

APPENDIX II UNAUDITED PRO FORMA FINANCIAL INFORMATION

The information set out in this Appendix does not form part of the Accountants' Report on the financial information of the Group for the three years ended 30 June 2012 and the three months ended 30 September 2012 prepared by Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, the Company's reporting accountants, as set out in "Appendix I – Accountants' Report" and is included herein for information only. The unaudited pro forma financial information should be read in conjunction with "Financial Information" and the Accountants' Report set out in "Appendix I – Accountants' Report".

(A) UNAUDITED PRO FORMA ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP ATTRIBUTABLE TO THE OWNERS OF THE COMPANY

The following unaudited pro forma financial information prepared in accordance with paragraph 29 of Chapter 4 of the Listing Rules is for illustrative purpose only and is set out in this appendix to illustrate the effect of the Global Offering on the consolidated net tangible assets of the Group attributable to owners of the Company as at 30 September 2012, as if they had taken place on such date.

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to the owners of the Company have been prepared for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 September 2012 or any future date following the Global Offering. It is prepared based on the audited consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 September 2012 as set out in the Accountants' Report contained in Appendix I to this prospectus, and adjusted as described below.

	Audited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 September 2012 <i>HK\$'000</i> <i>(Note 1)</i>	Estimated net proceeds received by the Company from the Global Offering <i>HK\$'000</i> <i>(Note 2)</i>	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company <i>HK\$'000</i> <i>(Note 3)</i>	Unaudited pro forma adjusted consolidated net tangible asset of the Group attributable to owners of the Company per Share <i>HK\$</i> <i>(Note 4)</i>
Based on an Offer Price of HK\$1.11 per Offer Share	420,475	507,168	927,643	0.46
Based on an Offer Price of HK\$1.35 per Offer Share	420,475	617,557	1,038,032	0.52

Notes:

- (1) The audited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 September 2012 is extracted from the Accountants' Report set out in "Appendix I – Accountants' Report".

- (2) The estimated net proceeds received by the Company from the Global Offering are based on 500,000,000 Shares at the Offer Price of lower limit and upper limit of HK\$1.11 and HK\$1.35 per Offer Share, respectively, after deduction of the total estimated underwriting commissions and fees and other related expenses (excluding approximately HK\$20.2 million listing expenses which has been accounted for prior to 30 September 2012) payable by the Company and without taking into account any shares which may be issued pursuant to the Share Option Scheme or the exercise of the Over-allotment Option.
- (3) The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company does not take into account the effect of the profit subsequent to 30 September 2012.
- (4) The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share is arrived at on the basis that 2,000,000,000 Shares were in issue assuming that the Global Offering and the Capitalisation Issue had been completed on 30 September 2012 and without taking into account any shares which may be issued pursuant to the Share Option Scheme or the exercise of the Over-allotment Option.
- (5) The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company does not take into account a special dividend of approximately HK\$37.2 million declared by the Company to its then shareholders in October 2012. Had the special dividend been taken into account, the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share would be HK\$0.45 per Share (assuming an Offer Price of HK\$1.11 per Share) and HK\$0.50 per Share (assuming an Offer Price of HK\$1.35 per Share), respectively.

(B) UNAUDITED PRO FORMA ESTIMATED EARNINGS PER SHARE

The following unaudited pro forma estimated earnings per Share for the six months ended 31 December 2012 has been prepared in accordance with paragraph 29(8) of Chapter 4 of the Listing Rules and on the basis set out in the note below for the purpose of illustrating the effect of the Global Offering as if it had taken place on 1 July 2012. The unaudited pro forma estimated earnings per Share has been prepared for illustrative purpose only and because of its hypothetical nature, it may not give a true picture of the financial results of the Group following the Global Offering or for any future periods.

Profit estimate for the six months ended 31 December 2012

Estimated consolidated profit attributable
to owners of the Company for the six months
ended 31 December 2012 (*Note*) Not less than HK\$100 million

Unaudited pro forma estimated earnings per Share
for the six months ended 31 December 2012 (*Note*) Not less than HK\$0.05

Note:

The unaudited pro forma estimated earnings per Share is based on (i) the estimated consolidated profit attributable to owners of the Company for the six months ended 31 December 2012, as extracted from the paragraph headed “Profit Estimate for the six months ended 31 December 2012” under the section headed “Financial Information”, the bases of which are summarised in Section A of the section entitled “Profit Estimate” included in Appendix III to this prospectus, and (ii) the weighted average of 2,000,000,000 Shares assumed to be issued and outstanding during the six months ended 31 December 2012.

The calculation of the weighted average number of 2,000,000,000 Shares has taken into account the 1,000,000 Shares issued and outstanding for the period from 1 July 2012 to 31 December 2012, 1,499,000,000 Shares to be issued pursuant to the Capitalisation Issue and 500,000,000 Shares to be issued pursuant to the Global Offering assuming that the Global Offering and Capitalisation Issue had been completed on 1 July 2012, and does not take into account any shares that may be issued pursuant to the Share Option Scheme or the exercise of the Over-allotment Option.

(C) REPORT FROM THE REPORTING ACCOUNTANTS ON UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report received from the reporting accountants, Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, in respect of the Group's pro forma financial information for the purpose of incorporation in this prospectus.

Deloitte.
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ACCOUNTANTS' REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION TO THE DIRECTORS OF TIME WATCH INVESTMENTS LIMITED

We report on the unaudited pro forma financial information of Time Watch Investments Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group"), which has been prepared by the directors of the Company for illustrative purposes only, to provide information about how the global offering of 600,000,000 shares of HK\$0.10 each in the Company might have affected the financial information presented, for inclusion in Section A and Section B of Appendix II to the prospectus dated 24 January 2013 (the "Prospectus"). The basis of preparation of the unaudited pro forma financial information is set out in Section A and Section B of Appendix II to the Prospectus.

Respective responsibilities of directors of the Company and reporting accountants

It is the responsibility solely of the directors of the Company to prepare the unaudited pro forma financial information in accordance with paragraph 29 of Chapter 4 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants.

It is our responsibility to form an opinion, as required by paragraph 29(7) of Chapter 4 of the Listing Rules, on the unaudited pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

Basis of opinion

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 300 "Accountants' Reports on Pro Forma Financial Information in Investment Circulars" issued by the Hong Kong Institute of Certified Public

Accountants. Our work consisted primarily of comparing the unadjusted financial information with source documents, considering the evidence supporting the adjustments and discussing the unaudited pro forma financial information with the directors of the Company. This engagement did not involve independent examination of any of the underlying financial information.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the unaudited pro forma financial information has been properly compiled by the directors of the Company on the basis stated, that such basis is consistent with the accounting policies of the Group and that the adjustments are appropriate for the purpose of the unaudited pro forma financial information as disclosed pursuant to paragraph 29(1) of Chapter 4 of the Listing Rules.

The unaudited pro forma financial information is for illustrative purpose only, based on judgements and assumptions of the directors of the Company, and, because of its hypothetical nature, does not provide any assurance or indication that any event will take place in future and may not be indicative of:

- the financial position of the Group as at 30 September 2012 or any future date; or
- the earnings per share of the Group for the six months ended 31 December 2012 or any future period.

Opinion

In our opinion:

- a) the unaudited pro forma financial information has been properly compiled by the directors of the Company on the basis stated;
- b) such basis is consistent with the accounting policies of the Group; and
- c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 29(1) of Chapter 4 of the Listing Rules.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
24 January 2013