



新宇亨得利控股有限公司

XINYU HENGDELI HOLDINGS LIMITED

To: Editors  
[For Immediate Release]

**XINYU HENGDELI HOLDINGS LIMITED**

**New Retail Watch Outlets in Qingdao, Wenzhou and Fuzhou**

-- *Actively Developing the Retail Watch Market in the PRC* --

[22 November 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 in China, announced that it had signed agreements with Qingdao Hengdeli Company Limited and Wenzhou Huayu Watch Company Limited on the operation of 9 retail watch outlets in Qingdao and Wenzhou. In addition, Xinyu Hengdeli has also opened another new watch outlet in Fuzhou. As a result, the number of retail outlets of Xinyu Hengdeli in the PRC has increased to 61.

Pursuant to the agreements, **Xinyu Hengdeli** will manage and operate 4 retail watch outlets, including the ancient old Qingdao Hengdeli Shop owned by Qingdao Hengdeli Company Limited, and will jointly manage with Wenzhou Huayu Watch Company Limited 5 retail watch outlets, including Wenzhou Wuma Time City. These 9 shops and the other one opened by the Group in Dongbai, Fuzhou are either “shops in shops” or stand-alone shops located in prime locations with very high traffic. They mainly sell middle to high class watches, such as Jaeger-LeCoultre, Audemars Piguet , Rolex, Tudor, Vacheron Constantin , Cartier, Omega and Longine. Through these cooperations, Xinyu Hengdeli expects to acquire a dominant share in the middle and high class watch market in Qingdao and Wenzhou. This also means that the Group will see a further increase in its share of the luxury watch market in China.

**Mr. Zhang Yuping, Chairman of Xinyu Hengdeli**, is very pleased with the latest development, “As the living standards and purchasing power of the mainland population, particularly the high and medium income groups, continue to rise, there is tremendous demand for high quality and famous imported watches in the market. We expect to have a fruitful cooperation with our business partners as the new shops will definitely help satisfy the market demand for high quality watches in Qingdao and Wunzhou. This will, in turn, translate into higher sales and profits for our Group.”

~ more ~

**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 on the mainland. As a result, we have successfully introduced many well-known international watch brands into the PRC market. Moving forward, we will keep on pursuing our corporate strategy by way of further extending our retail network and strengthening our relationships with suppliers of the world’s top brands. Our ultimate aim is to seek wider room for growth by providing a high coverage and high quality distribution platform to various internationally renowned watch brands, in order to deliver the best returns for our shareholders.”

### **Background Information of Xinyu Hengdeli**

**Xinyu Hengdeli**, newly listed on the Main Board of the Stock Exchange of Hong Kong Limited on 26 September 2005 (Monday), is a leading retailer and distributor of high-end Swiss watches in the PRC. The Group has an extensive sales network that includes over 50 retail outlets in prosperous major Chinese cities. Besides, it has approximately 300 wholesale customers from more than 40 cities in the PRC. The Group has established solid relationships with the world’s top brand-owners, including Swatch Group, Richemont Group and LVMH Group. Currently, it sells as distributor and/or authorized seller around 30 internationally renowned brands, including Jaeger-LeCoultre, Zenith, Audemars Piguet, Carl F. Bucherer, TAG Heuer, Baume & Mercier, Vacheron Constantin, Cartier, Christian Dior, Omega and Rado. Xinyu Hengdeli also sells watches under its own proprietary brand NIVADA.

~ end ~

Issued by Porda International (Finance) PR Company Limited for and on behalf of **Xinyu Hengdeli Holdings Limited**. For further information, please contact:

**Mr. Zhang Yu Ping**

**Chairman**

**Xinyu Hengdeli Holdings Limited**

c/o Porda International (Finance) PR Company Limited

Tel: 2544-6388

Fax: 2544-6126

Ms. Barbara Yuen / Ms. Kelly Fung

Porda International (Finance) PR Company Limited

Tel: 2180-9211 / 2151-0915 Fax: 2544-6126

Email: barbara@pordafinance.com.hk / kelly@pordafinance.com.hk