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## **ORIENTAL WATCH HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 398)**

**CONDITIONAL CASH OFFER BY**



**MERDEKA SECURITIES LIMITED**

**ON BEHALF OF**

**ORIENTAL WATCH HOLDINGS LIMITED**

**TO BUY-BACK UP TO 83,000,000 SHARES AT HK\$3.00 PER SHARE AND  
APPLICATION FOR WHITEWASH WAIVER**

**CLOSURE AND RESULTS OF THE OFFER**

**Financial adviser to the Company**



**Merdeka Corporate Finance Limited**

The Offer closed at 4:00 p.m. on Thursday, 19 November 2020. As at the Latest Acceptance Time, valid acceptances in respect of a total of 283,523,131 Shares had been received by the Registrar from the Accepting Shareholders under the Offer, representing approximately 341.59% of the Maximum Number of Shares to be bought-back by the Company under the Offer and approximately 49.71% of the total number of issued Shares as at the date of this announcement.

As the total number of Accepted Shares under the Offer exceeds the Maximum Number of Shares, the number of Shares to be bought-back by the Company from each Accepting Shareholder will be determined in accordance with the formula set out in the Offer Document. A total of 83,000,000 Shares, being the Maximum Number, will be bought back and cancelled by the Company. The total consideration payable by the Company for buying back the Maximum Number of Shares pursuant to the Offer is HK\$249 million.

Immediately after the Cancellation, the aggregate interests held by Yeung Concert Group in the total issued Shares will increase from 30.85% to approximately 36.10% (assuming no Share Options have been exercised on or before the date of the Cancellation) and to approximately 33.13% (assuming all Share Options have been fully exercised on or before the date of the Cancellation (excluding Share Options owned by Yeung Concert Group and Mr. Lam)) respectively.

The Registrar will send, by ordinary post at the Accepting Shareholders' own risk, a cheque for such total amount due to each Accepting Shareholder under the Offer (subject to deduction of the seller's ad valorem stamp duty due on the buy-back of the Shares from the amount payable in cash) and, if the Shares tendered under the Offer by the Accepting Shareholder have not been bought back by the Company in full, the Title Documents in respect of the balance of such Shares or a replaced share certificate therefor, within 7 Business Days after the close of the Offer, i.e. on or before Monday, 30 November 2020.

References are made to (i) the offer document issued by Oriental Watch Holdings Limited (the "**Company**") dated 16 October 2020 (the "**Offer Document**") in relation to the Offer and the Whitewash Waiver; and (ii) the announcement of the Company dated 5 November 2020 in relation to the poll results of the SGM. Capitalised terms used in this announcement shall have the same meanings as those defined in the Offer Document unless otherwise stated.

## CLOSURE AND RESULTS OF THE OFFER

The Company announces that the Offer closed at 4:00 p.m. on Thursday, 19 November 2020. As at the Latest Acceptance Time, valid acceptances in respect of a total of 283,523,131 Shares (the “Accepted Shares”) had been received by the Registrar from the Accepting Shareholders under the Offer, representing approximately 341.59% of the Maximum Number of Shares to be bought-back by the Company under the Offer and approximately 49.71% of the total number of issued Shares as at the date of this announcement.

As the total number of Accepted Shares under the Offer exceeds the Maximum Number of Shares, the number of Shares to be bought-back by the Company from each Accepting Shareholder will be determined in accordance with the following formula:

$$\frac{A}{B} \times C$$

- A = 83,000,000 Shares, being the Maximum Number
- B = Total number of Shares tendered by all Accepting Shareholders under the Offer
- C = Total number of Shares tendered by the relevant individual Accepting Shareholder under the Offer

The total consideration payable by the Company for buying back the Maximum Number of Shares pursuant to the Offer is HK\$249 million.

## SETTLEMENT

The Registrar will send, by ordinary post at the Accepting Shareholders’ own risk, a cheque for such total amount due to each Accepting Shareholder under the Offer (subject to deduction of the seller’s ad valorem stamp duty due on the buy-back of the Shares from the amount payable in cash) and, if the Shares tendered under the Offer by the Accepting Shareholder have not been bought back by the Company in full, the Title Documents in respect of the balance of such Shares or a replaced share certificate therefor, within 7 Business Days after the close of the Offer, i.e. on or before Monday, 30 November 2020.

## ODD LOTS ARRANGEMENT

Merdeka Securities, whose address is at Room 1108, 11/F., Wing On Centre, 111 Connaught Road Central, Hong Kong (contact person: Mr. Chow Man Ho; telephone number: (852) 2868 1063), has been appointed by the Company as the designated broker to provide standard matching services to the Shareholders who wish to acquire odd lots of Shares to make up a full board lot, or to dispose of their holding of odd lots of Shares during the matching period, which will commence from 9:00 a.m. on 1 December 2020 until 4:00 p.m. on 12 January 2021 (Hong Kong time) to enable odd lot Shareholders to dispose of their odd lots or to top up their odd lots to whole board lots of 2,000 Shares each.

Odd lot Shareholders should note that the matching of odd lots is not guaranteed. Shareholders who are in any doubt about the odd lot arrangement is recommended to consult their professional advisers.

## EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The table below shows the Company's shareholding structure immediately before the Offer Commencement Date, as at the date of this announcement and after the close of the Offer but prior to the cancellation of the Shares bought-back by the Company (the "Cancellation"), and immediately after the Cancellation, assuming that no additional Shares will be issued from the date of this announcement up to and including the date of the Cancellation (save as a result of any exercise of the Share Options by their holders (excluding Yeung Concert Group and Mr. Lam)):

Name of Shareholder	Immediately before the Offer Commencement Date, as at the date of this announcement and after the close of the Offer but prior to Cancellation		Immediately after Cancellation (assuming no Share Options will be exercised from the date of this announcement up to and including the date of Cancellation)		Immediately after Cancellation (assuming all Share Options which are vested as at the date of this announcement have been fully exercised before Cancellation (excluding Share Options owned by Yeung Concert Group and Mr. Lam))	
	Number of Shares	Approx. %	Number of Shares	Approx. %	Number of Shares	Approx. %
<b>Directors and their respective concert parties (if any) who hold Shares:</b>						
Datsun (note 1)	127,776,000	22.40	127,776,000	26.22	127,776,000	24.06
Y.H. Chan Limited (note 1)	388,561	0.07	388,561	0.08	388,561	0.07
Dr. Yeung (note 1)	18,229,583	3.20	18,229,583	3.74	18,229,583	3.43
Madam Au Po Kee (note 1)	7,920,000	1.39	7,920,000	1.63	7,920,000	1.49
Mr. Yeung Him Kit, Dennis (note 2)	4,084,000	0.72	4,084,000	0.84	4,084,000	0.77
Madam Yeung Man Yee, Shirley (note 3)	1,421,161	0.25	1,421,161	0.29	1,421,161	0.27
Madam Yeung Man Wai, Mabel (note 4)	6,670,000	1.17	6,670,000	1.37	6,670,000	1.26
Madam Yeung Min Wah, Amy (note 5)	1,134,800	0.20	1,134,800	0.23	1,134,800	0.21
Mr. Fung Kwong Yiu (note 7)	2,380,160	0.42	2,380,160	0.49	2,380,160	0.45
Ms. Cheong Wai Lin (note 7)	1,500,217	0.26	1,500,217	0.31	1,500,217	0.28
Mr. Chan Chi Ming, Jimmy (note 7)	4,429,424	0.78	4,429,424	0.91	4,429,424	0.83
<b>Sub-total of Yeung Concert Group</b>	<b>175,933,906</b>	<b>30.85</b>	<b>175,933,906</b>	<b>36.10</b>	<b>175,933,906</b>	<b>33.13</b>
Dr. Sun (note 8)	3,200,000	0.56	3,200,000	0.66	3,200,000	0.60
<b>Public Shareholders:</b>	<b>391,224,318</b>	<b>68.59</b>	<b>308,224,318</b>	<b>63.24</b>	<b>351,864,318</b>	<b>66.27</b>
<b>Total</b>	<b>570,358,224</b>	<b>100.00</b>	<b>487,358,224</b>	<b>100.00</b>	<b>530,998,224</b>	<b>100.00</b>

Notes:

- 1) *Realtower Holdings Limited and Dr. Yeung are the respective beneficial owners of 55% and 10% of the issued share capital of Furama Investments Limited, which is the beneficial owner of 80% of the issued share capital of Datsun. Dr. Yeung and Madam Au Po Kee (his wife), are the beneficial owners of 15% and 10% respectively of the issued share capital of Real Champ Limited, which is the beneficial owner of 20% of the issued share capital of Datsun. Datsun is the beneficial owner of 127,776,000 shares in the Company.*

*Y.H. Chan Limited is the beneficial owner of 25% of the issued share capital of Furama Investments Limited. The remaining 10% interest of Furama Investments Limited is held by Ms. Cheong Wai Lin, Ms. Chan Yuen Fun, Nancy, Ms. Chan Yuen Man, Patricia, Mr. Chan Chi Ming, Jimmy and Mr. Chan Chi Chuean, Tony respectively as to 2% each, and except Ms. Cheong Wai Lin and Mr. Chan Chi Ming, Jimmy, they are independent third parties not connected with the Company or Yeung Concert Group. Y.H. Chan Limited also directly holds 388,561 Shares. Y.H. Chan Limited is beneficially owned by Dr. Yeung as to 42.5%, Mr. Yeung Him Kit, Dennis as to 2.5%, Madam Yeung Man Wai, Mabel as to 2.5%, Ms. Cheong Wai Lin as to 28% and Mr. Chan Chi Ming, Jimmy as to 7% and independent third parties not connected with the Company or Yeung Concert Group, namely Mr. Chan Chi Chuean, Tony as to 7%, Ms. Chan Yuen Fun, Nancy as to 3.5%, Ms. Chan Yuen Yee, Judy as to 3.5% and Ms. Chan Yuen Man Patricia as to 3.5%.*

*Realtower Holdings Limited is beneficially wholly owned by members of Yeung Concert Group, namely Dr. Yeung as to 10%, Madam Au Po Kee as to approximately 30.83%, Mr. Yeung Him Kit, Dennis and his spouse as to approximately 16.67%, Madam Yeung Man Yee, Shirley as to approximately 13.33%, Madam Yeung Man Wai, Mabel as to approximately 9.17%, Madam Yeung Min Wah, Amy as to approximately 15.83% and two grandchildren of Dr. Yeung as to approximately 4.17%.*

*Save that Dr. Yeung, Madam Au Po Kee, Mr. Yeung Him Kit, Dennis, Madam Yeung Man Yee, Shirley, Madam Yeung Man Wai, Mabel and Madam Yeung Min Wah, Amy are Shareholders with their respective interests disclosed in the Offer Document, other shareholders of Realtower Holdings Limited are not Shareholders.*

- 2) *Mr. Yeung Him Kit, Dennis is the son of Dr. Yeung and an executive Director. He is the beneficial owner of 2.5% and 8% of the issued share capital of Y.H. Chan Limited and Real Champ Limited respectively. He and his spouse are the beneficially owner of approximately 16.67% of Realtower Holdings Limited.*
- 3) *Madam Yeung Man Yee, Shirley is a daughter of Dr. Yeung and an executive Director. She is the beneficial owner of approximately 13.33% of the issued share capital of Realtower Holdings Limited.*
- 4) *Madam Yeung Man Wai, Mabel is a daughter of Dr. Yeung. She is the beneficial owner of approximately 9.17%, 15% and 2.5% of the issued share capital of Realtower Holdings Limited, Real Champ Limited and Y.H. Chan Limited respectively.*
- 5) *Madam Yeung Min Wah, Amy is a daughter of Dr. Yeung. She is the beneficial owner of approximately 15.83% and 8% of the issued share capital of Realtower Holdings Limited and Real Champ Limited respectively.*

- 6) *The remaining 44% interest of Real Champ Limited are held by (i) Mr. Fung Kwong Yiu, a former employee of the Group, as to 6%; and (ii) 7 other individuals who are former employees of the Group and its related parties as to 15%, 8%, 8%, 3%, 2%, 1% and 1% respectively. All of these 8 individuals, except Mr. Fung Kwong Yiu who is also a director of Real Champ Limited and Datsun and is therefore a party acting in concert with Yeung Concert Group, are independent and not acting in concert with the Company or Yeung Concert Group.*
- 7) *Dr. Yeung, Mr. Yeung Him Kit, Dennis, Ms. Yeung Man Yee, Shirley and Mr. Fung Kwong Yiu are directors of Datsun. Dr. Yeung, Madam Au Po Kee, Mr. Yeung Him Kit, Dennis and Ms. Yeung Man Yee, Shirley and Ms. Cheong Wai Lin are directors of Furama Investments Limited. Mr. Fung Kwong Yiu and Mr. Yeung Him Kit, Dennis are directors of Real Champ Limited. Mr. Yeung Him Kit, Dennis, Ms. Yeung Man Wai, Mabel, Ms. Cheong Wai Lin and Mr. Chan Chi Ming, Jimmy are directors of Y.H. Chan Limited.*
- 8) *Dr. Sun is an independent non-executive Director. He and his family members are the beneficial owners of the entire issued share capital of Sun International Limited, which is the beneficial owner of 3,200,000 shares in the Company. He and his family members are Independent Shareholders and not acting in concert with the Company or Yeung Concert Group.*
- 9) *The directors of Realtower Holdings Limited are Dr. Yeung, Madam Au Po Kee, Ms. Yeung Man Yee, Shirley and Ms. Yeung Man Wai, Mabel. Save as disclosed in the above table, none of the parties acting in concert with the Directors has any shareholdings interests (as defined under Note 1 to paragraph 5 of Schedule III of the Codes) in the Company.*
- 10) *Certain percentage figures included in the above table have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.*

As at the date of this announcement, Yeung Concert Group is interested in a total of 175,933,906 Shares (representing approximately 30.85% of the issued Shares as at the date of this announcement) and 4,320,000 Share Options (representing approximately 0.76% of the issued Shares as at the date of this announcement).

Immediately before the Offer Commencement Date (i.e. 14 September 2020), Yeung Concert Group was interested in a total of 175,933,906 Shares (representing approximately 30.85% of the issued Shares) and 4,320,000 Share Options (representing approximately 0.76% of the issued Shares). Save as aforementioned, none of the members of Yeung Concert Group held, controlled or directed any Shares and rights over Shares immediately before the Offer Period.

Immediately after the Cancellation, the aggregate interests held by Yeung Concert Group in the total issued Shares will increase from 30.85% to approximately 36.10% (assuming no Share Options have been exercised on or before the date of the Cancellation) and to approximately 33.13% (assuming all Share Options have been fully exercised on or before the date of the Cancellation (excluding Share Options owned by Yeung Concert Group and Mr. Lam)) respectively.

Save for the Accepted Shares to be acquired by the Company under the Offer, none of the Company, the Directors, or any parties acting in concert with any of them had acquired or agreed to acquire any Shares or rights over Shares during the Offer Period.

None of the members of Yeung Concert Group has dealt with relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company during the Relevant Period, since then and up to the date of this announcement.

None of the Company, the Directors, or any parties acting in concert with any of them had borrowed or lent any relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) in the Company during the Offer Period.

By Order of the Board  
**Yeung Ming Biu**  
*Chairman*

Hong Kong, 19 November 2020

*As at the date of this announcement, the executive directors of the Company are Dr. Yeung Ming Biu (the Chairman), Mr. Yeung Him Kit, Dennis, Madam Yeung Man Yee, Shirley and Mr. Lam Hing Lun, Alain; and the independent non-executive directors are Dr. Sun Ping Hsu, Samson, Dr. Li Sau Hung, Eddy and Mr. Choi Man Chau, Michael.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*