



新宇亨得利控股有限公司  
XINYU HENGDELI HOLDINGS LIMITED

To: Business Editors  
[For Immediate Release]

## **Xinyu Hengdeli and LVMH Co-operate in Developing OMAS, Enhancing the Brand Status and Expanding its Global Profile**

[28 October 2007, Hong Kong] Xinyu Hengdeli Holdings Limited (“Xinyu Hengdeli” or the “Group”, stock code: 3389), listed on Asia’s premier stock exchange in Hong Kong and a strategic partner of LVMH Watches & Jewelry Division, is proud to announce the acquisition of a 90% equity stake in OMAS, the Italian specialist in handcrafting and distribution of fine writing instruments. **Xinyu Hengdeli** is already a leader of the luxury watch distribution and retail in Asia. It has now embarked on an ambitious plan to expand its operations globally through geographic expansion of existing businesses as well as acquisition of prestigious global brands.

OMAS SRL, based in Bologna Italy, was acquired by LVMH in 2000. The company, founded in 1925 by “Cavaliere Armando Simoni”, has become a reference on its market due to its rich history and has developed a strong international presence with about 75% of its revenues outside of Italy.

The acquisition of the 90% equity stake by **Xinyu Hengdeli** will open up new perspectives for the development of OMAS across various markets around the world. Given the tremendous width and depth of **Xinyu Hengdeli** Group in Asia, especially Greater China, it will provide OMAS an incredible platform to grow its business in these high growth markets. **Xinyu Hengdeli** Group would also like to capitalize on OMAS’s strong heritage and Italian craftsmanship to build a robust plan for brand extension into accessories, thereby complementing the current writing instruments product range offered by OMAS.

This acquisition also confirms the close collaboration between **Xinyu Hengdeli** Group and the LVMH Watches & Jewelry Division. In this context, LVMH will keep providing support to **Xinyu Hengdeli** in the development of OMAS and will ensure a smooth transition to the new management. Christophe Artaux, Managing Director of OMAS, remains in his current capacity and will be the point of contact for any queries.

Over the past two years, OMAS went through an ambitious plan of product portfolio upgrading participating to the brand rejuvenation project, capitalizing on its technical and design know-how. It is the intention of the new shareholder to keep this direction, with OMAS operations still run from Bologna and in full respect of the brand values.

Mr. Zhang Yuping, Chairman of **Xinyu Hengdeli**, declared that he is very excited about this close collaboration with LVMH. “I am extremely confident in this new business,” he said, “and I believe that Xinyu Hengdeli will continue to keep close collaboration with LVMH.”

~ more ~

### **About Xinyu Hengdeli Holdings Limited**

**Xinyu Hengdeli** has been listed on the Main Board of The Stock Exchange of Hong Kong Limited since September 2005. It is the largest watch retailer and wholesaler of internationally renowned watch brands in the PRC. Its strategic shareholders include The Swatch Group Limited, which increased its shareholdings in **Xinyu Hengdeli** to over 7% in July 2006; LVMH, the world's largest luxury goods conglomerate, which holds more than 7% of **Xinyu Hengdeli** shares; and Temasek, the investment arm of the Singapore Government, which holds over 6% of **Xinyu Hengdeli** shares.

As at the end of June 2007, **Xinyu Hengdeli** had an extensive sales network of 148 retail shops, through which it distributed approximately 50 renowned international watch brands. In its wholesale business, **Xinyu Hengdeli** serves approximately 300 wholesale customers in over 40 cities in the PRC. In addition, in August 2006, **Xinyu Hengdeli** successfully acquired Elegant International Holdings Limited, owner of four retail watch outlets in Hong Kong selling international high-end watches.

**Xinyu Hengdeli** maintains good business relationship with various suppliers of world-renowned watch brands such as the Swatch Group, the LVMH Group, the Richemont Group, the Rolex Group and the Desco Group, and distributes 20 world-renowned watch brands, 18 of which are on an exclusive basis. **Xinyu Hengdeli** also owns its own watch brands, Nivada, Olma and Numa Jeannin.

~ End

This Press Release is issued by Porda International (Finance) PR Group on behalf of **Xinyu Hengdeli Holdings Limited**.

Should you have any enquiries, please contact:

#### **Xinyu Hengdeli Holdings Limited**

Ms. Sallus Wong

Tel: 2375 7863 / 9188 7988      Fax: 2375 8010

E-mail: [sallus.wong@hengdeli.com.hk](mailto:sallus.wong@hengdeli.com.hk)

#### **Porda International (Finance) PR Group**

Ms. Louisa Ching

Tel: 3150 6762 / 9190 9730      Fax: 3150 6728

E-mail: [louisa@pordafinance.com.hk](mailto:louisa@pordafinance.com.hk)

Ms. Fiona Ko

Tel: 3150 6750 / 6025 0533      Fax: 3150 6728

Email: [fiona@pordafinance.com.hk](mailto:fiona@pordafinance.com.hk)