

Forward-looking statements can be identified by words such as “may,” “will,” “should,” “would,” “could,” “believe,” “expect,” “anticipate,” “intend,” “plan,” “continue,” “seek,” “estimate” or the negative of these terms or other comparable terminology. Examples of forward-looking statements include, but are not limited to, statements we make regarding our projections, business strategy and development activities as well as other capital spending, financing sources, the effects of regulation, expectations concerning future operations, margins, profitability and competition. The foregoing is not an exclusive list of all forward-looking statements we make.

Forward-looking statements are based on our current expectation and assumptions regarding our business, the economy and other future conditions. We can give no assurance that these expectations and assumptions will prove to have been correct. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Our results may differ materially from those contemplated by the forward-looking statements. They are neither statements of historical fact nor guarantees or assurances of future performance. We caution you therefore against relying on any of these forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include regional, national or global political economic, business, competitive, market and regulatory conditions and the following:

- our ability to effectively manage our planned expansion;
- our ability to stay abreast of market trends and maintain commercially reasonable relationships with our customers and suppliers;
- our ability to retain core management team members and recruit qualified and experienced new team members;
- our ability to maintain an effective quality control system;

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- our levels of indebtedness and interest payment obligations;
- rules and regulations on the watch industry imposed by the PRC Government;
- future developments, trends and conditions in China's watch industry;
- our profit estimate and other prospective financial information; and
- the other factors that are described in the section headed "Risk Factors" in this prospectus.

Due to these risks, assumptions and uncertainties, the forward-looking events and circumstances discussed in this prospectus might not occur in the way we expect, if at all. Accordingly, you should not place undue reliance on any forward-looking information.

Any forward-looking statement made by us in this prospectus speaks only as of the date on which it is made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We do not intend to update or otherwise revise the forward-looking statements in this prospectus, whether as a result of new information, future events or otherwise. Subject to the requirements of applicable laws, rules and regulations, we undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future development or otherwise. All forward-looking statements contained in this prospectus are qualified by reference to this cautionary statement.