

FURTHER INFORMATION ABOUT OUR GROUP**1. Incorporation of our Company**

Our Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law on 21 September 2011.

As our Company was incorporated in the Cayman Islands, we operate subject to the relevant laws and regulations of the Cayman Islands and our constitution which comprises a memorandum of association and the Articles. A summary of the relevant laws and regulations of the Cayman Islands and of our Company's constitution is set out in Appendix IV to this prospectus.

2. Our corporate history

Our Group comprises of our Company, one BVI subsidiary, six Hong Kong subsidiaries, seven PRC subsidiaries, including Suzhou Paragon, Time Watch Hefei, Time Watch Shanghai, Time Watch Sichuan (which are joint venture companies we established with our respective JV Partners), Tian Wang Shenzhen, Ye Guang Li and Shenzhen Time Watch Management Consulting, and one subsidiary in Switzerland.

Our BVI subsidiary***(a) Immense Ocean***

On 21 September 2011, Immense Ocean was incorporated in the BVI and currently acts as the intermediate holding company of our Group. Immense Ocean was authorised to allot and issue up to 50,000 shares of US\$1.00 each, of which one subscriber share was allotted and issued to our Company for cash at par on 14 October 2011.

Our Hong Kong subsidiaries***(b) Win Sun***

Win Sun was incorporated as a limited liability company under the laws of Hong Kong on 10 September 2007 and is an investment holding company of our Group and is principally engaged in the trading of watches. Upon its incorporation, one subscriber share was allotted and issued to its corporate subscriber, Ready-Made Incorporations Limited, for cash at par of HK\$1.

Win Sun became our wholly-owned subsidiary on 1 June 2012 as part of the Reorganisation as further described below.

(c) *Sky Sun*

Sky Sun was incorporated as a limited liability company under the laws of Hong Kong on 10 September 2007, and is an investment holding company of our Group. Upon its incorporation, one subscriber's share was allotted and issued to its corporate subscriber, Ready-Made Incorporations Limited, for cash at par of HK\$1.

Sky Sun became our wholly owned subsidiary on 1 June 2012 as part of the Reorganisation as further described below.

(d) *Gold Joy*

Gold Joy was incorporated as a limited liability company under the laws of Hong Kong on 2 November 2007, and is an investment holding company of our Group. Upon its incorporation, one subscriber's share was allotted and issued to its corporate subscriber, Ready-Made Incorporations Limited, for cash at par of HK\$1.

Gold Joy became our wholly-owned subsidiary on 1 June 2012 as part of the Reorganisation as further described below.

(e) *Gold Reach*

Gold Reach was incorporated as a limited liability company under the laws of Hong Kong on 26 February 2009, and is an investment holding company of our Group and is the holder of Tian Wang trademarks. Upon its incorporation, one subscriber's share was allotted and issued to its corporate subscriber, Ready-Made Incorporations Limited, for cash at par of HK\$1.

Gold Reach became our wholly-owned subsidiary on 1 June 2012 as part of the Reorganisation as further described below.

(f) *Top World*

Top World was incorporated as a limited liability company under the laws of Hong Kong on 5 March 2009, and is currently operating as the purchase arms of our Group to purchase Balco watch accessories and spare parts for manufacturing of watches in Switzerland. Upon its incorporation, one subscriber's share was allotted and issued to its corporate subscriber, Ready-Made Incorporations Limited, for cash at par of HK\$1.

Top World became our wholly-owned subsidiary on 1 June 2012 as part of the Reorganisation as further described below.

(g) *Win Source*

Win Source was incorporated as a limited liability company under the laws of Hong Kong on 1 June 2011, and is principally engaged in the trading of watch movements. Upon its incorporation, one subscriber's share was allotted and issued to its corporate subscriber, Ready-Made Company Limited, for cash at par of HK\$1. On 29 November 2011, Mr. Michael Tung transferred his one share in Win Source to Immense Ocean for cash at the consideration of HK\$1. Win Source became our wholly-owned subsidiary upon completion of the transfer.

As part of our Reorganisation, Win Source acquired from WMP all the assets, rights and interested relating to our watch movement trading business. For details, please refer to the section headed "Further information about our Group – 5. Reorganisation" in this appendix.

Our PRC subsidiaries

(h) *Tian Wang Shenzhen*

Tian Wang Shenzhen was established as a wholly-owned subsidiary under the laws of the PRC on 17 December 2001 with a registered capital of HK\$1 million to engage in manufacturing and trading of our Tian Wang watches. On 12 April 2004, its registered capital was increased from HK\$1 million to HK\$4 million. On 3 November 2004 its registered capital was further increased to HK\$10 million.

At the time of establishment, the entire equity interest in Tian Wang Shenzhen was owned by Goldford International Limited ("**Goldford**"), a company incorporated in the BVI with limited liability, which was indirectly wholly-owned by WMP. On 26 May 2008, Goldford entered into an equity transfer agreement with Sky Sun pursuant to which Sky Sun acquired the entire equity interest in Tian Wang Shenzhen from Goldford at the consideration of HK\$10 million. Such acquisition of equity interest in Tian Wang Shenzhen became effective on 23 June 2008.

(i) *Ye Guang Li*

Ye Guang Li was established as a wholly foreign-owned enterprise under the laws of the PRC on 17 June 2005 with a registered capital of approximately HK\$3.88 million to engage mainly in production and trading of watches. It currently operates POS in the PRC for the sales and distribution of our Tian Wang and Balco watches and assembling of our Tian Wang watches.

At the time of establishment, the entire equity interest in Ye Guang Li was owned by Goldford. On 16 September 2008, Goldford entered into an equity transfer agreement with Win Sun pursuant to which Win Sun acquired the entire equity interest in Ye Guang Li from Goldford at the consideration of approximately HK\$3.88 million. Such acquisition of equity interest in Ye Guang Li became effective on 26 November 2008.

(j) *Shenzhen Time Watch Management Consulting*

Shenzhen Time Watch Management Consulting was established as a wholly-owned subsidiary of Tian Wang Shenzhen under the laws of the PRC on 24 September 2012 with a registered capital of RMB6 million to engage in sales and promotion of watches and related parts, brand marketing, administration and human resources management of our sales staff in the PRC.

Our Switzerland subsidiary

(k) *Balco Switzerland*

Balco Switzerland was incorporated in Switzerland with limited liability on 31 March 2009 with a registered capital of CHF20,000. It is currently engaged in trading of watches and is the holders of our Balco trademarks of our Group. Upon its incorporation, the entire issued share capital of Balco Switzerland was owned as to 95% and 5% by Fidav SA and Mr. Antonello Miserino, respectively.

On 11 November 2009, Fidav SA and Mr. Antonello Miserino transferred their shares in Balco Switzerland to Gold Reach at a consideration of CHF20,000. Upon completion of the transfer, the entire issued share capital of Balco Switzerland was owned as to 100% by Gold Reach.

Balco Switzerland became our indirect wholly-owned subsidiary on 1 June 2012 as part of the Reorganisation as further described below.

Our JV Companies

For details of the corporate history of our JV Companies, please refer to the section headed “History, Reorganisation and Corporate Structure – History – Our JV Companies” in this prospectus.

3. Changes in share capital of our Company

(a) *Increase in authorised share capital*

- (i) As of the date of incorporation of our Company, the authorised share capital was HK\$350,000 divided into 3,500,000 Shares having a par value of HK\$0.10 each. Upon incorporation, one Share was allotted and issued to the subscriber, for cash at par, which was transferred to Red Glory on the same day.
- (ii) The authorised share capital of our Company was increased from HK\$350,000 to HK\$10,000,000,000 by the creation of 99,996,500,000 new Shares pursuant to a resolution passed by the sole Shareholder referred to in paragraph 4 below and subject to the conditions contained therein.

- (iii) Immediately following completion of the Global Offering and the Capitalisation Issue but taking no account upon the exercise of the Over-allotment Option, our authorised share capital will be HK\$10,000,000,000 divided into 100,000,000,000 Shares, of which 2,000,000,000 Shares will be issued fully paid or credited as fully paid, and 98,000,000,000 Shares will remain unissued.
- (iv) Other than pursuant to the exercise of the Over-allotment Option, there is no present intention to issue any of the authorised but unissued share capital of us and, without the prior approval of the Shareholders in general meeting, no issue of Shares will be made which would effectively alter the control of us.

Save as disclosed herein and in the paragraphs headed “Resolutions in writing of the sole Shareholder passed on 11 January 2013” and “Reorganisation” of this Appendix, there has been no alteration in the share capital of our Company since its incorporation.

(b) Founder shares

Our Company has no founder shares, management shares or deferred shares.

4. Resolutions in writing of the sole Shareholder passed on 11 January 2013

By resolutions in writing of the sole Shareholder passed on 11 January 2013:

- (a) we approved and adopted the Articles;
- (b) we approved and adopted the amended and restated memorandum of association with effect upon the increase of authorised share capital of our Company becoming effective as set out in the resolution in paragraph (c)(i) below;
- (c) conditional on (aa) the Listing Committee granting the listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in this prospectus, and such listing and permission not having been subsequently revoked prior to the commencement of dealings in the Shares on the Stock Exchange; (bb) the Offer Price having been duly determined in accordance with the terms of Underwriting Agreements; (cc) the execution and delivery of the Underwriting Agreements; and (dd) the obligations of the Underwriters under each of the Underwriting Agreements becoming unconditional (including, if relevant, as a result of the waiver of any condition(s) thereunder by the Sole Global Coordinator, on behalf of the Underwriters) and not being terminated in accordance with the respective terms of the Underwriting Agreements or otherwise, in each case on or before the day falling 30 days after the date of this prospectus:
 - (i) the authorised share capital of our Company was increased from HK\$350,000 to HK\$10,000,000,000 by the creation of 99,996,500,000 new Shares;

- (ii) the Global Offering and the grant of the Over-allotment Option by our Company were approved and our Directors were authorised to allot and issue the Offer Shares pursuant to the Global Offering, and such number of Shares as may be allotted and issued upon the exercise of the Over-allotment Option, and the transfer of Sale Shares was approved;
- (iii) the rules of the Share Option Scheme, the principal terms of which are set out in the paragraph headed “Share Option Scheme” of this Appendix, were approved and adopted and our Directors were authorised to approve any amendments to the rules of the Share Option Scheme as may be acceptable or not objected to by the Stock Exchange, and at their absolute discretion to grant options to subscribe for Shares thereunder and to allot, issue and deal with Shares pursuant to the exercise of options which may be granted under the Share Option Scheme and to take all such steps as may be necessary, desirable or expedient to carry into effect the Share Option Scheme;
- (iv) conditional on the share premium account of our Company being credited as a result of the Global Offering, our Directors were authorised to capitalise HK\$149,900,000 standing to the credit of the share premium account of our Company by applying such sum in paying up in full at par 1,499,000,000 Shares for allotment and issue to the holder of Shares whose name appears on the register of members of our Company at the close of business on 11 January 2013 (or as it may direct) so that the Shares to be allotted and issued pursuant to this resolution shall rank pari passu in all respects with the then existing issued Shares and our Directors were authorised to give effect to such capitalisation;
- (v) a general unconditional mandate was given to the Directors to allot, issue and deal with (and to make or grant offers, agreements and options and options which may require the exercise of such power), otherwise than by way of rights issue, scrip dividend schemes or similar arrangements providing for allotment of Shares in lieu of the whole or part of any dividend in accordance with the Articles of Association, or pursuant to the exercise of any options which may be granted under the Share Option Scheme, or under the Global Offering or the Capitalisation Issue or upon the exercise of the Over-allotment Option, Shares with an aggregate nominal amount of not exceeding the sum of (aa) 20% of the aggregate nominal amount of the share capital of our Company in issue immediately following completion of the Global Offering and the Capitalisation Issue but excluding any Shares which may be issued pursuant to the exercise of the Over-allotment Option, and (bb) the aggregate nominal amount of the share capital of our Company which may be purchased by us pursuant to the authority granted to the Directors as referred to in subparagraph (vi) below, until the conclusion of our next annual general meeting, or the date by which our next annual general meeting is required by the Articles of Association, the Companies Law or any other applicable law to be held, or the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors, whichever occurs first;

- (vi) a general unconditional mandate (the “**Repurchase Mandate**”) was given to the Directors to exercise all powers of our Company to purchase Shares on the Stock Exchange or on any other stock exchange on which the securities of the Company may be listed and recognised by the SFC and the Stock Exchange for this purpose with an aggregate nominal amount of not exceeding 10% of the aggregate nominal amount of our share capital in issue immediately following the completion of the Global Offering and the Capitalisation Issue but excluding any Shares which may be issued pursuant to the exercise of the Over-allotment Option until the conclusion of our next annual general meeting, or the date by which our next annual general meeting is required by the Articles of Association, the Companies Law or any other applicable law to be held, or the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors, whichever occurs first; and
- (vii) the extension of the general mandate to allot, issue and deal with Shares to include the nominal amount of Shares which may be purchased or repurchased pursuant to paragraph (vi) above.
- (d) the form and substance of each of the service agreements made between our executive Directors and our Company, the form and substance of each of the appointment letters made between each of our independent non-executive Directors with our Company and the form and substance of each of the employment contracts made between our Group and each of Mr. Michael Tung, Mr. Lo, Mr. Hou and Mr. Ricky Tung were approved.

5. Reorganisation

The companies comprising our Group underwent a reorganisation to rationalise our Group’s structure in preparation for the listing of the Shares on the Stock Exchange, which involved the following:

- (a) on 21 September 2011, our Company was incorporated by Red Glory in the Cayman Islands under the Companies Law as an exempted company with an authorised share capital of HK\$350,000 divided into 3,500,000 Shares. Upon its incorporation, one Share was allotted and issued for cash at par to the subscriber, which was transferred to Red Glory on the same day;
- (b) on 21 September 2011, Immense Ocean was incorporated in the BVI with limited liability with 50,000 authorised shares of US\$1.00 each. On 14 October 2011, one share of US\$1.00 was allotted and issued as fully paid at par by Immense Ocean to our Company, and Immense Ocean became our wholly-owned subsidiary since then;
- (c) on 1 June 2011, Win Source was incorporated in Hong Kong with limited liability with 10,000 authorised shares of HK\$1.00 each. Upon its incorporation, one subscriber’s share was allotted and issued to Ready-Made Company Limited for

cash at par of HK\$1. On 20 June 2011, Ready-Made Company Limited transferred its one subscriber share in Win Source to Mr. Michael Tung for cash at the consideration of HK\$1. On 29 November 2011, Mr. Michael Tung transferred its one share in Win Source to Immense Ocean for cash at a consideration of HK\$1 and Win Source has become a wholly-owned subsidiary of Immense Ocean since then;

- (d) Several subsidiaries of our Company entered into a series of trademark transfer assignments in 2011 to acquire our Tian Wang, Balco and other trademarks relevant to our operation from an Independent Third-Party and certain other companies in which our Controlling Shareholders have interest. Details of such trademark transfer assignment are described in paragraphs (c) to (n) of the section headed “Further Information About The Business of Our Company – 10. Summary of material contracts” in this section;
- (e) on 1 June 2012, WMP and Win Source entered into a business transfer agreement, pursuant to which to Win Source acquired from WMP all the assets, rights and interests relating to our watch movement trading business, in particular comprising all fixed and moveable assets and property, cash and cash equivalent, contracts, accounts payable and receivables, goodwill, insurance policies, intellectual property rights, inventories, books and records, but excluding WMP’s equity interest in its subsidiaries and property interest in an office and warehouse situated in Tsuen Wan, Hong Kong (the “**Business Assets**”) at an aggregate consideration of HK\$49,999.90, which was settled by our Company allotting and issuing to Red Glory (at the direction of WMP) 499,999 Shares, credited as fully paid. Such acquisition was completed on 1 June 2012;
- (f) on 1 June 2012, WMP and our Company entered into a share purchase agreement, pursuant to which Immense Ocean (at the direction of our Company) acquired from WMP the entire issued share capital of Win Sun, Gold Joy, Sky Sun, Gold Reach and Top World at an aggregate consideration of HK\$614,273,655, representing their then aggregate net book value. Such consideration was settled by our Company allotting and issuing, credited as fully paid, to Red Glory (at the direction of WMP) an aggregate of 500,000 Shares; and
- (g) on 24 September 2012, Shenzhen Time Watch Management Consulting was established as a wholly-owned subsidiary of Tian Wang Shenzhen under the laws of the PRC with a registered capital of RMB6 million. Shenzhen Time Watch Management Consulting is principally engaged in sales and promotion of watches and related parts, brand marketing, administration and human resources management of our sales staff in the PRC.

Upon completion of the Reorganisation, our Company became the holding company of our Group.

6. Changes in share capital of our subsidiaries

Our subsidiaries are listed in the accountants' report set out in Appendix I to this prospectus.

In addition to the alternations described in paragraph 3 above, the following alternation in the share capital of each of our Company's subsidiaries took place within two years immediately preceding the date of this prospectus:

- (a) on 29 November 2011, Time Watch Hefei was established as a sino-foreign joint venture company under the laws of the PRC with a total investment amount of RMB27 million and registered capital of RMB14 million and owned as to 51% by Gold Joy and 49% by Hefei De Sheng Li. The entire registered capital has been paid up as of 20 January 2012;
- (b) on 29 January 2012, Time Watch Shanghai was established as a sino-foreign joint venture company under the laws of the PRC with a total investment amount of RMB22 million and registered capital of RMB14 million and owned as to 51% by Gold Joy and 49% by Shanghai Shi Ji Tang. The entire registered capital of Time Watch Shanghai has been paid up as of 14 June 2012;
- (c) on 4 December 2012, Time Watch Sichuan was established as a sino-foreign joint venture company under the laws of the PRC with a total investment amount of RMB14 million and registered capital of RMB10 million and owned as to 51% by Gold Joy and 49% by Mian Yang Qian Da. Up to the Latest Practicable Date, approximately RMB5.1 million of the registered capital of Time Watch Sichuan had been paid up by our Group, and the balance of approximately RMB4.9 million is due to be payable by Mian Yang Qian Da on or before 4 December 2014; and
- (d) on 24 September 2012, Shenzhen Time Watch Management Consulting was established as a wholly-owned subsidiary of Tian Wang Shenzhen under the laws of the PRC with a registered capital of RMB6 million.

Save as disclosed herein and in paragraph 3 above, there has been no alternation in the share capital of our subsidiaries within the two years immediately preceding the date of this prospectus.

7. Further information about our Group's principal subsidiaries in the PRC

Our Group has interest in the registered capital of two wholly foreign-owned enterprises, four sino-foreign equity joint ventures and one domestic company with limited liability in the PRC. A summary of the corporate information of these subsidiaries as at the Latest Practicable Date are set out as follows:

(a) (i) Name of the enterprise:	Ye Guang Li Electronics (Meizhou) Company Limited* (業廣利電子(梅州)有限公司)
(ii) Economic nature:	Wholly foreign-owned enterprise
(iii) Registered owner:	Win Sun
(iv) Total investment:	HK\$3.88 million
(v) Registered capital:	HK\$3.88 million
(vi) Attributable interest to our Group:	100%
(vii) Term of operation:	From 17 June 2005 to 16 June 2016
(viii) Scope of business:	Production and business operation: quartz clocks and watches, mechanical clocks and watches, electronic clocks and watches, electronic plastic toys, watch type handicrafts, artificial pearl accessories, embellishments and packaging, pattern design, glasses and leather-ware (hand straps, chains belts, leather handbags, leather belts, hand carried luggage etc.), products sold within and outside the PRC, import, wholesale and retail of all types of clocks and watches and spare accessory parts. (products subject to government's related regulations and measures on quotas & permits management and special provisions management shall be dealt with in accordance to respective applicable regulations and provisions)

- (b) (i) Name of the enterprise: Tian Wang Electronics (Shenzhen) Company Limited* (天王電子(深圳)有限公司)
- (ii) Economic nature: Wholly foreign-owned enterprise
- (iii) Registered owner: Sky Sun
- (iv) Total investment: HK\$10 million
- (v) Registered capital: HK\$10 million
- (vi) Attributable interest to our Group: 100%
- (vii) Term of operation: From 17 December 2001 to 17 December 2021
- (viii) Scope of business: Production, business operation, wholesale, retail, import & export and related supporting business operation of all types of clocks and watches (not involving goods managed by state operated trading business, products on which quota, permits management are involved or other special provisions are applicable should make an application in accordance with relevant regulations of the state); establishment of offices in 37 cities, inclusive of, Beijing, Shanghai, Guangzhou, Tianjin, Changchun, Shenyang, Kunming, Xi'an, Nanjing, Wuhan, Changsha, Fuzhou, Nanchang, Nanning, Ningbo, Shenzhen, Haikou, Chongqing, Chengdu, Wenzhou, Zhengzhou, Shijiazhuang, Mudanjiang, Dalian, Harbin, Hangzhou, Xinjiang, Xiamen, Jinan, Inner Mongolia, Wuxi, Qingdao, Yantai, Datong, Guiyang, Daqing, Taiyuan, etc.
- (c) (i) Name of the enterprise: Suzhou Paragon Watch Company Limited* (蘇州寶利辰錶行有限公司)
- (ii) Economic nature: Sino-foreign equity joint venture
- (iii) Registered owner: Gold Joy (51%) and Suzhou Ruiyunda Trading Company Limited* (蘇州瑞運達貿易有限公司) (49%)
- (iv) Total investment: RMB40 million

- (v) Registered capital: RMB20 million
- (vi) Attributable interest to our Group: 51%
- (vii) Term of operation: From 17 July 2008 to 16 July 2038
- (viii) Scope of business: Permitted operation item: none
General operation items: wholesale and retail of quartz clocks and watches, mechanical clocks and watches, electronic clocks and watches, watch type handicrafts, other types of clocks and watches and their spare parts and accessories
- (d) (i) Name of the enterprise: Time Watch (Hefei) Company Limited* (時計寶(合肥)鐘錶有限公司)
- (ii) Economic nature: Sino-foreign equity joint venture
- (iii) Registered owner: Gold Joy (51%) and Hefei De Sheng Li (49%)
- (iv) Total investment: RMB27 million
- (v) Registered capital: RMB14 million
- (vi) Attributable interest to our Group: 51%
- (vii) Term of operation: From 29 November 2011 to 28 November 2041
- (viii) Scope of business: Wholesale and retail of clocks and watches, jewellery (excluding diamond), handicrafts (excluding heritage), electronic products, other types of spare parts and accessories of watches (items involving quota, management of permits and goods managed by state operated trading business should make an application in accordance with relevant state regulations)

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| (e) (i) Name of the enterprise: | Time Watch (Shanghai) Company Limited* (時計寶(上海)鐘錶有限公司) |
| (ii) Economic nature: | Sino-foreign equity joint venture |
| (iii) Registered owner: | Gold Joy (51%) and Shanghai Shi Ji Tang (49%) |
| (iv) Total investment: | RMB22 million |
| (v) Registered capital: | RMB14 million |
| (vi) Attributable interest to our Group: | 51% |
| (vii) Term of operation: | From 29 January 2012 to 28 January 2042 |
| (viii) Scope of business: | Wholesale, import & export, commission agency (excluding auctioning) and related supporting services (not involving goods managed by state operated trading business, products on which quota, permits management are involved or other special provisions are applicable, should make an application in accordance with relevant regulations of the state) of clocks and watches and related accessories, handicraft gifts (except for heritage), general merchandise, hardware and AC power, office equipment, textiles, clothing and apparel; business information advisory (Business operation involving administrative permit should be run with the permit) |
| (f) (i) Name of the enterprise: | Time Watch (Sichuan) Company Limited* (時計寶(四川)鐘錶有限公司) |
| (ii) Economic nature: | Sino-foreign equity joint venture |
| (iii) Registered owner: | Gold Joy (51%) and Mian Yang Qian Da (49%) |
| (iv) Total investment: | RMB14 million |
| (v) Registered capital: | RMB10 million |
| (vi) Attributable interest to our Group: | 51% |

- (vii) Term of operation: From 4 December 2012 to 3 December 2042
- (viii) Scope of business: Sales of clocks and watches, jewellery (excluding diamond), handicraft gifts (excluding heritage), electronic products, accessories of clocks and watches (excluding commission agency, items managed by state operated trading business, items involving quotas, goods managed by permits should make an application in accordance with state regulations)
- (g) (i) Name of the enterprise: Shenzhen Time Watch Management Consulting Limited* (深圳時計寶管理諮詢有限公司)
- (ii) Economic nature: Domestic company with limited liability
- (iii) Registered owner: Tian Wang Shenzhen (100%)
- (iv) Total investment: RMB6 million
- (v) Registered capital: RMB6 million
- (vi) Attributable interest to our Group: 100%
- (vii) Term of operation: From 24 September 2012 to 24 September 2022
- (viii) Scope of business: Corporate management consultancy (excluding job referral and human resources referral service), brand planning, corporate image and marketing planning. (Excluding items that approvals are required for registration under laws, administrative regulations and State Council's decisions)

8. Repurchase by our Company of our own securities

This paragraph includes information required by the Stock Exchange to be included in this prospectus concerning the repurchase by our Company of our own securities.

(a) Shareholders' approval

All proposed repurchases of securities (which must be fully paid up in the case of shares) by a company listed on the Stock Exchange must be approved in advance by an ordinary resolution of the shareholders, either by way of general mandate or by specific approval of a particular transaction.

Note: Pursuant to a resolution in writing passed by the sole Shareholder on 11 January 2013, the Repurchase Mandate was given to our Directors authorising any repurchase by us of Shares on the Stock Exchange or any other stock exchange on which our securities may be listed and which is recognised by the SFC and the Stock Exchange for this purpose, of up to 10% of the aggregate nominal amount of our share capital in issue immediately following completion of the Global Offering and the Capitalisation Issue but excluding any Shares which may be issued pursuant to the exercise of the Over-allotment Option, such mandate to expire at the conclusion of our next annual general meeting, or the date by which our next annual general meeting is required by the Articles of Association or applicable Cayman Islands law to be held, or the passing of an ordinary resolution by Shareholders in general meeting revoking or varying the authority given to the Directors, whichever occurs first.

(b) Source of funds

Repurchases must be paid out of funds legally available for the purpose in accordance with the Articles of Association and the Companies Law. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Under the Cayman Islands laws, any repurchases by us may be made out of our profits or out of the proceeds of a fresh issue of Shares made for the purpose of the repurchase or, if so authorised by the Articles of Association and subject to the Companies Law, out of capital. Any premium payable on a redemption or purchase over the par value of the Shares to be purchased must be provided for out of the profits of us or from sums standing to the credit of our share premium account or, if authorised by the Articles of Association and subject to the provisions of the Companies Law, out of capital.

(c) Reasons for repurchases

Our Directors believe that it is in the best interest of our Company and our Shareholders for our Directors to have general authority from our Shareholders to enable our Company to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made if our Directors believe that such repurchases will benefit our Company and our Shareholders.

(d) Funding of repurchases

In repurchasing securities, we may only apply funds legally available for such purpose in accordance with the Articles of Association, the Listing Rules and the applicable laws of the Cayman Islands.

On the basis of our current financial position as disclosed in this prospectus and taking into account the current working capital position, our Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or our gearing position as compared to the position disclosed in this prospectus. However, our Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on our working capital requirements or the gearing levels which in the opinion of the Directors are from time to time appropriate for us.

The exercise in full of the Repurchase Mandate, on the basis of 2,000,000,000 Shares in issue immediately after the Listing, would result in up to 200,000,000 Shares being repurchased by us during the period in which the Repurchase Mandate remains in force.

(e) General

None of our Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates currently intends to sell any Shares to our Company or our subsidiaries.

Our Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

If, as a result of a securities repurchase, a Shareholder's proportionate interest in the voting rights of our Company is increased, such increase will be treated as an acquisition for the purpose of the Hong Kong Code on Takeovers and Mergers (the "**Takeovers Code**"). Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of our Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. Save as aforesaid, our Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate.

Our Directors will not exercise the Repurchase Mandate if the repurchase would result in the number of Shares which are in the hands of the public falling below 25% of the total number of Shares in issue (or such other percentage as may be prescribed as the minimum public shareholding under the Listing Rules).

No connected person (as defined in the Listing Rules) of our Company has notified us that he/she/it has a present intention to sell Shares to our Company, or has undertaken not to do so if the Repurchase Mandate is exercised.

9. Registration under Part XI of the Companies Ordinance

Our Company has established our head office and a principal place of business in Hong Kong for the purpose of registration under Part XI of the Companies Ordinance at 27th Floor, CEO Tower, 77 Wing Hong Street, Kowloon, Hong Kong. Our Company has been registered as a non-Hong Kong company under Part XI of the Companies Ordinance. Mr. Michael Tung, one of our executive Directors, has been appointed as the authorised representative of our Company for the acceptance of service of process in Hong Kong.

FURTHER INFORMATION ABOUT THE BUSINESS OF OUR COMPANY

10. Summary of material contracts

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the members of our Group within the two years preceding the date of this prospectus and are or may be material:

- (a) a business transfer agreement dated 1 June 2012 entered into between WMP and Win Source pursuant to which Win Source acquired from WMP all the assets, rights and interests relating to our watch movement trading business (but excluding WMP's equity interests in its subsidiaries and property interest in an office and warehouse situated at Tsuen Wan, Hong Kong) at the consideration of HK\$49,999.90, which was settled by our Company allotting and issuing to Red Glory (at the direction of WMP) 499,999 Shares, credited as fully paid;
- (b) a share purchase agreement dated 1 June 2012 entered into between WMP as vendor and our Company as purchaser for the acquisition by Immense Ocean (at the direction of our Company) of the entire issued share capital of Win Sun, Gold Joy, Sky Sun, Gold Reach and Top World at an aggregate consideration of HK\$614,273,655. Such consideration was settled by our Company allotting and issuing, credited as fully paid, to Red Glory (at the direction of WMP) an aggregate of 500,000 Shares;
- (c) a trademark transfer assignment dated 1 September 2011 entered into between Win Ford (BVI) Investments Limited ("**Win Ford**") and Balco Switzerland, pursuant to which Win Ford assigned to Balco Switzerland one trademark (being the trademark no. 7 as referred to in the section headed "Further information about the business of our Company – 10. Intellectual property rights of our Group – (b) Trademarks – Registered trademarks" in this appendix) at a consideration of HK\$1;
- (d) a trademark transfer assignment dated 1 September 2011 entered into between Time Watch Singapore and Balco Switzerland, pursuant to which Time Watch Singapore assigned to Balco Switzerland one trademark (being the trademark no. 1 as referred to in the section headed "Further information about the business of our Company – 10. Intellectual property rights of our Group – (b) Trademarks – Registered trademarks" in this appendix) at a consideration of HK\$1;

- (e) a trademark transfer assignment dated 1 September 2011 entered into between Time Watch Singapore and Gold Reach, pursuant to which Time Watch Singapore assigned to Gold Reach five trademarks (being the trademarks nos. 2 to 6 as referred to in the section headed “Further information about the business of our Company – 10. Intellectual property rights of our Group – (b) Trademarks – Registered trademarks” in this appendix) at a consideration of HK\$1;
- (f) a trademark transfer agreement dated 12 October 2011 entered into between Tian Wang Shenzhen and Gold Reach, pursuant to which Tian Wang Shenzhen assigned to Gold Reach 26 trademarks (including the trademarks nos. 38 to 61 and 63 as referred to in the section headed “Further information about the business of our Company – 10. Intellectual property rights of our Group – (b) Trademarks – Registered trademarks” in this appendix) at nil consideration;
- (g) a trademark transfer agreement dated 12 October 2011 entered into between WMP and Gold Reach, pursuant to which WMP assigned to Gold Reach five trademarks (being the trademarks nos. 34 to 37 and 62 as referred to in the section headed “Further information about the business of our Company – 10. Intellectual property rights of our Group – (b) Trademarks – Registered trademarks” in this appendix) at nil consideration;
- (h) a trademark transfer agreement dated 12 October 2011 entered into between Grand Ocean Industrial Limited (“**Grand Ocean**”) and Gold Reach, pursuant to which Grand Ocean assigned to Gold Reach nine trademarks (being the trademarks nos. 25 to 33 as referred to in the section headed “Further information about the business of our Company – 10. Intellectual property rights of our Group – (b) Trademarks – Registered trademarks” in this appendix) at nil consideration;
- (i) a trademark transfer assignment dated 1 September 2011 entered into between Grand Ocean and Gold Reach, pursuant to which Grand Ocean assigned to Gold Reach five trademarks (being the trademarks nos. 8 to 12 as referred to in the section headed “Further information about the business of our Company – 10. Intellectual property rights of our Group – (b) Trademarks – Registered trademarks” in this appendix) at a consideration of HK\$1;
- (j) a trademark transfer assignment dated 1 September 2011 entered into between WMP and Gold Reach, pursuant to which WMP assigned to Gold Reach one trademark (being the trademark no. 13 as referred to in the section headed “Further information about the business of our Company – 10. Intellectual property rights of our Group – (b) Trademarks – Registered trademarks” in this appendix) at a consideration of HK\$1;
- (k) a trademark transfer assignment dated 1 September 2011 entered into between Tremont Japan Co. Ltd. and Balco Switzerland, pursuant to which Tremont Japan Co. Ltd. assigned to Balco Switzerland one trademark (being the trademark no. 67

as referred to in the section headed “Further information about the business of our Company – 10. Intellectual property rights of our Group – (b) Trademarks – Registered trademarks” in this appendix) at a consideration of HK\$1;

- (l) a trademark transfer agreement dated 13 June 2011 entered into between Grand Ocean and Balco Switzerland, pursuant to which Grand Ocean, as a beneficial owner of a trademark (being the trademark no. 68 as referred to in the section headed “Further information about the business of our Company – 10. Intellectual property rights of our Group – (b) Trademarks – Registered trademarks” in this appendix), sold to Balco Switzerland the trademark at nil consideration;
- (m) a trademark transfer assignment dated 10 July 2012 entered into between Win Ford and Gold Reach, pursuant to which Win Ford sold to Gold Reach one trademark registered in the PRC under trademark no. 6052216 under class 35 at a consideration of HK\$1;
- (n) a trademark transfer assignment dated 3 August 2012 entered into between Balco Electronics (Zhuhai) Company Limited (珠海拜戈電子有限公司) (“**Balco Zhuhai**”) and Balco Switzerland, pursuant to which Balco Zhuhai sold to Balco Switzerland two trademarks registered in the PRC under trademarks nos. 3690056 under class 18 and 3030308 under class 14 at a consideration of HK\$1;
- (o) a trademark license agreement dated 1 December 2011 entered into between WMP, Tian Wang Shenzhen and Ye Guang Li, pursuant to which WMP authorise Tian Wang Shenzhen to grant a license to Ye Guang Li to use one trademark registered in the PRC under trademark no. 353236 under class 14 at nil consideration from 1 December 2011 until the earlier of (a) 29 June 2019 or (b) the termination of this agreement in accordance with the terms of this agreement;
- (p) a trademark license agreement dated 1 December 2011 entered into between WMP, Tian Wang Shenzhen and Ye Guang Li, pursuant to which WMP authorise Tian Wang Shenzhen to grant a license to Ye Guang Li to use three trademarks registered in the PRC under trademark nos. 4201290, 4201291 and 4201292 under class 14 at nil consideration from 1 December 2011 until the earlier of (a) 19 September 2017 or (b) the termination of this agreement in accordance with the terms of this agreement;
- (q) a joint-venture agreement dated 1 December 2011 entered into between Gold Joy and Shanghai Shi Ji Tang for the joint establishment of and investment in Time Watch Shanghai. The registered capital of Time Watch Shanghai of RMB14 million was to be contributed in cash as to 51% and 49% by Gold Joy and Shanghai Shi Ji Tang, respectively;
- (r) the articles of association of Time Watch Shanghai dated 1 December 2011 and signed between Gold Joy and Shanghai Shi Ji Tang for the joint establishment of Time Watch Shanghai. The registered capital of Time Watch Shanghai of RMB14 million was to be contributed in cash as to 51% and 49% by Gold Joy and Shanghai Shi Ji Tang, respectively;

- (s) a supplemental agreement dated 15 July 2012 entered into between Gold Joy and Shanghai Shi Ji Tang for the amendments of certain provisions in the joint venture agreement as referred to in paragraph (q) above;
- (t) a joint-venture agreement dated 17 November 2011 entered into between Gold Joy and Hefei De Sheng Li for the joint establishment of and investment in Time Watch Hefei. The registered capital of Time Watch Hefei of RMB14 million was to be contributed in cash as to 51% and 49% by Gold Joy and Hefei De Sheng Li, respectively;
- (u) a supplemental agreement dated 2 May 2012 entered into between Gold Joy and Hefei De Sheng Li for the amendments of certain provisions in the joint venture agreement as referred to in paragraph (t) above;
- (v) the articles of association of Time Watch Hefei dated 17 November 2011 and signed between Gold Joy and Hefei De Sheng Li for the establishment of Time Watch Hefei. The registered capital of Time Watch Hefei of RMB14 million was to be contributed in cash as to 51% and 49% by Gold Joy and Hefei De Sheng Li, respectively;
- (w) an amendment dated 2 May 2012 entered into between Gold Joy and Hefei De Sheng Li for the amendments of certain provisions in the articles of association of Time Watch Hefei as referred to in paragraph (v) above;
- (x) a joint-venture agreement dated 25 May 2012 entered into between Gold Joy and Hefei De Sheng Li for the joint establishment of and investment in Time Watch Hefei. The registered capital of Time Watch Hefei of RMB14 million was to be contributed in cash as to 51% and 49% by Gold Joy and Hefei De Sheng Li, respectively;
- (y) the articles of association of Time Watch Hefei dated 26 May 2012 and signed between Gold Joy and Hefei De Sheng Li for the establishment of Time Watch Hefei. The registered capital of Time Watch Hefei of RMB14 million was to be contributed in cash as to 51% and 49% by Gold Joy and Hefei De Sheng Li, respectively;
- (z) a joint-venture agreement dated 25 June 2012 entered into between Gold Joy and Mian Yang Qian Da for the joint establishment of and investment in Time Watch Sichuan. The registered capital of Time Watch Sichuan of RMB10 million was to be contributed in cash as to 51% and 49% by Gold Joy and Mian Yang Qian Da, respectively;
- (aa) the articles of association of Time Watch Sichuan dated 20 July 2012 and signed between Gold Joy and Mian Yang Qian Da for the establishment of Time Watch Sichuan. The registered capital of Time Watch Sichuan of RMB10 million was to be contributed in cash as to 51% and 49% by Gold Joy and Mian Yang Qian Da, respectively;

- (bb) a supplemental joint-venture agreement dated 5 December 2011 entered into between Gold Joy and Ruiyunda for the amendment of certain provisions under the joint venture agreement dated 4 August 2008 of Suzhou Paragon. The registered capital of Suzhou Paragon of RMB20 million was to be contributed in cash as to 51% and 49% by Gold Joy and Ruiyunda, respectively;
- (cc) a supplemental agreement dated 5 December 2011 entered into between Gold Joy and Ruiyunda for the amendment of certain provisions under the joint venture agreement and the articles of association of Suzhou Paragon;
- (dd) a supplemental agreement dated 24 February 2012 entered into between Gold Joy and Ruiyunda for the amendment of certain provision under the joint venture agreement of Suzhou Paragon;
- (ee) a supplemental agreement dated 24 February 2012 entered into between Gold Joy and Ruiyunda for the amendment of certain provision under the articles of association of Suzhou Paragon;
- (ff) the Cornerstone Investor Agreement;
- (gg) a deed of indemnity dated 23 January 2013 executed by our Controlling Shareholders in favour of our Company (for ourselves and as trustee for our subsidiaries stated therein) containing the indemnities more particularly referred to in the paragraph headed “Estate duty, tax and other indemnity” of this Appendix;
- (hh) a deed of novation, assignment and set-off dated 1 June 2012 executed by and entered into between Win Source, Win Sun, Top World, Sky Sun, Ye Guang Li, Tian Wang Shenzhen, Suzhou Paragon, Balco Switzerland, WMP, Aimfar Holdings Limited, China City Trading Limited, Fine Jade International Limited, Goldford International Limited, Grand Ocean Industrial Limited, Master Wave Limited, Perfect Fame Investments Limited, Skyrex Investment Limited, Win Ford (BVI) Investments Limited, Winning Asia, Red Glory, Time Watch Singapore, Goldford International (Malaysia) Limited, Balco Electronics (Zhuhai) Company Limited (珠海拜戈電子有限公司), Time Watch (Zheng Zhou) Property Management Company Ltd. and Mr. Michael Tung, pursuant to which certain non-interest bearing debts and other payables due among the parties thereto were novated and/or assigned among the parties, in consideration of the assignee(s) of the relevant debts and the debtor(s) novating the relevant payables paying to the relevant assignee(s) and novatee(s) of the relevant debts and payables an amount equal to the debts/payables to assigned/novated and the pro tanto set off of debts and payables among the relevant parties; and
- (ii) the Hong Kong Underwriting Agreement.

11. Intellectual property rights of our Group*(a) Patents****Registered patents***

As of the Latest Practicable Date, our Group is the registered owner of, or otherwise has the right to use, the following patents which are the major intellectual properties used in our products:

No.	Description of Patent	Registered owner	Place of registration	Type	Registration Number	Expiry date
1.	機械手錶錶頭 (GS5536S/DD) (Mechanical watch watch-face (GS5536S/DD))	Tian Wang Shenzhen	PRC	Design	ZL200730172101.8	7 August 2017
2.	一種錶座及其使用該 錶座的手錶 (A type of watch stand and watch using watch stand)	Tian Wang Shenzhen	PRC	Utility	ZL200820094079.9	26 May 2018
3.	一種錶殼 (A type of watchcase)	Tian Wang Shenzhen	PRC	Utility	ZL201020233179.2	12 June 2020
4.	一種分體式錶殼 (A type of split style watchcase)	Tian Wang Shenzhen	PRC	Utility	ZL201020233159.5	12 June 2020
5.	手錶 (Watch)	Tian Wang Shenzhen	PRC	Utility	ZL201020257451.0	13 July 2020
6.	錶殼 (Watchcase)	Tian Wang Shenzhen	PRC	Utility	ZL201020257430.9	13 July 2020
7.	手錶 (Watch)	Tian Wang Shenzhen	PRC	Utility	ZL201020257408.4	13 July 2020
8.	手錶 (Watch)	Tian Wang Shenzhen	PRC	Utility	ZL201020257443.6	13 July 2020
9.	錶殼 (Watchcase)	Tian Wang Shenzhen	PRC	Utility	ZL201020257452.5	13 July 2020
10.	手錶 (Watch)	Tian Wang Shenzhen	PRC	Utility	ZL201020257399.9	13 July 2020
11.	錶殼 (Watchcase)	Tian Wang Shenzhen	PRC	Utility	ZL201020562029.6	14 October 2020







No.	Description of Patent	Registered owner	Place of registration	Type	Registration Number	Expiry date
12.	手錶 (龍鳳金錶 8669)和錶鏈扣 (Watch (Dragon and Phoenix watch 8669) and Watch chain lock)	Tian Wang Shenzhen	PRC	Design	ZL200730130605.3	11 January 2017
13.	手錶 (龍鳳金錶 6669)和錶鏈扣 (Watch (Dragon and Phoenix watch 6669) and Watch chain lock)	Tian Wang Shenzhen	PRC	Design	ZL200730130606.8	11 January 2017
14.	錶殼 (TW-Z103) (Watch case (TW-Z103))	Tian Wang Shenzhen	PRC	Design	ZL201030545202.7	29 September 2020
15.	錶頭 (Watch face)	Tian Wang Shenzhen	PRC	Design	ZL201030553521.2	13 October 2020
16.	手錶 (8888) (Watch (8888))	Tian Wang Shenzhen	PRC	Design	ZL200830103804.X	22 May 2018
17.	陀飛輪浮動上支架 (Tourbillion upper support)	Tian Wang Shenzhen	PRC	Design	ZL201030217317.3	21 June 2020
18.	錶盤 (TW-Z094系列) (Dial plate (TW-Z094 series))	Tian Wang Shenzhen	PRC	Design	ZL201030217265.X	21 June 2020
19.	錶盤 (TW-173系列) (Dial plate (TW-173 series))	Tian Wang Shenzhen	PRC	Design	ZL201030217293.1	21 June 2020
20.	錶殼 (TW-173系列) (Watch case (TW-173 series))	Tian Wang Shenzhen	PRC	Design	ZL201030217302.7	21 June 2020
21.	錶盤 (TW-Z103) (Dial plate (TW-Z103))	Tian Wang Shenzhen	PRC	Design	ZL201030545205.0	29 September 2020
22.	錶盤 (TW-Z106) (Dial plate (TW-Z106))	Tian Wang Shenzhen	PRC	Design	ZL201030545217.3	29 September 2020
23.	雙偏心的機械手錶 (Mechanical watch with double eccentric)	Tian Wang Shenzhen	PRC	Utility	ZL201120405489.2	20 October 2021



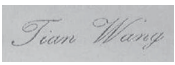
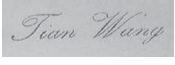
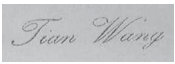
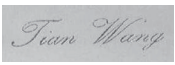





*(b) Trademarks***Registered Trademarks**

As of the Latest Practicable Date, our Group is the registered owner of, or otherwise has the right to use, the following trademarks which are material to our business and operations:

No.	Trademark	Registered owner	Place of registration	Class	Registration number	Duration of validity
1.		Balco Switzerland	Singapore	14 <i>(Note 1)</i>	T0623966B	14 November 2007 to 8 November 2016
2.		Gold Reach	Singapore	14 <i>(Note 1)</i>	T0720725Z	7 May 2008 to 19 October 2017
3.		Gold Reach	Singapore	14 <i>(Note 1)</i>	T0720727F	11 February 2008 to 19 October 2017
4.		Gold Reach	Singapore	14 <i>(Note 1)</i>	T0720729B	29 January 2008 to 19 October 2017
5.	時計寶投資有限公司 時計寶投資有限公司	Gold Reach	Singapore	14 <i>(Note 1)</i>	T0620510E	29 June 2007 to 4 October 2016
6.		Gold Reach	Singapore	14 <i>(Note 1)</i>	T0624578F	17 April 2007 to 14 November 2016
7.		Balco Switzerland	Hong Kong	14 <i>(Note 1)</i>	200700104	21 December 2001 to 21 December 2018
8.		Gold Reach	Hong Kong	14 <i>(Note 1)</i>	2002B13861	25 August 1993 to 25 August 2014

No.	Trademark	Registered owner	Place of registration	Class	Registration number	Duration of validity
9.	 TIAN WANG	Gold Reach	Hong Kong	16 (Note 2)	1995B09311	25 August 1993 to 25 August 2014
10.	 TIAN WANG	Gold Reach	Hong Kong	18 (Note 5)	1995B09312	25 August 1993 to 25 August 2014
11.	 TIAN WANG	Gold Reach	Hong Kong	25 (Note 3)	1995B09313	25 August 1993 to 25 August 2014
12.	 TIAN WANG	Gold Reach	Hong Kong	34 (Note 4)	1997B03122	25 August 1993 to 25 August 2014
13.	 <i>Tian Wang</i>	Gold Reach	Switzerland	14 (Note 1)	601451	5 October 2011 to 27 May 2020
14.	 TIAN WANG	Gold Reach	Macau	14 (Note 1)	N/059938	14 March 2012 to 14 March 2019
15.	 BALCO	Balco Switzerland	Macau	14 (Note 1)	N/059939	14 March 2012 to 14 March 2019
16.	 TIAN WANG	Gold Reach	Japan	14 (Note 1)	5478537	16 March 2012 to 16 March 2022
17.	 BALCO	Balco Switzerland	Japan	14 (Note 1)	5487288	20 April 2012 to 20 April 2022
18.		Gold Reach	Hong Kong	14 35 (Notes 1, 25)	302025125	6 September 2011 to 5 September 2021



No.	Trademark	Registered owner	Place of registration	Class	Registration number	Duration of validity
19.	 	Gold Reach	Hong Kong	14 35 <i>(Notes 1, 25)</i>	302025134	6 September 2011 to 5 September 2021
20.		Gold Reach	Philippines	14 <i>(Note 1)</i>	4-2011-010754	29 March 2012 to 29 March 2022
21.		Balco Switzerland	Philippines	14 <i>(Note 1)</i>	4-2011-010753	29 March 2012 to 29 March 2022
22.		Balco Switzerland	Switzerland	14 <i>(Note 1)</i>	350357	17 January 2012 to 9 October 2016
23.		Balco Switzerland	Switzerland	14 <i>(Note 1)</i>	500603	17 January 2012 to 24 January 2022
24.		Balco Switzerland	Russia	14 <i>(Note 1)</i>	2011729736	Starting from 9 September 2011
25.		Gold Reach	PRC	25 <i>(Note 3)</i>	1040799	28 June 2007 to 27 June 2017
26.		Gold Reach	PRC	18 <i>(Note 5)</i>	1051357	17 July 2007 to 13 July 2017
27.		Gold Reach	PRC	25 <i>(Note 3)</i>	1268504	28 April 2009 to 27 April 2019

No.	Trademark	Registered owner	Place of registration	Class	Registration number	Duration of validity
28.		Gold Reach	PRC	25 (Note 3)	3114048	7 February 2004 to 6 February 2014
29.		Gold Reach	PRC	25 (Note 3)	3685743	21 May 2006 to 20 May 2016
30.		Gold Reach	PRC	34 (Note 4)	757726	28 July 2005 to 27 July 2015
31.		Gold Reach	PRC	29 (Note 6)	759835	7 August 2005 to 6 August 2015
32.		Gold Reach	PRC	7 (Note 7)	784484	21 October 2005 to 20 October 2015
33.		Gold Reach	PRC	12 (Note 8)	792502	21 November 2005 to 20 November 2015
34.		Gold Reach	PRC	14 (Note 1)	353236	30 June 2009 to 29 June 2019
35.		Gold Reach	PRC	14 (Note 1)	4201292	21 September 2007 to 20 September 2017
36.		Gold Reach	PRC	14 (Note 1)	4201290	14 June 2009 to 13 June 2019
37.		Gold Reach	PRC	14 (Note 1)	4201291	21 September 2007 to 20 September 2017
38.		Gold Reach	PRC	9 (Note 9)	6766179	7 February 2011 to 6 February 2021

No.	Trademark	Registered owner	Place of registration	Class	Registration number	Duration of validity
39.		Gold Reach	PRC	9 (Note 9)	6773382	14 June 2011 to 13 June 2021
40.		Gold Reach	PRC	16 (Note 2)	6798806	7 April 2010 to 6 April 2020
41.		Gold Reach	PRC	16 (Note 2)	6919615	28 July 2010 to 27 July 2020
42.		Gold Reach	PRC	13 (Note 10)	6919616	28 October 2010 to 27 October 2020
43.	TIAN WANG	Gold Reach	PRC	11 (Note 11)	6919617	21 January 2011 to 20 January 2021
44.		Gold Reach	PRC	8 (Note 12)	6919618	28 October 2010 to 27 October 2020
45.	TIAN WANG	Gold Reach	PRC	6 (Note 13)	6919619	21 May 2010 to 20 May 2020
46.		Gold Reach	PRC	6 (Note 13)	6919620	28 June 2010 to 27 June 2020
47.	TIAN WANG	Gold Reach	PRC	5 (Note 14)	6919621	21 July 2010 to 20 July 2020
48.		Gold Reach	PRC	2 (Note 15)	6919623	14 July 2010 to 13 July 2020






No.	Trademark	Registered owner	Place of registration	Class	Registration number	Duration of validity
49.	 TIAN WANG 天王	Gold Reach	PRC	1 (Note 16)	6919624	14 July 2010 to 13 July 2020
50.	 TIAN WANG	Gold Reach	PRC	28 (Note 17)	6919656	28 August 2010 to 27 August 2020
51.	TIAN WANG	Gold Reach	PRC	27 (Note 18)	6919657	28 August 2010 to 27 August 2020
52.		Gold Reach	PRC	27 (Note 18)	6919658	21 August 2010 to 20 August 2020
53.	 TIAN WANG 天王	Gold Reach	PRC	26 (Note 19)	6919659	21 November 2010 to 20 November 2020
54.	TIAN WANG 天王	Gold Reach	PRC	21 (Note 20)	6919661	14 October 2010 to 13 October 2020
55.	 TIAN WANG	Gold Reach	PRC	20 (Note 21)	6919662	14 February 2011 to 13 February 2021
56.	TIAN WANG	Gold Reach	PRC	19 (Note 22)	6919663	21 February 2011 to 20 February 2021
57.		Gold Reach	PRC	19 (Note 22)	6919664	28 June 2010 to 27 June 2020
58.	 TIAN WANG 天王	Gold Reach	PRC	37 (Note 23)	6919786	21 April 2011 to 20 April 2021

No.	Trademark	Registered owner	Place of registration	Class	Registration number	Duration of validity
59.		Gold Reach	PRC	36 (Note 24)	6919787	21 November 2010 to 20 November 2020
60.		Gold Reach	PRC	35 (Note 25)	6919788	7 August 2010 to 6 August 2020
61.		Gold Reach	PRC	17 (Note 26)	6919789	28 June 2010 to 27 June 2020
62.		Gold Reach	PRC	14 (Note 1)	6988784	21 June 2010 to 20 June 2020
63.		Gold Reach	PRC	14 (Note 1)	3470588	21 January 2005 to 20 January 2015
64.		Gold Reach	European Community	14, 35	010246321	17 January 2012 to 7 September 2021
65.		Balco Switzerland	European Community	14, 35	010246379	11 January 2012 to 7 September 2021
66.		Balco Switzerland	Taiwan	14	01522187	16 June 2012 to 15 June 2022
67.		Balco Switzerland	Japan	14	4992515	16 November 2011 to 29 September 2016

No.	Trademark	Registered owner	Place of registration	Class	Registration number	Duration of validity
68.		Balco Switzerland	PRC	14 (Note 1)	3198588	21 January 2004 to 20 January 2014
69.		Gold Reach	United States	14 (Note 1)	4,216,626	2 October 2012 to 1 October 2022

Trademarks pending registration

As of the Latest Practicable Date, we had applied for registration of the following trademarks which are material to our business and operations, the registration of which has not yet been granted:

No.	Trademark	Applicant	Place of registration	Class	Application number	Application date
1.		Balco Switzerland	Malaysia	14 (Note 1)	2011053682	21 September 2011
2.		Balco Switzerland	Thailand	14 (Note 1)	821750	23 September 2011
3.		Balco Switzerland	United States	14 (Note 1)	85/428,154	21 September 2011
4.		Balco Switzerland	Vietnam	14 (Note 1)	4-2011- 18675	8 September 2011
5.		Balco Switzerland	South Korea	14 (Note 1)	40-2011- 49523	8 September 2011

No.	Trademark	Applicant	Place of registration	Class	Application number	Application date
6.	 TIAN WANG	Gold Reach	Russia	14 (Note 1)	2011729737	9 September 2011
7.	 TIAN WANG	Gold Reach	Vietnam	14 (Note 1)	4-2011-18674	8 September 2011
8.	 TIAN WANG	Gold Reach	South Korea	14 (Note 1)	40-2011-49520	8 September 2011
9.	 TIAN WANG	Gold Reach	Malaysia	14 (Note 1)	2011053681	21 September 2011
10.	 TIAN WANG	Gold Reach	Thailand	14 (Note 1)	821751	23 September 2011
11.		Gold Reach	PRC	14 (Note 1)	9939169	7 September 2011
12.		Gold Reach	PRC	14 (Note 1)	9939171	7 September 2011
13.		Suzhou Paragon	PRC	35 (Note 25)	9936740	6 September 2011
14.		Balco Switzerland	Korea	14 (Note 1)	5-2011-041505-1	8 September 2011
15.		Balco Switzerland	Hong Kong	14 (Note 1)	302331503	31 July 2012

No.	Trademark	Applicant	Place of registration	Class	Application number	Application date
16.		Balco Switzerland	Macau	14 (Note 1)	N/68138	1 August 2012
17.		Balco Switzerland	Taiwan	14 (Note 1)	101044179	6 August 2012
18.	 TIANWANG	Gold Reach	Taiwan	14 (Note 1)	100047038	14 September 2011
19.		Balco Switzerland	PRC	18 (Note 5)	11288016	1 August 2012
20.		Balco Switzerland	PRC	14 (Note 1)	11288017	1 August 2012
21.	Balco	Balco Switzerland	PRC	18 (Note 5)	11288018	1 August 2012
22.	^A 時計宝 ^B 時計寶	Gold Reach	Hong Kong	14, 35 (Notes 1, 25)	302374038	11 September 2012
23.	^A TIMEWATCH ^B TIMEWATCH	Gold Reach	Hong Kong	14, 35 (Notes 1, 25)	302374047	11 September 2012
24.	TIMEWATCH	Gold Reach	Macau	14 (Note 1)	N/69438	13 September 2012
25.	TIMEWATCH	Gold Reach	Macau	35 (Note 2)	N/69439	13 September 2012
26.	TIMEWATCH	Gold Reach	PRC	14 (Note 1)	11476650	12 September 2012
27.	TIMEWATCH	Gold Reach	PRC	35 (Note 2)	11476649	12 September 2012

No.	Trademark	Applicant	Place of registration	Class	Application number	Application date
28.	時計宝	Gold Reach	PRC	14 (Note 1)	11476651	12 September 2012
29.	TIMEWATCH	Gold Reach	Taiwan	14, 35 (Notes 1, 2)	101053143	18 September 2012
30.	時計寶	Gold Reach	Taiwan	14, 35 (Notes 1, 2)	101053145	18 September 2012

Notes:

1. The specific products under class 14 in respect of which the trademark was registered and/or applied for registration are precious metals and their alloys and goods in precious metals or coated therewith, not included in other classes; jewellery, precious stones; horological and chronometric instruments.
2. The specific products under class 16 in respect of which the trademark was registered for are paper, cardboard and goods made from these materials, not included in other classes; printed matter: bookbinding material; photographs; stationery; adhesives for stationery or household purposes; artists' materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); playing cards; printers' type and printing blocks.
3. The specific products under class 25 in respect of which the trademark was registered for are clothing, footwear and headgear.
4. The specific products under class 34 in respect of which the trademark was registered for are tobacco, smokers' articles and matches.
5. The specific products under class 18 in respect of which the trademark was registered for are leather and imitations of leather, and goods made of these materials and not included in other classes; animal skins, hides; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlers.
6. The specific products under class 29 in respect of which the trademark was registered for are meat, fish, poultry and game; meat extracts; preserved, frozen, dried and cooked fruits and vegetables; jellies, jams, compotes; eggs, milk and milk products; edible oils and fats.
7. The specific products under class 7 in respect of which the trademark was registered for are machines and machine tools; motors and engines (except for land vehicles); machine coupling and transmission components (except for land vehicles); agricultural implements other than hand-operated; incubators for eggs.
8. The specific products under class 12 in respect of which the trademark was registered for are vehicles; apparatus for locomotion by land, air or water.
9. The specific products under class 9 in respect of which the trademark was registered for are scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin-operated apparatus; cash registers; calculating machines, data processing equipment and computers; fire-extinguishing apparatus.
10. The specific products under class 13 in respect of which the trademark was registered for are firearms; ammunition and projectiles, explosives; fireworks.

11. The specific products under class 11 in respect of which the trademark was registered for are apparatus for lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes.
12. The specific products under class 8 in respect of which the trademark was registered for are hand tools and implements (hand operated); cutlery; side arms; razors.
13. The specific products under class 6 in respect of which the trademark was registered for are common metals and their alloys; metal building materials; transportable buildings of metal; materials of metal for railway tracks; non-electric cables and wires of common metal; ironmongery, small items of metal hardware; pipes and tubes of metal; safes; goods of common metal not included in other classes; ores.
14. The specific products under class 5 in respect of which the trademark was registered for are pharmaceutical and veterinary preparations; sanitary preparations for medical purposes; dietetic substances adapted for medical use, food for babies; plasters, materials for dressings; material for stopping teeth, dental wax; disinfectants; preparations for destroying vermin; fungicides, herbicides.
15. The specific products under class 2 in respect of which the trademark was registered for are paints, varnishes, lacquers; preservatives against rust and against deterioration of wood; colorants; mordants; raw natural resins; metals in foil and powder form for painters, decorators, printers and artists.
16. The specific products under class 1 in respect of which the trademark was registered for are chemicals used in industry, science and photography, as well as in agriculture, horticulture and forestry; unprocessed artificial resins, unprocessed plastics; manures; fire extinguishing compositions; tempering and soldering preparations; chemical substances for preserving foodstuffs; tanning substances; adhesives used in industry.
17. The specific products under class 28 in respect of which the trademark was registered for are games and playthings; gymnastic and sporting articles not included in other classes; decorations for Christmas trees.
18. The specific products under class 27 in respect of which the trademark was registered for are carpets, rugs, mats and matting, linoleum and other materials for covering existing floors; wall hangings (non-textile).
19. The specific products under class 26 in respect of which the trademark was registered for are lace and embroidery, ribbons and braid; buttons, hooks and eyes, pins and needles; artificial flowers.
20. The specific products under class 21 in respect of which the trademark was registered for are household or kitchen utensils and containers; combs and sponges; brushes (except paint brushes); brush-making materials; articles for cleaning purposes; steelwool; unworked or semi-worked glass (except glass used in building); glassware, porcelain and earthenware not included in other classes.
21. The specific products under class 20 in respect of which the trademark was registered for are furniture, mirrors, picture frames; goods (not included in other classes) of wood, cork, reed, cane, wicker, horn, bone, ivory, whalebone, shell, amber, mother-of-pearl, meerschaum and substitutes for all these materials, or of plastics.
22. The specific products under class 19 in respect of which the trademark was registered for are building materials (non-metallic); non-metallic rigid pipes for building; asphalt, pitch and bitumen; non-metallic transportable buildings; monuments, not of metal.
23. The specific products under class 37 in respect of which the trademark was registered for are building construction; repair; installation services.
24. The specific products under class 36 in respect of which the trademark was registered for are insurance; financial affairs; monetary affairs; real estate affairs.

25. The specific products under class 35 in respect of which the trademark was registered and/or applied for registration are advertising; business management; business administration; office functions.
26. The specific products under class 17 in respect of which the trademark was registered for are rubber, gutta-percha, gum, asbestos, mica and goods made from these materials and not included in other classes; plastics in extruded form for use in manufacture; packing, stopping and insulating materials; flexible pipes, not of metal.
27. The description of goods and services covered by the registration and/or application may vary according to the trademark practices in different countries. The descriptions of goods and services set out under notes 1 to 26 above should not be viewed as the exact descriptions of goods and services covered by registration and/or application of all countries.

(c) *Domain Name*

As of the Latest Practicable Date, our Group is the registered owner of, or otherwise has the right to use, the following domain names which are material to our Group:

Domain name	Expiry date
www.etianwangwatch.cn	5 June 2014
www.etianwang.cn	5 June 2014
www.timewatch.com.hk	19 December 2014
www.tianwangwatch.cn	1 July 2018
www.baolichen.com	9 February 2014

(d) *Internet Keyword*

As of the Latest Practicable Date, our Group is the registered owner of the following internet keyword:

Internet keyword	Expiry date
天王表	19 June 2017

(e) *Wireless Keywords*

As of the Latest Practicable Date, our Group is the registered owner of, or otherwise, has the right to use, the following wireless keywords:

Wireless keywords	Expiry date
天王表	28 December 2016
天王	14 March 2017

12. Connected transactions and related party transactions

Save as disclosed in the section headed “Continuing Connected Transactions” in this prospectus and in Note 31 to the Accountants’ Report, the text of which is set out in Appendix I to this prospectus, during the two years immediately preceding the date of this prospectus, we have not engaged in any other material connected transactions or related party transactions.

FURTHER INFORMATION ABOUT DIRECTORS AND SHAREHOLDERS

13. Directors

(a) Disclosure of interests of Directors

- (i) Mr. Michael Tung is interested in the Reorganisation.
- (ii) Save as disclosed in this prospectus, none of our Directors or their associates was engaged in any dealings with our Group during the two years preceding the date of this prospectus.

(b) Particulars of Directors' service contracts, employment contracts and letters of appointment

Executive Directors

Each of our executive Directors has entered into a service contract with our Company pursuant to which they agreed to act as executive Directors for an initial term of two years with effect from 11 January 2013, and will continue thereafter until terminated by either party by giving not less than three months' written notice expiring at the end of the initial term of their appointment or any time thereafter to the other. With effect from the Listing Date, each of these executive Directors shall be entitled to a director's fee of HK\$90,000 per annum. Save as aforesaid, each of these executive Directors is not entitled to any remuneration under their service contracts with our Company.

Each of Mr. Michael Tung, Mr. Lo and Mr. Ricky Tung has also entered into an employment contract with our Group for an initial term of two years with effect from 1 July 2012, 1 October 2012 and 1 October 2012, respectively, and will continue thereafter until terminated by either party by giving not less than three months' written notice expiring at the end of the initial term of their appointment or any time thereafter to the other. Mr. Hou entered into an employment contract with our Group for a term of one year from 1 January 2013 to 31 December 2013.

The current basic annual salaries of the executive Directors payable under their respective employment contracts are as follows:

Name	Basic annual salary
Mr. Michael Tung	HK\$3,600,000
Mr. Ricky Tung	HK\$417,600
Mr. Lo Wing Sang	HK\$1,663,200
Mr. Hou Qinghai	RMB284,700

Under the employment contracts of Mr. Michael Tung, Mr. Lo and Mr. Ricky Tung, apart from the basic annual salaries payable to them, each of them shall also be entitled to:

- (i) an annual increment of his annual basic salary at the absolute discretion of the board of the relevant Group company (with not less than 10.0% of the annual basic salary in the previous year for Mr. Lo and Mr. Ricky Tung);
- (ii) (in respect of Mr. Lo and Mr. Ricky Tung only) a guaranteed year-end bonus of an amount equivalent to his basic salary for one month upon completion of every 12-month period of the terms of the employment contract (or a rateable proportion thereof if he has not completed the 12-month period at the time of payment of such bonus);
- (iii) (in respect of Mr. Lo and Mr. Ricky Tung only) a guaranteed management bonus of an amount equivalent to his basic salary for one month upon completion of every 12-month period of the terms of the employment contract (or a rateable proportion thereof if he has not completed the 12-month period at the time of payment of such bonus) if the net profit attributable to the shareholders of our Group in respect of such financial year shall not be less than that of the immediately preceding financial year of our Group; and
- (iv) a discretionary management bonus in such sum as the board of the relevant Group company may in its absolute discretion to determine, provided that Mr. Michael Tung shall only be entitled to such discretionary management bonus with effect from 1 July 2013.

Under the employment contract of Mr. Hou, apart from the basic annual salaries payable to him, Mr. Hou is also entitled to a subsidy of RMB8,411.78 per month.

Independent non-executive Directors

Each of the independent non-executive Directors has been appointed for an initial term of two years commencing from 11 January 2013, which shall be renewed and extended automatically for successive terms of one year upon expiry of the then current term until terminated by either party giving not less than three months' written notice expiring at the end of the initial term of their appointment or any time thereafter to the other. The appointments are subject to the provisions of the Articles of Association with regard to vacation of office of Directors, removal and retirement by rotation of Directors. Each of Mr. Wong, Mr. Ma and Dr. Tam shall be entitled to a director's fee of HK\$223,000 per annum with effect from the Listing Date. Save for directors' fees, none of the independent non-executive Directors is expected to receive any other remuneration for holding their office as an independent non-executive Director.

Save as aforesaid, none of the Directors has or is proposed to have a service contract with our Company or any of our subsidiaries other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation).

(c) *Remuneration of Directors*

- (i) The aggregate emoluments paid and benefits in kind granted by our Group to our Directors in respect of the financial year ended 30 June 2010, 2011 and 2012 were approximately HK\$9.4 million, HK\$23.4 million and HK\$22.7 million respectively.
- (ii) Under the arrangements currently in force and the arrangements under our Directors' service contracts, employment contracts and appointment letters as mentioned above, the aggregate emoluments (excluding guaranteed management bonus, discretionary management bonus and yearly bonus) payable by our Group to and benefits in kind receivable by our Directors (including our independent non-executive Directors) for the year ending 30 June 2013, are expected to be approximately HK\$6.4 million.
- (iii) None of our Directors or any past directors of any member of our Group has been paid any sum of money for each of the three years ended 30 June 2010, 2011 and 2012 and the three months ended 30 September 2012 as (i) an inducement to join or upon joining our Group; or (ii) for loss of office as a director of any member of our Group or of any other office in connection with the management of the affairs of any member of our Group.
- (iv) There has been no arrangement under which a Director has waived or agreed to waive any emoluments for each of the three years ended 30 June 2010, 2011 and 2012 and the three months ended 30 September 2012.

(d) *Interests and short positions of our Directors in the shares, underlying shares or debentures of our Company and our associated corporations following the Global Offering*

Immediately following completion of the Global Offering and the Capitalisation Issue and taking no account of any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option and the options which may be granted under the Share Option Scheme, the interests and short positions of the Directors in the shares, underlying shares or debentures of our Company and our associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required to notified to

our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, once the Shares are listed, will be as follows:

Name of Director	Name of Group member/ associated corporation	Capacity/nature of interest	Number and class of securities (Note 1)	Approximate percentage of shareholding
Mr. Michael Tung	Our Company (Note 2)	Interest of controlled corporation	1,400,000,000 Shares (L)	70.00%
	Red Rewarding (Note 2)	Beneficial owner	1 share of US\$1.00 (L)	100.00%
	Time Watch Singapore (Note 2)	Interest of controlled corporation	374,061,627 shares without a par value	100.00%
	WMP (Note 2)	Interest of controlled corporation	500,000 ordinary shares of HK\$100 each and 10,000 non-voting deferred shares of HK\$100 each	100.00%
	Red Glory (Note 2)	Interest of controlled corporation	1 share of US\$1.00 (L)	100.00%

Notes:

1. The letter "L" denotes our Directors' long position in the shares of our Company or the relevant associated corporation.
2. These Shares are held by Red Glory, which is a wholly-owned subsidiary of WMP. WMP is a wholly-owned subsidiary of Time Watch Singapore, which is a wholly-owned subsidiary of Red Rewarding. Red Rewarding is wholly-owned by Mr. Michael Tung. By virtue of the SFO, each of Mr. Michael Tung, Red Rewarding, Time Watch Singapore and WMP is deemed to be interested in all the Shares held by Red Glory.

14. Interest discloseable under the SFO and substantial shareholders

So far as is known to our Directors, immediately following completion of the Global Offering and the Capitalisation Issue (but without taking account of any Shares which may be taken up or acquired under the Global Offering and any Shares which may be allotted, and issued upon the exercise of the Over-allotment Option), other than a Director or chief executive of our Company whose interests are disclosed under the sub-paragraph headed “Interests and short positions of our Directors in the shares, underlying shares or debentures of our Company and our associated corporations following the Global Offering” above, the following persons will have an interest or a short position in the Shares or underlying Shares which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of us:

Name of Shareholders	Company/Name of Group member	Capacity/nature of interest	Number and class of securities <i>(Note 1)</i>	Approximate percentage of shareholding
Our Company				
Ms. Tam Fun Hung (譚芬虹) <i>(Note 3)</i>	Our Company	Interest of spouse	1,400,000,000 Shares (L)	70.00%
Red Rewarding <i>(Note 2)</i>	Our Company	Interest of a controlled corporation	1,400,000,000 Shares (L)	70.00%
Time Watch Singapore <i>(Note 2)</i>	Our Company	Interest of a controlled corporation	1,400,000,000 Shares (L)	70.00%
WMP <i>(Note 2)</i>	Our Company	Interest of a controlled corporation	1,400,000,000 Shares (L)	70.00%
Red Glory <i>(Note 2)</i>	Our Company	Beneficial owner	1,400,000,000 Shares (L)	70.00%
Orchid Asia V, L.P. (“Orchid LP”) <i>(Note 4)</i>	Our Company	Beneficial owner	161,072,000 Shares (L)	8.05%

Name of Shareholders	Company/Name of Group member	Capacity/nature of interest	Number and class of securities (Note 1)	Approximate percentage of shareholding
OAV Holdings, L.P. (Note 4)	Our Company	Interest of a controlled corporation	161,072,000 Shares (L)	8.05%
Orchid Asia V G.P., Limited (Note 4)	Our Company	Interest of a controlled corporation	161,072,000 Shares (L)	8.05%
Orchid Asia V Group Management, Limited (Note 4)	Our Company	Interest of a controlled corporation	161,072,000 Shares (L)	8.05%
Orchid Asia V Group, Limited (Note 4)	Our Company	Interest of a controlled corporation	161,072,000 Shares (L)	8.05%
AREO Holdings Limited (Note 4)	Our Company	Interest of a controlled corporation	166,052,000 Shares (L)	8.30%
Lam Lai Ming (Note 4)	Our Company	Interest of a controlled corporation	166,052,000 Shares (L)	8.30%
Li Gabriel (Note 4)	Our Company	Interest of a controlled corporation	166,052,000 Shares (L)	8.30%
Ruiyunda (Note 5)	Suzhou Paragon	Beneficial owner	RMB9.8 million of the registered capital (L)	49.00%
Shanghai Shi Ji Tang (Note 6)	Time Watch Shanghai	Beneficial owner	RMB6.86 million of the registered capital (L)	49.00%

Name of Shareholders	Company/Name of Group member	Capacity/nature of interest	Number and class of securities (Note 1)	Approximate percentage of shareholding
Hefei De Sheng Li (Note 7)	Time Watch Hefei	Beneficial owner	RMB6.86 million of the registered capital (L)	49.00%
Mian Yang Qian Da (Note 8)	Time Watch Sichuan	Beneficial owner	RMB4.9 million of the registered capital (L)	49.00%

Notes:

- The letter “L” denotes the corporation’s long position in the Shares.
- These Shares are held by Red Glory, which is a wholly-owned subsidiary of WMP. WMP is a wholly-owned subsidiary of Time Watch Singapore, which is a wholly-owned subsidiary of Red Rewarding. Red Rewarding is wholly-owned by Mr. Michael Tung. By virtue of the SFO, each of Mr. Michael Tung, Red Rewarding, Time Watch Singapore and WMP is deemed to be interested in all the Shares held by Red Glory.
- Ms. Tam Fun Hung is the spouse of Mr. Michael Tung. Under the SFO, Ms. Tam Fun Hung is taken to be interested in the same number of Shares in which Mr. Michael Tung is interested.
- Pursuant to the Cornerstone Investor Agreement dated 16 January 2013 and entered into between our Company, DBS Asia Capital Limited, Orchid LP and Orchid Asia V Co-Investment, Limited (“Orchid CIL”), (i) Orchid LP has agreed to acquire such number of International Placing Shares (rounded down to the nearest whole board lot of 2,000 Shares) as may be purchased with HK\$198,120,600 at the Offer Price; and (ii) Orchid CIL has agreed to acquire such number of International Placing Shares (rounded down to the nearest whole board lot of 2,000 Shares) as may be purchased with HK\$6,126,300 at the Offer Price. Assuming a mid-point Offer Price of HK\$1.23, each of Orchid LP and Orchid CIL shall acquire 161,072,000 Shares and 4,980,000 Shares, respectively, under the International Placing pursuant to the Cornerstone Investor Agreement.
- Suzhou Paragon is owned as to 51% and 49% by Gold Joy and Ruiyunda, respectively. Gold Joy is a wholly-owned subsidiary of our Company. Ruiyunda is owned as to 52.9% by Mr. Wang Yi Ming (王益銘), 24.3% by Mr. Qiu Xiao Wei (邱小衛) and 22.8% by Ms. Zhang Hong (張紅).
- Time Watch Shanghai is owned to 51% and 49% by Gold Joy and Shanghai Shi Ji Tang, respectively. Gold Joy is a wholly-owned subsidiary of our Company. Shanghai Shi Ji Tang is owned as to 50% by Ms. Lu Fu Zhen (盧富珍), 20% by Mr. Zhao Xiao Gang (趙小剛), 20% by Ms. Li Jian (李健) and 10% by Mr. Jiang Chao (江超).
- Time Watch Hefei is owned to 51% and 49% by Gold Joy and Hefei De Sheng Li, respectively. Gold Joy is a wholly-owned subsidiary of our Company. Hefei De Sheng Li is owned as to 40% by Mr. Mao Rong Chun (毛榮春), 30% by Ms. Mao Rong Yu (毛榮玉) and 30% by Ms. Mao Rong Xia (毛榮俠).
- Time Watch Sichuan is owned to 51% and 49% by Gold Joy and Mian Yang Qian Da, respectively. Gold Joy is a wholly-owned subsidiary of our Company. Mian Yang Qian Da is owned as to 51% by Mr. Li and 49% by Ms. Huang Lan Ying (黃蘭英), the spouse of Mr. Li.

15. Disclaimers

Save as disclosed in this prospectus:

- (a) and taking no account of any Shares which may be taken up or acquired under the Global Offering or upon the exercise of the Over-allotment Option and any options which have been or may be granted under the Share Option Scheme, our Directors are not aware of any person (not being a Director or chief executive of our Company) who immediately following the completion of the Global Offering and the Capitalisation Issue will have an interest or a short position in the Shares and underlying Shares which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or who will, either directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of us;
- (b) none of our Directors has any interest or short position in any of the shares, underlying shares or debentures of our Company or any associated corporations within the meaning of Part XV of the SFO, which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which any of them is deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, in each case once the Shares are listed;
- (c) none of our Directors nor any of the parties listed in the paragraph 23 below has been interested in the promotion of, or has any direct or indirect interest in any assets which have been, within the two years immediately preceding the date of this prospectus, acquired or disposed of by or leased to our Company or any of the subsidiaries of our Company, or are proposed to be acquired or disposed of by or leased to our Company or any other member of us nor will any Director apply for the Offer Shares either in his own name or in the name of a nominee;
- (d) none of the Directors nor any of the parties listed in the paragraph 23 below is, directly or indirectly, materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to business of us; and
- (e) save in connection with the Underwriting Agreements, none of the parties listed in the paragraph 23 below:
 - (i) is interested legally or beneficially in any securities of any member of us; or
 - (ii) has any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of us.

OTHER INFORMATION

16. Share Option Scheme

(a) Summary of terms

The following is a summary of the principal terms of the Share Option Scheme conditionally adopted by a resolution in writing passed by the sole Shareholder on 11 January 2013:

(i) Purposes of the scheme

The purpose of the Share Option Scheme is to enable us to grant options to selected participants as incentives or rewards for their contribution to us. Our Directors consider the Share Option Scheme, with its broadened basis of participation, will enable us to reward the employees, our Directors and other selected participants for their contributions to us. Given that our Directors are entitled to determine any performance targets to be achieved as well as the minimum period that an option must be held before an option can be exercised on a case by case basis, and that the exercise price of an option cannot in any event fall below the price stipulated in the Listing Rules or such higher price as may be fixed by our Directors, it is expected that grantees of an option will make an effort to contribute to the development of us so as to bring about an increased market price of the Shares in order to capitalise on the benefits of the options granted.

(ii) Who may join

Our Directors may, at its absolute discretion, invite any person belonging to any of the following classes of participants, to take up options to subscribe for Shares:

- (aa) any employee (whether full-time or part-time including any executive director but excluding any non-executive director) of our Company, any of our subsidiaries or any entity (“**Invested Entity**”) in which any member of us holds an equity interest;
- (bb) any non-executive directors (including independent non-executive directors) of our Company, any of our subsidiaries or any Invested Entity;
- (cc) any supplier of goods or services to any member of us or any Invested Entity;
- (dd) any customer of any member of us or any Invested Entity;
- (ee) any person or entity that provides research, development or other technological support to any member of us or any Invested Entity;

- (ff) any shareholder of any member of us or any Invested Entity or any holder of any securities issued by any member of us or any Invested Entity;
- (gg) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of us or any Invested Entity;
- (hh) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of us;

and, for the purposes of the Share Option Scheme, the offer for the grant of option may be made to any company wholly-owned by one or more persons belonging to any of the above classes of participants.

For avoidance of doubt, the grant of any options by our Company for the subscription of Shares or other securities of us to any person who falls within any of the above classes of participants shall not, by itself, unless our Directors otherwise determine, be construed as a grant of option under the Share Option Scheme.

The eligibility of any of the above class of participants to an offer for the grant of any option shall be determined by our Directors from time to time on the basis of our Directors' opinion as to his contribution to the development and growth of us.

(iii) Maximum number of the Shares

- (aa) The maximum number of Shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme adopted by us must not in aggregate exceed 30% of the share capital of our Company in issue from time to time.
- (bb) The total number of the Shares which may be allotted and issued upon the exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme and any other share option scheme of us) to be granted under the Share Option Scheme and any other share option scheme of us must not in aggregate exceed 10% of the Shares in issue on the Listing Date, being 200,000,000 Shares ("**General Scheme Limit**").
- (cc) Subject to (aa) above but without prejudice to (dd) below, our Company may seek approval of the Shareholders in general meeting to refresh the General Scheme Limit provided that the total number of Shares which may be allotted and issued upon exercise of all options to be granted

under the Share Option Scheme and any other share option scheme of us must not exceed 10% of the Shares in issue as at the date of approval of the limit and, for the purpose of calculating the limit, options (including those outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme and any other share option scheme of us) previously granted under the Share Option Scheme and any other share option scheme of us will not be counted. The circular sent by our Company to the Shareholders shall contain, among other information, the information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules.

- (dd) Subject to (aa) above and without prejudice to (cc) above, our Company may seek separate Shareholders' approval in general meeting to grant options beyond the General Scheme Limit or, if applicable, the extended limit referred to in (cc) above to participants specifically identified by our Company before such approval is sought. In such event, our Company must send a circular to the Shareholders containing a generic description of the specified participants, the number and terms of options to be granted, the purpose of granting options to the specified participants with an explanation as to how the terms of the options serve such purpose and such other information required under Rule 17.02(2) (d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules.

(iv) Maximum entitlement of each participant

The total number of Shares issued and which may fall to be issued upon the exercise of the options granted under the Share Option Scheme and any other share option scheme of us (including both exercised or outstanding options) to each grantee in any 12-month period shall not exceed 1% of the issued share capital of our Company for the time being ("**Individual Limit**"). Any further grant of options in excess of the Individual Limit in any 12-month period up to and including the date of such further grant must be separately approved by the Shareholders in general meeting of our Company with such grantee and his associates abstaining from voting. The number and terms (including the exercise price) of options to be granted must be fixed before the approval of the Shareholders and the date of the Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the exercise price under note (1) to Rule 17.03(9) of the Listing Rules.

(v) Grant of options to the Directors, chief executive or substantial shareholders of our Company or their respective associates

- (aa) Any grant of options under the Share Option Scheme to a Director, chief executive or substantial shareholder of our Company or any of their respective associates must be approved by independent non-executive Directors (excluding independent non-executive Director who or whose associates is the proposed grantee of the options).

(bb) Where any grant of options to a substantial shareholder or an independent non-executive Director or any of their respective associates would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:

- (i) representing in aggregate over 0.1% of the Shares in issue; and
- (ii) having an aggregate value, based on the closing price of the Shares at the date of each offer for the grant, in excess of HK\$5 million;

such further grant of options must be approved by Shareholders in general meeting. Our Company must send a circular to the Shareholders. All connected persons of our Company must abstain from voting in favour at such general meeting, except that any connected person may vote against the relevant resolution at the general meeting provided that his intention to do so has been stated in the circular. Any vote taken at the meeting to approve the grant of such options must be taken on a poll. Any change in the terms of options granted to a substantial shareholder or an independent non-executive Director or any of their respective associates must be approved by the Shareholders in general meeting.

(vi) Time of acceptance and exercise of option

An option may be accepted by a participant within 21 days from the date of the offer of grant of the option.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by our Directors to each grantee, which period may commence from the date of the offer for the grant of options is made, but shall end in any event not later than 10 years from the date of grant of the option subject to the provisions for early termination thereof. Unless otherwise determined by our Directors and stated in the offer for the grant of options to a grantee, there is no minimum period required under the Share Option Scheme for the holding of an option before it can be exercised.

(vii) Performance targets

Unless our Directors otherwise determined and stated in the offer for the grant of options to a grantee, a grantee is not required to achieve any performance targets before any options granted under the Share Option Scheme can be exercised.

(viii) Subscription price for the Shares and consideration for the option

The subscription price for the Shares under the Share Option Scheme shall be a price determined by our Directors, but shall not be less than the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet for trade in one or more board lots of the Shares on the date of the offer for the grant, which must be a business day; (ii) the average closing price of Shares as stated in the Stock Exchange's daily quotations for the five business days immediately preceding the date of the offer for the grant; and (iii) the nominal value of a Share.

A nominal consideration of HK\$1 is payable on acceptance of the grant of an option.

(ix) Ranking of the Shares

The Shares allotted and issued upon the exercise of an option will be subject to all the provisions of the articles of association of our Company for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue on the date on which the option is duly exercised or, if that date falls on a day when the register of members of our Company is closed, the first day of the reopening of the register of members (the "**Exercise Date**") and accordingly will entitle the holders thereof to participate in all dividends or other distributions paid or made on or after the Exercise Date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the Exercise Date. A Share allotted and issued upon the exercise of an option shall not carry voting rights until the name of the grantee has been entered on the register of members of our Company as the holder thereof.

Unless the context otherwise requires, references to "Shares" in this paragraph include references to shares in the ordinary equity share capital of our Company of such nominal amount as shall result from a sub-division, consolidation, re-classification or re-construction of the share capital of our Company from time to time.

(x) Restrictions on the time of the offer for the grant of options

Our Company may not make an offer for grant of options after inside information has come to its knowledge until it has announced the information. In particular, our Company may not make an offer for grant of options during the period commencing one month immediately before the earlier of (aa) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approving our Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules), and (bb) the deadline for our Company to announce our results for any year, half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules) and ending on the date of the results announcement.

Our Directors may not make any offer for the grant of option to a participant who is a Director during the periods or times in which Directors are prohibited from dealing in shares pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers prescribed by the Listing Rules or any corresponding code or securities dealing restrictions adopted by our Company.

(xi) Period of the Share Option Scheme

The Share Option Scheme will remain in force for a period of 10 years commencing on the date on which the Share Option Scheme is adopted.

(xii) Rights on ceasing employment

If the grantee of an option is an Eligible Employee and ceases to be an Eligible Employee for any reason other than death, ill-health or retirement in accordance with his contract of employment or the termination of his employment on one or more of the grounds referred to in sub-paragraph (xiv) below before exercising his option in full, the option (to the extent not already exercised) will lapse on the date of cessation and shall not be exercisable unless our Directors otherwise determine in which event the grantee may exercise the option (to the extent not already exercised) in whole or in part within such period as our Directors may determine following the date of such cessation, which will be taken to be the last day on which the grantee was at work with us or the Invested Entity whether salary is paid in lieu of notice or not.

Eligible Employee means any employee (whether full time or part time employee, including any executive director but not any non-executive director) of our Company, any of our subsidiaries or any Invested Entity.

(xiii) Rights on death, ill-health or retirement

If the grantee of an option is an Eligible Employee and ceases to be an Eligible Employee by reason of his death, ill-health or retirement in accordance with his contract of employment before exercising the option in full, his personal representative(s), or, as appropriate, the grantee may exercise the option (to the extent not already exercised) in whole or in part within a period of 12 months following the date of cessation of employment which date shall be the last day on which the grantee was at work with us or the Invested Entity whether salary is paid in lieu of notice or not or such longer period as our Directors may determine.

(xiv) Rights on dismissal

If the grantee of an option is an Eligible Employee and ceases to be an Eligible Employee by reason of a termination of his employment on the grounds that he has been guilty of persistent or serious misconduct, or has committed any act of

bankruptcy or has become insolvent or has made any arrangements or composition with his creditors generally, or has been convicted of any criminal offence (other than an offence which in the opinion of our Directors does not bring the grantee or us or the Invested Entity into disrepute), his option (to the extent not already exercised) will lapse automatically on the date of cessation to be an Eligible Employee.

(xv) Rights on breach of contract

If our Directors shall at their absolute discretion determine that (aa) (1) the grantee of any option (other than an Eligible Employee) or his associate has committed any breach of any contract entered into between the grantee or his associate on the one part and us or any Invested Entity on the other part; or (2) that the grantee has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his creditors generally; or (3) the grantee could no longer make any contribution to the growth and development of us by reason of the cessation of its relations with us or by other reason whatsoever; and (bb) the option granted to the grantee under the Share Option Scheme shall lapse as a result of any event specified in sub-paragraph (1), (2) or (3) above, his option will lapse automatically on the date on which the Directors have so determined.

(xvi) Rights on a general offer, a compromise or arrangement

If a general or partial offer, whether by way of take-over offer, share re-purchase offer, or scheme of arrangement or otherwise in like manner is made to all the holders of Shares, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, our Company shall use all reasonable endeavours to procure that such offer is extended to all the grantees on the same terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the options granted to them, Shareholders. If such offer becomes or is declared unconditional or such arrangement is formally proposed to Shareholders, a grantee shall notwithstanding any other terms on which his options were granted, be entitled to exercise his option (to the extent not already exercised) to its full extent or to the extent specified in the grantee's notice to our Company in exercise of his option at any time thereafter and up to the close of such offer (or any revised offer) or the record date for entitlements under such scheme of arrangement, as the case may be. Subject to the above, an option will lapse automatically (to the extent not exercised) on the date which such offer (or, as the case may be, revised offer) closed or the relevant date for entitlements under such scheme of arrangement, as the case may be.

(xvii) Rights on winding up

In the event of a resolution being proposed for the voluntary winding-up of our Company during the option period, the grantee may, subject to the provisions of all applicable laws, by notice in writing to our Company at any time not less than two business days before the date on which such resolution is to be considered and/or passed, exercise his option (to the extent not already exercised) either to its full extent or to the extent specified in such notice in accordance with the provisions of the Share Option Scheme and our Company shall allot and issue to the grantee the Shares in respect of which such grantee has exercised his option not less than one business day before the date on which such resolutions to be considered and/or passed whereupon he shall accordingly be entitled, in respect of the Shares allotted and issued to him in the aforesaid manner, to participate in the distribution of the assets of our Company available in liquidation *pari passu* with the holders of the Shares in issue on the day prior to the date of such resolution. Subject thereto, all options then outstanding shall lapse and determine on the commencement of the winding-up of our Company.

(xviii) Grantee being a company wholly-owned by eligible participants

If the grantee is a company wholly-owned by one or more eligible participants:

- (aa) sub-paragraphs (xii), (xiii), (xiv) and (xv) shall apply to the grantee and to the options to such grantee, *mutatis mutandis*, as if such options had been granted to the relevant eligible participant, and such options shall accordingly lapse or fall to be exercisable after the event(s) referred to in sub-paragraphs (xii), (xiii), (xiv) and (xv) shall occur with respect to the relevant eligible participant; and
- (bb) the options granted to the grantee shall lapse and determine on the date the grantee ceases to be wholly-owned by the relevant eligible participant provided that the Directors may in their absolute discretion decide that such options or any part thereof shall not so lapse or determine subject to such conditions or limitations as they may impose.

(xix) Adjustments to the subscription price

In the event of a capitalisation issue, rights issue, subdivision or consolidation of Shares or reduction of capital of our Company while an option remains exercisable or the Share Option Scheme remains in effect, such corresponding alterations (if any) certified by the auditors for the time being or an independent financial adviser to our Company as fair and reasonable will be made to the number or nominal amount of Shares to which the Share Option Scheme or any option relates (insofar as it is/they are unexercised) and/or the subscription price of the option concerned and/or (unless the grantee of the option elects to waive such

adjustment) the number of Shares comprised in an option or which remains comprised in an option, provided that (aa) any adjustments shall give a grantee the same proportion of the issued share capital to which he was entitled prior to such alteration; (bb) the issue of Shares or other securities of us as consideration in a transaction may not be regarded as a circumstance requiring adjustment; (cc) no alteration shall be made the effect of which would be to enable a Share to be issued at less than its nominal value; and (dd) any adjustment must be made in compliance with the Listing Rules and such rules, codes, guidance notes and/or interpretation of the Stock Exchange from time to time. In addition, in respect of any such adjustments, other than any adjustment made on a capitalisation issue, such auditors or independent financial adviser must confirm to our Directors in writing that the adjustments satisfy the requirements of the relevant provision of the Listing Rules.

(xx) Cancellation of options

Any cancellation of options granted but not exercised must be subject to the prior written consent of the relevant grantee and the approval of the Directors.

When our Company cancels any option granted to a grantee but not exercised and issues new option(s) to the same grantee, the issue of such new option(s) may only be made with available unissued options (excluding the options so cancelled) within the General Scheme Limit or the new limits approved by the Shareholders pursuant sub-paragraphs (iii) (cc) and (dd) above.

(xxi) Termination of the Share Option Scheme

Our Company may by resolution in general meeting at any time terminate the Share Option Scheme and in such event no further options shall be offered but in all other respects the provisions of the Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any options (to the extent not already exercised) granted prior to the termination or otherwise as may be required in accordance with the provisions of the Share Option Scheme. Options (to the extent not already exercised) granted prior to such termination shall continue to be valid and exercisable in accordance with the Share Option Scheme.

(xxii) Rights are personal to the grantee

An option is personal to the grantee and shall not be transferable or assignable.

(xxiii) Lapse of option

An option shall lapse automatically (to the extent not already exercised) on the earliest of:

(aa) the expiry of the option period in respect of such option;

- (bb) the expiry of the periods or dates referred to in paragraph (xii), (xiii), (xiv), (xv), (xvi), (xvii) and (xviii); and
- (cc) the date on which our Directors exercise our Company's right to cancel the option by reason of a breach of paragraph (xxii) above by the grantee.

(xxiv) Miscellaneous

- (aa) The Share Option Scheme is conditional on the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, such number of Shares to be allotted and issued pursuant to the exercise of any options which may be granted under the Share Option Scheme, such number being not less than that of the General Scheme Limit.
- (bb) The terms and conditions of the Share Option Scheme relating to the matters set out in Rule 17.03 of the Listing Rules shall not be altered to the advantage of grantees of the options or prospective grantees except with the approval of the Shareholders in general meeting.
- (cc) Any alterations to the terms and conditions of the Share Option Scheme which are of a material nature or any change to the terms of options granted must be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the Share Option Scheme.
- (dd) The amended terms of the Share Option Scheme or the options shall comply with the relevant requirements of Chapter 17 of the Listing Rules.
- (ee) Any change to the authority of our Directors or the scheme administrators in relation to any alteration to the terms of the Share Option Scheme shall be approved by the shareholders of our Company in general meeting.

(b) Present status of the Share Option Scheme

(i) Approval of the Listing Committee required

The Share Option Scheme is conditional on the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, such number of Shares to be issued pursuant to the exercise of any options which may be granted under the Share Option Scheme, such number being not less than that of the General Scheme Limit.

(ii) Application for approval

Application has been made to the Listing Committee of the Stock Exchange for the listing of and permission to deal in the Shares to be issued within the General Scheme Limit pursuant to the exercise of any options which may be granted under the Share Option Scheme.

(iii) *Grant of option*

As at the date of this prospectus, no options have been granted or agreed to be granted under the Share Option Scheme.

(iv) *Value of options*

Our Directors consider it inappropriate to disclose the value of options which may be granted under the Share Option scheme as if they had been granted as at the Latest Practicable Date. Any such valuation will have to be made on the basis of certain option pricing model or other methodology, which depends on various assumptions including, the exercise price, the exercise period, interest rate, expected volatility and other variables. As no options have been granted, certain variables are not available for calculating the value of options. Our Directors believe that any calculation of the value of options as at the Latest Practicable Date based on a number of speculative assumptions would not be meaningful and would be misleading to investors.

(v) *Compliance with the Listing Rules*

The Share Option Scheme complies with Chapter 17 of the Listing Rules.

17. Estate duty, tax and other indemnity

Our Controlling Shareholders (together, the “**Indemnifiers**”) have entered into a deed of indemnity with and in favour of our Company (for itself and as trustee for each of our present subsidiaries) to provide indemnities on a joint and several basis in respect of, among other matters:

- (a) any liability for estate duty payable under the Estate Duty Ordinance (Chapter 111 of the Laws of Hong Kong) and/or applicable amounts under any equivalent laws of any jurisdiction outside Hong Kong which might be incurred by any member of our Group by reason of any transfer of property (within the meaning of sections 35 of the Estate Duty Ordinance) to any member of our Group on or before the Listing Date; and
- (b) tax liabilities (including all fines, penalties, costs, charges, expenses and interests incidental or relating to taxation) which might be payable by any member of our Group in respect of any income, profits, gains, transactions, events, matters or things earned, accrued, received, entered into or occurring on or before the Listing Date, whether alone or in conjunction with any other circumstances whenever occurring and whether or not such tax liabilities are chargeable against or attributable to any other person, firm, company or corporation.

The Indemnifiers are under no liability under the deed of indemnity in respect of any taxation:

- (a) to the extent that provision or reserve has been made for such taxation in the audited accounts of any member of our Group for any accounting period up to 30 September 2012;
- (b) to the extent that such taxation or liability falling on any of the members of our Group in respect of any accounting period commencing on or after 1 October 2012 and ended on the Listing Date, where such taxation or liability would not have arisen but for some act or omission of, or transaction voluntarily effected by, any member of our Group (whether alone or in conjunction with some other act, omission or transaction, whenever occurring) without the prior written consent or agreement of the Indemnifiers, otherwise than any such act, omission or transaction:
 - (i) carried out or effected in the ordinary course of business or in the ordinary course of acquiring and disposing of capital assets after 1 October 2012; or
 - (ii) carried out, made or entered into pursuant to a legally binding commitment created on or before 30 September 2012 or pursuant to any statement of intention made in this prospectus; or
- (c) to the extent that such taxation liabilities or claim arises or are incurred as a result of the imposition of taxation as a consequence of any retrospective change in the law, rules and regulations or the interpretation or practice thereof by the Hong Kong Inland Revenue Department or the taxation authority of the PRC, or any other relevant authority (whether in Hong Kong or the PRC or any other part of the world) coming into force after the date of the deed of indemnity or to the extent such claim arises or is increased by an increase in rates of taxation or claim after the date of the deed of indemnity with retrospective effect; or
- (d) to the extent that any provision or reserve made for taxation in the audited accounts of any member of our Group up to 30 September 2012 which is finally established to be an over-provision or an excessive reserve, in which case the Indemnifiers' liability (if any) in respect of such taxation shall be reduced by an amount not exceeding such provision or reserve, provided that the amount of any such provision or reserve applied referred to in this paragraph to reduce the Indemnifiers' liability in respect of taxation shall not be available in respect of any such liability arising thereafter.

In connection with any defects of the leases in respect of our properties leased in the PRC (the “**Leased Properties**”) as referred to the section headed “Risk factors – certain defects related to certain properties occupied by us in the PRC may materially and adversely affect our ability to use such properties” in this prospectus, under the deed of indemnity, in the event that the relevant member of our Group is either:

- (a) not being permitted to use or occupy or is being evicted from the relevant Leased Properties prior to the expiry of the term of the relevant lease agreements;
- (b) not permitted to use the relevant Leased Properties for the current purposes during the term of the relevant lease agreements; or
- (c) imposed of any penalty or suffer any costs, expenses, losses or damages for any non-compliance with the applicable PRC laws and regulations in relation to the leasing agreements or the usage of the relevant Leased Properties by our Group,

solely for the said defects of the relevant leases, each of the Indemnifiers has jointly and severally agreed to indemnify our Group against, where applicable,

- (i) any difference in rentals between any substitute premises and the relevant Leased Properties for the remaining term of the relevant lease agreement payable by the relevant Group member;
- (ii) all such costs and expenses arising from the relocation of the relevant Group member’s business and assets from the relevant Leased Properties to the substitute premises;
- (iii) all such costs or expenses in connection with the fitting out of the substitute premises for the purposes of rendering it fit to be used in the same manner and to the same extent as the relevant Leased Properties;
- (iv) all operating and business losses which the relevant member of our Group may suffer howsoever arising from such relocation of its business from the relevant Leased Properties to the substitute premises; and
- (v) all penalties, costs, expenses, losses and damages which the relevant member of our Group may suffer howsoever as a result of the non-compliance with the applicable PRC laws and regulations in relation to the leasing agreements or the usages of the relevant Leased Properties by our Group as set out under paragraph (c) above.

None of the Indemnifiers shall be liable under the deed of indemnity if the relevant Group member is not permitted to use or prevented from using the relevant Leased Properties or suffer an eviction from the relevant Leased Properties if it is resulted from any one of the following reasons:

- (a) the expiry of the term of the relevant lease agreement or the sooner determination thereof in accordance with its terms;

- (b) the relevant Group member voluntarily surrenders the relevant Leased Properties to the landlord/lessor thereof or otherwise voluntarily gives up possession or use of the relevant Leased Properties or any part thereof;
- (c) the relevant Group member fails or refuses to perform its obligations under the relevant lease agreement pursuant to which it derives its right to occupy the Leased Properties; and/or
- (d) the occurrence of any of the following calamities affecting the Leased Properties, namely, fire, flood or earthquake, or the occurrence of any other event beyond the control of any of our Group members which renders the relevant Leased Properties dangerous for use or occupation.

Under the deed of indemnity, each of the Indemnifiers has also undertaken to us that he/it will indemnify and at all time keep us fully indemnified on demand from and against, on a joint and several basis, all losses, claims, actions, demands, liabilities, damages, costs, expenses, fines, penalties and charges and of whatever nature suffered or incurred by any member of our Group directly or indirectly arising out of or in connection with the non-compliance or alleged non-compliance by any member of our Group with any applicable PRC rules, regulations and laws in relation to the contribution from any member of our Group to the social insurance and housing provident funds in the PRC (the “**Social Insurance and Housing Provident Fund Claims**”) on or before the Listing Date, (including the said Social Insurance and Housing Provident Fund Claims that may be incurred by any member of our Group due to the failure by our Group to contribute social insurance and housing provident fund as required by the applicable PRC laws and regulations for some of our employees as set out in the section headed “Our Business – Litigation and Compliance” in this prospectus), provided that the Indemnifiers shall be under no liability under the deed of indemnity in respect of any such Social Insurance and Housing Provident Fund Claims:

- (a) to the extent that provision or reserve has been made for Social Insurance and Housing Provident Fund Claims in the audited accounts of any member of our Group for any accounting period up to 30 September 2012; or
- (b) to the extent that any provision or reserve made for such Social Insurance and Housing Provident Fund Claims in the audited accounts of any member of our Group for any accounting period up to 30 September 2012 which is finally established to be over-provision or an excessive reserve, in which case the Indemnifiers’ liability (if any) in respect of such Social Insurance and Housing Provident Fund Claims shall be reduced by an amount not exceeding such provision or reserve, provided that the amount of any such provision or reserve applied to reduce the Indemnifiers’ liability in respect of such social Insurance and Housing Provident Fund Claims shall not be available in respect of any such liability arising thereafter.

Under the deed of indemnity, each of the Indemnifiers has also undertaken to us that he/it will indemnify and at all times keeps us fully indemnified on demand from, on a joint and several basis, any depletion in or reduction in value of our assets or any loss (including all legal costs and suspension of operation), cost, expenses, damages or other liabilities which any member of our Group may incur or suffer arising from or in connection with the privatisation and delisting of Time Watch Singapore and/or the implementation of the Reorganisation.

18. Litigation

As at the Latest Practicable Date, no member of our Group was engaged in any litigation, arbitration or claim of material importance, and no litigation, arbitration or claim of material importance was known to our Directors to be pending or threatened by or against our Company, that would have a material adverse effect on our results of operations or financial condition of our Company.

19. Preliminary expenses

The preliminary expenses of our Company are estimated to be approximately HK\$42,000 and are payable by our Company.

20. Promoter

- (a) Our Company does not have any promoter.
- (b) Within the two years preceding the date of this prospectus, no amount or benefit has been paid or given to any promoters of our Company in connection with the Global Offering or the related transactions described in this prospectus.

21. Agency fees or commissions received

For details of the agency fees or commissions to be received by the Underwriters, please refer to the section headed “Underwriting – Commission and expenses” in this prospectus.

22. Joint Sponsors

The Joint Sponsors have made an application on behalf of our Company to the Listing Committee for listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in this prospectus and any Shares which may be issued upon the exercise of the Over-allotment Option and any option which may be granted under the Share Option Scheme, being 10% of the Shares in issue on the Listing Date, on the Stock Exchange. All necessary arrangements have been made to enable the securities to be admitted into CCASS.

23. Qualifications of experts

The following are the qualifications of the experts who have given opinions or advice which are contained in this prospectus:

Name	Qualification
Chiu & Partners	Hong Kong solicitors' firm
DBS Asia Capital Limited	Licensed corporation under the SFO to carry on type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities
CIMB Securities Limited	Licensed corporation under the SFO to carry on type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities
Deloitte Touche Tohmatsu	Certified Public Accountants
Conyers Dill & Pearman (Cayman) Limited	Cayman Islands attorneys-at-law
Jingtian & Gongcheng	Qualified PRC lawyers
LCH (Asia-Pacific) Surveyors Limited	Professional surveyor

24. Consents of experts

Each of the experts whose names are set out in paragraph 23 above has given and has not withdrawn their respective written consents to the issue of this prospectus with the inclusion of their report and/or letter and/or opinion (as the case may be) and the references to their names or summaries of opinions included herein in the form and context in which they respectively appear.

25. Binding effect

This prospectus shall have the effect, if an application is made in pursuance of it, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of sections 44A and 44B of the Companies Ordinance so far as applicable.

26. Taxation of holders of Shares

Dealings in Shares registered on our Company's Hong Kong branch register of members will be subject to Hong Kong stamp duty. Intending holders of Shares are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of or dealing in Shares. It is emphasised that none of our Company, our Directors or the other parties involved in the Global Offering can accept responsibility for any tax effect on, or liabilities of, holders of Shares resulting from their subscription for, purchase, holding or disposal of or dealing in Shares.

Profits from dealings in the Shares arising in or derived from Hong Kong may also be subject to Hong Kong profits tax.

The sale, purchase and transfer of Shares are subject to Hong Kong stamp duty, the current rate of which is 0.2% of the consideration or, if higher, the value of the Shares being sold or transferred.

Under present Cayman Islands law, transfers and other dispositions of Shares are exempt from Cayman Islands stamp duty.

27. Particulars of the Selling Shareholder

Name	Number of Sale Shares	Description	Address
Red Glory	100,000,000 Shares	Corporation	Akara Building, 24 De Castro Street, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands

28. Miscellaneous

- (a) Save as disclosed in this prospectus:
- (i) within two years preceding the date of this prospectus:
- (aa) no share or loan capital of our Company or of any of our subsidiaries has been issued, agreed to be issued or is proposed to be issued fully or partly paid either for cash or for a consideration other than cash;
- (bb) no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries; and
- (cc) no commission has been paid or payable for subscribing or agreeing to subscribe, or procuring or agreeing to procure the subscriptions, for any shares in our Company or any of our subsidiaries;

- (ii) no share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option; and
- (b) our Directors confirm that there has been no material adverse change in the financial or trading position or prospects of our Group since 30 September 2012 (being the last date of our latest audited financial results of our Group as set out in “Accountants’ Report” in Appendix I to this prospectus); and
- (c) our Directors confirm that there has not been any interruption in the business of our Group which may have or has had a significant effect on the financial position of our Group in the 12 months preceding the date of this prospectus.

29. Bilingual prospectus

The English language and Chinese language versions of this prospectus are being published separately, in reliance upon the exemption provided under section 4 of the Companies Ordinance (Exemption of Companies and Prospectuses for Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

30. Exemption from the requirement of a property valuation report

This prospectus is exempted from compliance with the requirements of section 342(1)(b) of the Companies Ordinance in relation to paragraph 34(2) of the Third Schedule to the Companies Ordinance in reliance to the exemption under section 6(2) of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong). Please refer to the section headed “Our Business – Properties” in this prospectus.