

## DETAILS OF PRINCIPAL SUBSIDIARIES

Name of company	Place/country of establishment	Place/country of operation	Particulars of issued and fully paid up share capital/ registered capital	Percentage of ownership interest held by the company subsidiaries		Principal activities
Herald Group Limited	The British Virgin Islands ("BVI")	Hong Kong	1 share of US\$1 each	100	–	Investment holding
Herald (Hong Kong) Limited	Hong Kong	Hong Kong	10,000 ordinary shares of HK\$0.15 each	–	100	Investment holding
Herald China Investments Limited	Hong Kong	Hong Kong	1,000,000 ordinary shares of HK\$1 each	–	100	Investment holding
Herald Investments (China) Company Limited <sup>@</sup>	PRC	PRC	Registered capital of US\$11,500,000	–	100	Investment holding
Herald Metal and Plastic Works Limited	Hong Kong	Hong Kong	100 ordinary shares of HK\$10 each	–	100	Manufacture of toys
			1,953,000 deferred shares of HK\$10 each	–	100	
Dongguan Herald Metal and Plastic Company Limited <sup>@</sup>	PRC	PRC	Registered capital of HK\$35,400,000	–	100	Manufacture of toys
Shenzhen Herald Metal and Plastic Company Limited <sup>#</sup>	PRC	PRC	Registered capital of HK\$23,500,000	–	60	Manufacture of toys
Herald Datanetics Limited	Hong Kong	Hong Kong	1,128,000 ordinary shares of HK\$10 each	–	100	Manufacture of computer heads
Zhuhai Herald Datanetics Limited <sup>#</sup>	PRC	PRC	Registered capital of HK\$38,000,000	–	75	Manufacture of computer heads
Herald Engineering Services Inc.	United States of America	United States of America	75,000 shares of US\$0.4 each	–	100	Engineering service
Herald Houseware Limited	Hong Kong	Hong Kong	5,000,000 ordinary shares of HK\$1 each	–	100	Trading of housewares
Herald Metal Products Company Limited <sup>#</sup>	PRC	PRC	Registered capital of US\$1,650,000	–	51	Manufacture of housewares
Zhuhai Herald Houseware Limited <sup>#</sup>	PRC	PRC	Registered capital of HK\$30,000,000	–	80	Manufacture of housewares

## DETAILS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

Name of company	Place/country of establishment	Place/country of operation	Particulars of issued and fully paid up share capital/ registered capital	Percentage of ownership		Principal activities
				interest held by the company	subsidiaries	
Pilot Housewares (U.K.) Limited	United Kingdom	United Kingdom	800,000 ordinary shares of GBP1 each	–	100	Sales and distribution of housewares
Zeon Limited	United Kingdom	United Kingdom	433,750 ordinary shares of GBP1 each	–	100	Sales and distribution of clocks, watches and electronic products
			1,250,000 12.5% cumulative redeemable preference shares of GBP1 each	–	100	
			165,417 preferred shares of GBP1 each	–	100	
Zeon Far East Limited	Hong Kong	Hong Kong	2 ordinary shares of HK\$1 each	–	100	Trading of clocks and watches
Herald Electronics Limited	Hong Kong	Hong Kong	1,000,000 ordinary shares of HK\$1 each	–	100	Trading of clocks and watches
Shanghai Herald Electronics Company Limited <sup>#</sup>	PRC	PRC	Registered capital of RMB3,200,000	–	75	Manufacture of clocks and watches
Jonell Limited	Hong Kong	Hong Kong	2 ordinary shares of HK\$10 each	–	100	Property investment
Premium Account Limited	BVI	PRC	2 shares of US\$1 each	–	100	Property investment

<sup>#</sup> Equity joint ventures registered under the laws of the PRC as Sino-foreign Joint Venture Enterprises.

<sup>@</sup> Wholly-Owned Foreign Investment Enterprises registered under the laws of the PRC.