

---

## HISTORY AND CORPORATE STRUCTURE

---

### GENERAL

Our Company was incorporated on 20 July 2011 in the Cayman Islands and, as part of the Reorganisation, became the holding company of our Group with our business being conducted through our subsidiaries. Our business model is vertically integrated from raw material procurement, design, production and marketing to sales through our extensive retail network.

### HISTORY

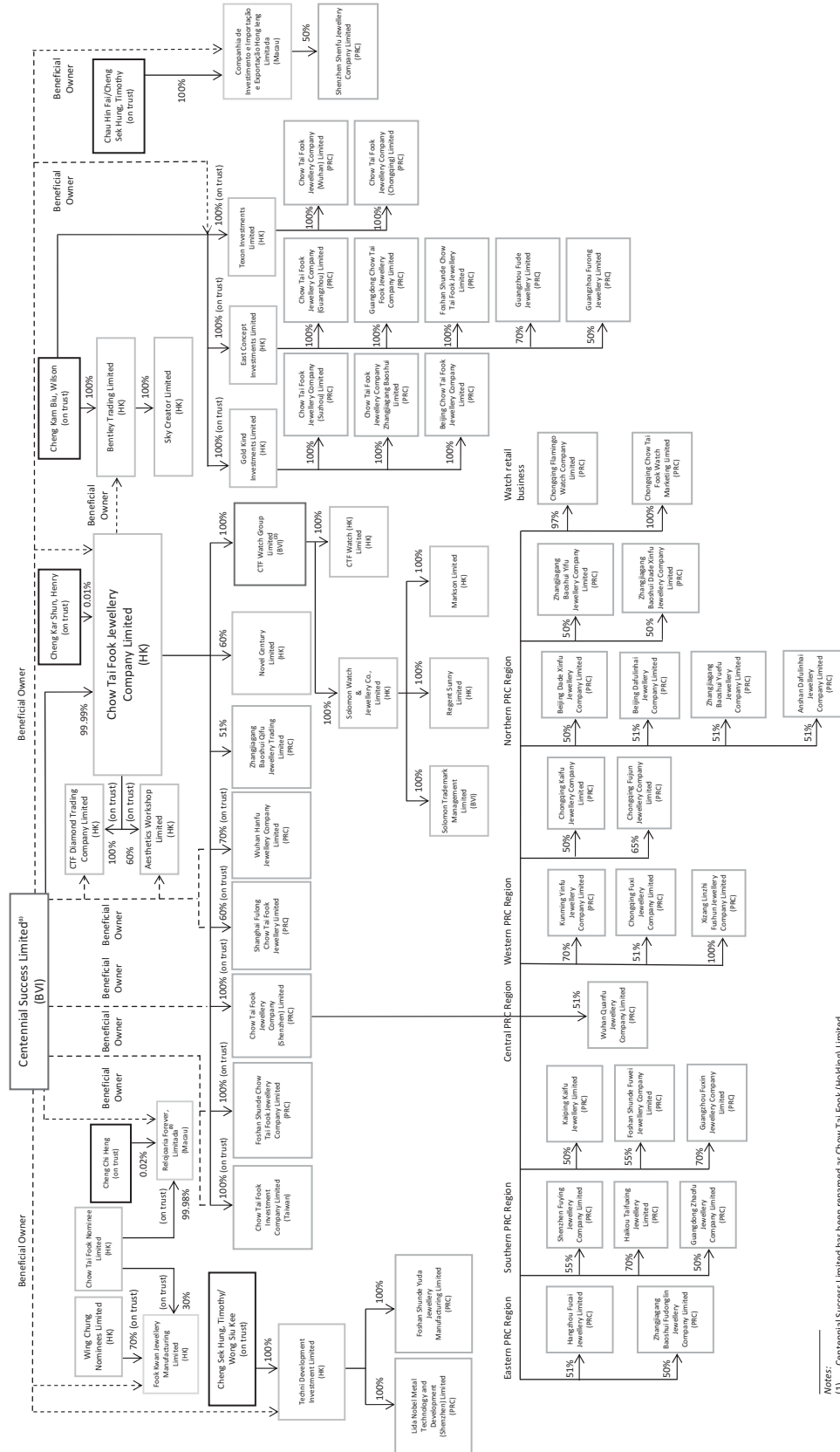
Our origins trace back to 1929, when we started engaging in the jewellery business in the PRC. Since then, we have expanded and diversified our business. Set out below are the key milestones in our over 80 years of heritage:

- 1938 We opened our first jewellery POS in Macau on Avenida De Almeida Ribeiro.
- 1939 We opened our first jewellery POS in Hong Kong on Queen's Road Central, Hong Kong.
- 1956 We launched 999.9 gold jewellery products in Hong Kong and Macau and we believe we were one of the first in promoting such gold jewellery fineness in Hong Kong and Macau.
- 1973 Zlotowski's, a DTC Sightholder in Johannesburg, South Africa, which procured rough diamonds from DTC, became our related party. As part of the Reorganisation, Zlotowski's became a subsidiary of our Group in 2011.
- 1988 Foshan Yushunfu Jewellery and Diamond Company Limited ("**Foshan Yushunfu**"), a then related party, opened its first diamond processing and jewellery manufacturing factory in Shunde, PRC, thereby strengthening the vertical integration of the Group's business model. As part of the Reorganisation, Foshan Yushunfu became a subsidiary of our Group in 2011.
- 1990 We implemented a "一口價" (Fixed Price) Policy, which increased pricing transparency and greatly improved customer shopping experience as it removed the need for extensive price negotiations, which was customary then.
- 1993 CTF HK qualified as a DTC Sightholder, which gave it the right to source rough diamonds from DTC.
- 1998 We opened our first "周大福" (CHOW TAI FOOK) branded jewellery POS in the PRC, which was located in Beijing, PRC.
- 2003 We centralised our PRC operations with the establishment of our PRC headquarter in Shenzhen, PRC.
- 2008 We expanded our watch business to the PRC.
- 2009 We celebrated our 80th anniversary and became a Select Diamantaire of Rio Tinto Diamonds.
- 2010 We opened our 1,000th jewellery POS in the PRC, which was located in Beijing, PRC.  
  
Zlotowski's purchased the 507 carat Cullinan Heritage rough diamond for US\$35.3 million.

# HISTORY AND CORPORATE STRUCTURE

## REORGANISATION

Prior to the Reorganisation, the structure of our Group (as of 19 June 2011) was as follows:



Notes:  
 (1) Centennial Success Limited has been renamed as Chow Tai Fook (Holding) Limited.  
 (2) CTF Watch Group Limited has been renamed as CTF Watch Limited.  
 (3) As part of the Reorganisation, Relojoaria Forever, Limitada has been renamed as Ourivesaria e Relojoaria Chao Tai Fok, Limitada.  
 - - - Indicates beneficial interest in an entity

---

## HISTORY AND CORPORATE STRUCTURE

---

The major subsidiaries of our Group are (i) Chow Tai Fook Jewellery Company Limited, (ii) Chow Tai Fook Jewellery Company (Shenzhen) Limited, (iii) Chow Tai Fook Jewellery Company (Suzhou) Limited, (iv) Chow Tai Fook Jewellery Company (Wuhan) Limited, (v) Chow Tai Fook Jewellery Company (Chongqing) Limited, (vi) Beijing Chow Tai Fook Jewellery Company Limited, (vii) Guangdong Chow Tai Fook Jewellery Company Limited, (viii) Lida Nobel Metal Technology and Development (Shenzhen) Limited and (ix) Foshan Shunde Yuda Jewellery Manufacturing Limited (collectively, the “**Major Subsidiaries**”).

The Major Subsidiaries were determined by our Directors on the basis of their revenue contribution to our Group. During the Track Record Period, the Major Subsidiaries were wholly-owned by our Group and there were no significant changes in the shareholding of our Company and/or the Major Subsidiaries.

In preparation for the Global Offering, we took a series of restructuring steps beginning in June 2011 for the purpose of consolidating the companies comprising our Group into the following four principal subsidiaries:

- (a) Majestic Project Limited (“**Majestic**”) — all of the subsidiaries held directly or indirectly by Majestic are involved in the procurement and manufacturing aspect of our business;
- (b) CTF HK — most of the subsidiaries held directly or indirectly by CTF HK are involved in our jewellery business in the PRC, Hong Kong and Taiwan;
- (c) CTF Watch Limited (“**CTF Watch**”) — all of the subsidiaries held directly or indirectly by CTF Watch are involved in our watch business; and
- (d) Sincere Elite Limited (“**Sincere**”) — most of the subsidiaries held directly or indirectly by Sincere are involved in our jewellery business in the PRC and Macau.

(collectively, the “**Principal Subsidiaries**”)

Historically, all of our Group’s businesses were held, directly or indirectly, by CTF Holding and any changes made to the corporate structure of our Group immediately prior to, and immediately following, the Reorganisation were akin to an intra-group transfer. As CTF Holding is the holding company of all of our Group’s businesses, it has historically been the sole beneficial owner of our Group’s subsidiaries which were held on trust for it. The rationale behind the trust arrangements, which were formed in Hong Kong, was to facilitate our Group’s ability to set up, and invest in, our PRC subsidiaries. The trust arrangements have always been for the benefit of CTF Holding.

As part of the Reorganisation, our Group’s trust arrangements have been terminated and the legal and beneficial interests of the relevant subsidiaries of our Group, which were previously held on trust, have been transferred to, and are now held by, subsidiaries which are legally and beneficially wholly-owned by our Company (namely Majestic, CTF HK and Sincere).



## HISTORY AND CORPORATE STRUCTURE

Immediately following the completion of the Global Offering and the Capitalisation Issue (assuming the Offer Size Adjustment Option and the Over-allotment Option are not exercised), a simplified structure of our Group will be as follows:

