



新宇亨得利控股有限公司

XINYU HENGDELI HOLDINGS LIMITED

To: Business Editor
[For immediate release]

XINYU HENGDELI HOLDINGS LIMITED
Commenced Trading with Satisfactory Performance

[26 September 2005, Hong Kong] – **Xinyu Hengdeli Holdings Limited** (“**Xinyu Hengdeli**” or the “**Group**”; stock code: **3389**), a leading group engaged in the retail and wholesale of luxurious imported watches, commenced trading of its shares on the Main Board of The Stock Exchange of Hong Kong Limited (the “SEHK”) today.

Xinyu Hengdeli’s shares were actively traded with the highest price at HK\$1.51 per share and the closing price was HK\$1.50 per share today. The share price increased by approximately 13.6% as compared to its Initial Offering Price of HK\$1.32 per Share. A total of approximately 80,870,000 shares were traded to make a turnover of approximately HK\$117,300,000.

Guotai Junan Securities (Hong Kong) Limited is the Global Coordinator, Sole Bookrunner and Lead Manager. Guotai Junan Capital Limited is the Sponsor and the Partners Capital International Limited is the Sponsor and Co-Lead Manager.

Xinyu Hengdeli received tremendous response from investors and public during its Share Offer. The International Placing shares are approximately 8.6 times subscribed with 5% of enlarged share capital of the Group allocated to the Swatch Group (HK) Limited, a subsidiary of renowned manufacturer and distributor of finished watches and the Group’s business partner. Whereas the Hong Kong Public Offer shares are approximately 87 times subscribed. The net proceeds from the share offer amounts to approximately HK\$308 million.

Mr. Zhang Yuping, Chairman of Xinyu Hengdeli Holdings Limited, is very excited about the successful listing of the Group on the Main Board of the Stock Exchange of Hong Kong Limited. He said, “This is a major milestone in the Group’s business development, representing the Group’s entrance into a new era. We are extremely satisfied with the performance of our stock on the first trading day. On behalf of Xinyu Hengdeli, I would like to express our heartfelt gratitude to all our investors for their support. In return, Xinyu Hengdeli will further capitalize on our strong competitive strengths to seek further business growth in order to deliver the best returns to our shareholders.”

Mr. Zhang continued, “Through years of hard work, we have established an extensive sales network in the PRC, and also formed a very strong strategic alliance with major retailers. Besides, we have consistently maintained the highest standard in after-sales service system. As a result, we have successfully acquired a leading position in the fast growing Swiss luxury watch market. Moving forward, we intend to use the proceeds from this listing exercise to further extend our retail network, actively develop our own brand and wholesale business. Our ultimate aim is to satisfy market demand and increase our market share. Given our immense strengths, we are very confident that the Group will be able to grasp hold of the unlimited opportunities lying ahead in the luxury watch market.”

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