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**Time Watch Investments Limited**  
**時計寶投資有限公司**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 2033)**

**DISCLOSEABLE TRANSACTIONS**  
**PURCHASE OF STRUCTURED DEPOSIT PRODUCTS AND**  
**WEALTH MANAGEMENT PRODUCTS**

**PURCHASE OF STRUCTURED DEPOSIT PRODUCTS AND WEALTH MANAGEMENT PRODUCTS**

During the Relevant Period, Tian Wang Shenzhen purchased the Structured Deposit Products from China Guangfa Bank and the Wealth Management Products from Huaxia Bank with variable returns which are linked to the performance of certain linked indices, such as foreign exchanges, the performance of CSI Smallcap 500 Index, commodities or the performance of the investment portfolio of the finance products with no guarantee on the yield return.

**IMPLICATIONS UNDER THE LISTING RULES**

As one or more of the applicable percentage ratios for the purchase of certain Structured Deposit Products from China Guangfa Bank exceeded 5% but is less than 25%, the purchase of the Structured Deposit Products, on an aggregate basis, constituted discloseable transaction(s) of the Company.

As one or more of the applicable percentage ratios for the purchase of certain Wealth Management Products from Huaxia Bank exceeded 5% but is less than 25%, the purchase of the Wealth Management Products, on an aggregate basis, constituted discloseable transaction(s) of the Company.

The purchase of the Structured Deposit Products and the Wealth Management Products which were classified as discloseable transactions of the Company under Chapter 14 of the Listing Rules were subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As a result of the mistaken beliefs that the Structured Deposit Products were only bank deposits maintained by Tian Wang Shenzhen in the ordinary course of business and the purchase of the Wealth Management Products were only conducted in the ordinary course of business and should not be considered as acquisitions of assets otherwise fall within the definition of “transaction” under Chapter 14 of the Listing Rules, the Company did not comply with the applicable reporting and announcement requirements under the Listing Rules at the time of purchase of the Structured Deposit Products and the Wealth Management Products as mentioned in this announcement. The Board will adopt measures to strengthen the relevant internal control procedures to prevent the occurrence of similar incidents in the future.

## **INTRODUCTION**

The Board announces that, during the Relevant Period, Tian Wang Shenzhen purchased the Structured Deposit Products from China Guangfa Bank and the Wealth Management Products from Huaxia Bank with variable returns which are linked to the performance of certain linked indices, such as foreign exchanges, the performance of CSI Smallcap 500 Index, commodities or the performance of the investment portfolio of the finance products with no guarantee on the yield return.

As one or more of the applicable percentage ratios for the purchase of certain Structured Deposit Products from China Guangfa Bank exceeded 5% but is less than 25%, the purchase of the Structured Deposit Products, on an aggregate basis, constituted discloseable transaction(s) of the Company.

As one or more of the applicable percentage ratios for the purchase of certain Wealth Management Products from Huaxia Bank exceeded 5% but is less than 25%, the purchase of the Wealth Management Products, on an aggregate basis, constituted discloseable transaction(s) of the Company.

## **PURCHASE OF THE STRUCTURED DEPOSIT PRODUCTS AND THE WEALTH MANAGEMENT PRODUCTS**

### **1. Purchase of the Structured Deposit Products from China Guangfa Bank**

The breakdown of the Structured Deposit Products purchased by Tian Wang Shenzhen from China Guangfa Bank during the Relevant Period is set out below:

No.	Purchase date	Maturity date	Name of product	Purchase price (RMB)	Type of return	Interest rate per annum
1.	30 April 2019	29 July 2019	Structured deposit product	20,000,000	Principal-guaranteed with variable return linked to the exchange rates of HKD against USD	2.60% or 3.90%
2.	10 May 2019	8 August 2019	Structured deposit product	40,000,000	Principal-guaranteed with variable return linked to the exchange rates of HKD against USD	2.60% or 3.90%
3.	21 May 2019	22 July 2019	Structured deposit product	40,000,000	Principal-guaranteed with variable return linked to the exchange rates of HKD against USD	2.60% or 3.85%
4.	6 June 2019	4 September 2019	Structured deposit product	10,000,000	Principal-guaranteed with variable return linked to the exchange rates of HKD against USD	2.60% or 3.95%
5.	11 June 2019	9 September 2019	Structured deposit product	40,000,000	Principal-guaranteed with variable return linked to the exchange rates of HKD against USD	2.60% or 3.95%
6.	17 July 2019	15 October 2019	Structured deposit product	10,000,000	Principal-guaranteed with variable return linked to the exchange rates of HKD against USD	2.60% or 3.95%
7.	9 August 2019	7 November 2019	Structured deposit product	25,000,000	Principal-guaranteed with variable return linked to the exchange rates of HKD against USD	2.60% or 3.95%
8.	30 August 2019	28 November 2019	Structured deposit product	10,000,000	Principal-guaranteed with variable return linked to the exchange rates of HKD against USD	2.60% or 3.85%
9.	2 September 2019	2 December 2019	Structured deposit product	15,000,000	Principal-guaranteed with variable return linked to the exchange rates of HKD against USD	2.60% or 3.8%

No.	Purchase date	Maturity date	Name of product	Purchase price (RMB)	Type of return	Interest rate per annum
10.	4 September 2019	3 December 2019	Structured deposit product	10,000,000	Principal-guaranteed with variable return linked to the exchange rates of HKD against USD	2.60% or 3.85%
11.	10 September 2019	9 December 2019	Structured deposit product	40,000,000	Principal-guaranteed with variable return linked to the exchange rates of HKD against USD	2.60% or 3.85%
12.	27 September 2019	26 December 2019	Structured deposit product	15,000,000	Principal-guaranteed with variable return linked to the exchange rates of HKD against USD	2.60% or 3.8%
13.	30 September 2019	30 December 2019	Structured deposit product	20,000,000	Principal-guaranteed with variable return linked to the exchange rates of HKD against USD	2.60% or 3.84%
14.	3 December 2019	2 March 2020	Structured deposit product	60,000,000	Principal-guaranteed with variable return linked to the performance of CSI Smallcap 500 Index	1.50% or 4.20%
15.	31 December 2019	30 March 2020	Structured deposit product	20,000,000	Principal-guaranteed with variable return linked to the exchange rates of HKD against USD	1.50% or 3.75%
16.	25 March 2020	23 June 2020	Structured deposit product	40,000,000	Principal-guaranteed with variable return linked to the exchange rates of HKD against USD	1.50% or 3.75%
17.	16 July 2020	22 October 2020	Structured deposit product	10,000,000	Principal-guaranteed with variable return linked to price of sugar based on the price on Zhengzhou Commodity Exchange	0.50% or 3.90%
18.	16 October 2020	28 December 2020	Structured deposit product	20,000,000	Principal-guaranteed with variable return linked to price of gold based on the exchange rate of gold to USD on Bloomberg	1.50%, 3.25% or 3.35%

The Structured Deposit Products purchased from China Guangfa Bank are RMB fixed deposits, with variable interest accruing on the principal amount of the deposits maintained with China Guangfa Bank. The actual investment periods of the Structured Deposit Products purchased from China Guangfa Bank ranged from approximately two months to three months. The principal amount of the Structured Deposit Products will be returned on the maturity date and the interest income generated from the deposit shall be paid to Tian Wang Shenzhen on maturity date. Tian Wang Shenzhen has no right of early redemption for the Structured Deposit Products.

The purchase of certain Structured Deposit Products from China Guangfa Bank above constituted one or more discloseable transaction(s) of the Company on an aggregate basis.

## 2. Purchase of the Wealth Management Products from Huaxia Bank

The breakdown of the Wealth Management Products purchased by Tian Wang Shenzhen from Huaxia Bank during the Relevant Period is set out below:

No.	Purchase date	Maturity date	Name of product	Purchase price (RMB)	Type of return	Interest rate per annum
1.	1 July 2020	29 September 2020	Finance products	35,000,000	Non-principal guaranteed with variable return linked to performance of the investment portfolio comprising of different financial products, including but not limited to: currency market, bonds and non-standardized debt assets	Nil to 3.75%
2.	7 July 2020	5 October 2020	Finance products	30,000,000	Non-principal guaranteed variable return linked to performance of the investment portfolio comprising of different financial products, including but not limited to: currency market, bonds and non-standardized debt assets	Nil to 3.75%
3.	29 July 2020	29 October 2020	Finance products	15,000,000	Non-principal guaranteed variable return linked to performance of the investment portfolio comprising of different financial products, including but not limited to: bank deposit, currency market and bond market	Nil to 4.10%
4.	11 August 2020	11 November 2020	Finance products	10,000,000	Non-principal guaranteed variable return linked to performance of the investment portfolio comprising of different financial products, including but not limited to: bank deposit, currency market and bonds	Nil to 4.10%
5.	3 September 2020	3 December 2020	Finance products	20,000,000	Non-principal guaranteed variable return linked to performance of the investment portfolio comprising of different financial products, including but not limited to: currency market, bonds and non-standardized debt assets	Nil to 3.70%
6.	30 September 2020	28 December 2020	Finance products	30,000,000	Non-principal guaranteed variable return linked to performance of the investment portfolio comprising of different financial products, including but not limited to: currency market, bonds and non-standardized debt assets	Nil to 3.70%

No.	Purchase date	Maturity date	Name of product	Purchase price (RMB)	Type of return	Interest rate per annum
7.	30 September 2020	28 December 2020	Finance products	55,000,000	Non-principal guaranteed variable return linked to performance of the investment portfolio comprising of different financial products, including but not limited to: currency market, bonds and non-standardized debt assets	Nil to 3.70%
8.	10 October 2020	8 December 2020	Finance products	30,000,000	Non-principal guaranteed variable return linked to performance of the investment portfolio comprising of different financial products, including but not limited to: currency market, bonds and non-standardized debt assets	Nil to 3.60%
9.	30 October 2020	29 December 2020	Finance products	25,000,000	Non-principal guaranteed variable return linked to performance of the investment portfolio comprising of different financial products, including but not limited to: bank deposit, currency market and bonds	Nil to 3.20%
10.	30 October 2020	29 December 2020	Finance products	10,000,000	Non-principal guaranteed variable return linked to performance of the investment portfolio comprising of different financial products, including but not limited to: bank deposit, currency market and bonds	Nil to 3.20%

The Wealth Management Products purchased from Huaxia Bank are finance products, with variable interest accruing on the principal amount of the deposits maintained with Huaxia Bank. The Wealth Management Products are not principal guaranteed. The actual investment period of the Wealth Management Products was approximately three months.

The principal of the Wealth Management Products will be returned on the maturity date and the interest income generated from the investment shall be paid to Tian Wang Shenzhen on maturity date. Tian Wang Shenzhen has no right of early redemption for the Wealth Management Products.

The purchase of certain Wealth Management Products from Huaxia Bank above and aggregated with the outstanding principal amount of the trust product issued by Huaxia Bank and purchased by Tian Wang Shenzhen on 29 December 2018 constituted one or more discloseable transaction(s) of the Company on an aggregate basis.

## **REASONS FOR AND BENEFITS FOR THE PURCHASE OF THE STRUCTURED DEPOSIT PRODUCTS AND THE WEALTH MANAGEMENT PRODUCTS**

The Directors noted that the Group had internal funds which had been idle for a certain period of time. In order to utilise such idle funds reasonably, enhance the efficiency in the utilization of such funds and to bring return to the Shareholders, and after taking into account the normal operation funding needs and the liquidity needs of the Group, the Directors decided to utilise some of the internal idle funds to purchase the Structured Deposit Products and Wealth Management Products.

The Structured Deposit Products purchased from China Guangfa Bank are RMB fixed deposits, with variable interest accruing on the principal amount of the deposits maintained with China Guangfa Bank. The Structured Deposit Products purchased from China Guangfa Bank offered potential annual return rates from approximately 0.50% to 4.20%.

The Wealth Management Products purchased from Huaxia Bank are finance products with variable interest accruing on the principal amount of the deposits maintained with Huaxia Bank. The Wealth Management Products purchased from Huaxia Bank offered potential annual return rates from approximately nil to 4.10%.

The Structured Deposit Products and the Wealth Management Products purchased from China Guangfa Bank and Huaxia Bank respectively which had matured had produced the expected rate of return and, other than those Structured Deposit Products and Wealth Management Products which are due to mature, all of the principal amounts had been returned to Tian Wang Shenzhen. The Directors believe that the Structured Deposit Products and the Wealth Management Products would produce the potential annual return within the range as disclosed above.

After taking into account the above factors, the Directors (including the independent nonexecutive Directors) are of the view that the purchase of the Structured Deposit Products and the Wealth Management Products are fair and reasonable and in the best interests of the Company and the Shareholders as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES**

As one or more of the applicable percentage ratios for the purchase of certain Structured Deposit Products from China Guangfa Bank exceeded 5% but is less than 25%, the purchase of the Structured Deposit Products, on an aggregate basis, constituted discloseable transaction(s) of the Company.

As one or more of the applicable percentage ratios for the purchase of certain Wealth Management Products from Huaxia Bank exceeded 5% but is less than 25%, the purchase of the Wealth Management Products, on an aggregate basis, constituted discloseable transaction(s) of the Company.

As a result of the mistaken beliefs that the Structured Deposit Products were only bank deposits maintained by Tian Wang Shenzhen in the ordinary course of business and the purchase of the Wealth Management Products were only conducted in the ordinary course of business and should not be considered as acquisitions of assets otherwise fall within the definition of “transaction” under Chapter 14 of the Listing Rules, the Company did not comply with the applicable reporting and announcement requirements under the Listing Rules at the time of purchase of the relevant Structured Deposit Products and the Wealth Management Products as mentioned in this announcement. The Board will adopt measures to strengthen the relevant internal control procedures to prevent the occurrence of similar incidents in the future.

## **REMEDIAL ACTIONS**

The Board will adopt the following measures to strengthen the relevant internal control procedures to prevent the occurrence of similar incidents in the future:

- (a) the Company will arrange for training sessions for the Directors and senior management of the Group to remind them, in particular the finance department, to report transactions which may constitute notifiable and/or connected transactions under the Listing Rules to the Group’s compliance personnel and seek professional advice if necessary to ensure that they understand the requirements under the Listing Rules and the relevant rules and regulations; and



- (b) the Company will review, strengthen and continue to monitor the relevant internal control measures of the Group, including but not limited to contract signing procedures, to ensure that current and future transactions will be conducted in compliance with the applicable requirements under the Listing Rules and other relevant rules and regulations.

## **INFORMATION ON THE GROUP AND THE BANKS**

The Group is principally engaged in the manufacture of its Tian Wang watches, the retail sales of its Tian Wang and Balco watches, retail sales of other brands watches in the PRC, design, manufacture and global distribution of certain owned and licensed international brands of watches, and the ancillary trading of watch movements business.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, (i) each of the Banks and its ultimate beneficial owners are parties independent of, and not connected with, the Company or any of its connected persons (as defined under the Listing Rules); and (ii) each of the Banks principally engages in banking business.

## **DEFINITIONS**

In this announcement, the following terms have the meanings as set forth below unless the context requires otherwise:

“Banks”	China Guangfa Bank and Huaxia Bank
“Board”	the board of Directors
“Company”	Time Watch Investments Limited, a company incorporated in the Cayman Islands with limited liability
“Directors”	directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China
“Latest Practicable Date”	24 December 2020

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China and, for the purposes of this announcement only, excludes Hong Kong, Macau Special Administrative Region and Taiwan
“Relevant Period”	The period from 1 July 2019 and up to the Latest Practicable Date (both dates inclusive)
“Shareholders”	shareholders of the Company
“Share(s)”	ordinary share(s) with a nominal value of HK\$0.1 each in the capital of the Company
“Structured Deposit Products”	structured deposit products issued by China Guangfa Bank and purchased by Tian Wang Shenzhen during the Relevant Period as set out in paragraph headed 1. Purchase of the Structured Deposit Products from China Guangfa Bank to this announcement
“Tian Wang Shenzhen”	Tian Wang Electronics (Shenzhen) Co., Ltd., a company established under the laws of PRC and a wholly owned subsidiary of the Company
“Wealth Management Products”	finance products issued by Huaxia Bank and purchased by Tian Wang Shenzhen during the Relevant Period as set out in 2. Purchase of the Wealth Management Products from Huaxia Bank to this announcement
“HKD”	Hong Kong dollars, the lawful currency of the Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC

“USD” Unites States dollars, the lawful currency of the United States of America

“%” per cent

By the order of the Board  
**Time Watch Investments Limited**  
**Tung Koon Ming**  
*Chairman and Executive Director*

Hong Kong, 24 December 2020

*As at the date of this announcement, the executive Directors are Mr. Tung Koon Ming, Mr. Tung Wai Kit, Mr. Deng Guanglei and Mr. Tung Koon Kwok Dennis; and the independent non-executive Directors are Mr. Ma Ching Nam, Mr. Wong Wing Keung Meyrick and Mr. Choi Ho Yan.*