



編號

CD/DNS/CCASS/184/2014

Ref. No.:

日期

25 August 2014

Date:

## 香港中央結算有限公司

(香港交易及結算所有限公司全資附屬公司)

**Hong Kong Securities Clearing Company Limited***(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)*

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**通告 CIRCULAR**

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事項 Sincere Watch (Hong Kong) Limited (Stock Code: 444)  
Subject: - Proposal of Share Subdivision and Change in Board Lot Size

查詢 Hotline 2979 7111  
Enquiry:

Pursuant to the share subdivision proposal of Sincere Watch (Hong Kong) Limited ("Sincere Watch HK"), every existing share of HK\$0.10 ("Existing Share") will be subdivided into 5 shares of HK\$0.02 each ("Subdivided Share"). Upon the Share Subdivision becoming effective, the board lot size in trading will be changed from 3,000 Existing Shares to 10,000 Subdivided Shares. Dealings in the Subdivided Shares are expected to commence on 2 September 2014.

For the convenience of CCASS Participants, HKSCC will carry out the conversions of actual holdings, transactions (including Settlement Instruction Transaction ("SI Transaction"), Investor Settlement Instruction Transaction ("ISI Transaction") and Compulsory Stock Borrowing Transaction ("CSB Transaction")) and/or unsettled stock positions (including Continuous Net Settlement Position ("CNS Position") and Isolated Trade Position ("IT Position")) of participants in CCASS to facilitate settlement of both Subdivided and Existing Shares in Sincere Watch HK. A stock conversion schedule is attached herewith as per Appendix I.

The aforesaid conversion process would be carried out in the Depository and Common Nominees System ("DNS") automatically on the scheduled dates. However, for stock positions that remain unsettled between 18 September 2014 and 20 October 2014, the CCASS Participants concerned who need to effect the relevant conversion of their holdings for the purpose of settling their short positions should submit the Parallel Trading Conversion Instruction through CCASS Terminals during the above-mentioned period.

CCASS Participants who wish to deposit shares to or withdraw shares from the CCASS Depository are requested to note the following: -

**(A) Deposit Arrangement**

1. From 4 September 2014 until 20 October 2014, Existing Share certificates representing shares of HK\$0.10 each (blue in colour) will be accepted for deposit under stock code: 2932 (Temp). Effective from 21 October 2014, Existing Share certificates representing shares of HK\$0.10 each will only be accepted for deposit for custody purpose under stock code: 444 (New).

Effective from 17 September 2014, the CCASS Depository will accept deposit of Subdivided Share certificates representing shares of HK\$0.02 each (red in colour) under stock code: 444 (New).

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2. For deposits of both Existing and Subdivided Share certificates of Sincere Watch HK under the same stock code, CCASS Participants are requested to use separate Transfer Deeds and Stock Deposit Forms to cover the Existing and Subdivided Share certificates respectively.
3. An example on how to complete the Stock Deposit Form in respect of deposits of Existing Shares is given as per Appendix III.

**(B) Withdrawal Arrangement**

1. With effect from 4 September 2014 until 18 September 2014, the CCASS Depository will only accept withdrawal of shares under the temporary stock code: 2932. However, if participants' holdings are recorded under stock code: 444, they should apply in writing to the CCASS Depository to convert their holdings to the temporary stock code: 2932 for the purpose of withdrawal.

Upon acceptance of the withdrawal order, the CCASS Depository will effect delivery of either Existing Share certificates representing shares of HK\$0.10 each or Subdivided Share certificates representing shares of HK\$0.02 each subject to availability of the two types of share certificates.

2. With effect from 19 September 2014, the CCASS Depository will only accept withdrawal of Subdivided Shares under the new stock code: 444. If participants' holdings are recorded under temporary stock code: 2932, they should submit the Parallel Trading Conversion Instruction through CCASS Terminals to convert their holdings to the new stock code: 444 for the purpose of withdrawal.

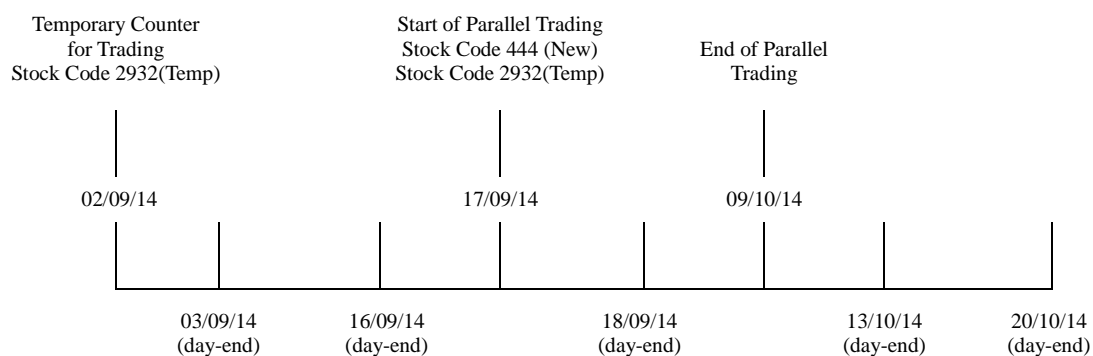
Detailed schedule for accepting deposits and withdrawals under stock code: 444 or the temporary stock code: 2932 is given as per Appendix II.

Grace Tong  
Vice President  
Depository and Nominee Services

# SINCERE WATCH (HONG KONG) LIMITED

## Corporate Events

### Schedule of Stock Conversion



Conversion Cycle	1 <sup>st</sup> CA	2 <sup>nd</sup> CA	3 <sup>rd</sup> CA	4 <sup>th</sup> CA	5 <sup>th</sup> CA
Stock Conversion	444 (Old) → 2932	444 (Old) → 2932	2932 → 444(New)	2932 → 444 (New)	2932 → 444 (New)
Holding	Yes	Yes	Yes	Yes	Yes
Position	No	Yes (CNS and IT)	No	No	No
Transaction	Yes (SI, ISI & CSB)	Yes (SI, ISI & CSB)	Yes (SI, ISI & CSB)	Yes (SI, ISI & CSB)	Yes (SI, ISI & CSB)
Conversion Ratio	1 → 5	1 → 5	1 → 1	1 → 1	1 → 1

Note:

- 444 (Old) - Existing Shares of HK\$0.10 each trading in board lots of 3,000 shares
- 2932 (Temp) - Temporary counter for trading in board lots of 15,000 Subdivided Shares
- 444 (New) - Subdivided Shares of HK\$0.02 each trading in board lots of 10,000 shares
- CA - Corporate Action
- CNS - CNS Position
- IT - IT Position
- SI - SI Transaction
- ISI - ISI Transaction
- CSB - CSB Transaction

**SINCERE WATCH (HONG KONG) LIMITED**

Schedule for accepting deposit and withdrawal under stock codes 444 and 2932 during the conversion cycle

Acceptance period for	02/09/14 to 03/09/14	04/09/14 to 16/09/14	17/09/14 to 18/09/14	19/09/14 to 13/10/14	14/10/14 to 20/10/14	From 21/10/14 Onwards
Deposit under stock code 444	Yes  (Existing Share quantity)	No	Yes (Subdivided Share certificate representing shares of HK\$0.02 each)	Yes (Subdivided Share certificate representing shares of HK\$0.02 each)	Yes (Subdivided Share certificate representing shares of HK\$0.02 each)	Yes
Deposit under stock code 2932	No	Yes	Yes	Yes	Yes	No
Withdrawal under stock code 444	Yes	No	No	Yes	Yes	Yes
Withdrawal under stock code 2932	No	Yes	Yes	No	No	No

Example on how to complete a Stock Deposit Form in respect of deposits of Existing Shares of HK\$0.10 each of Sincere Watch (Hong Kong) Limited on and after the effective date of share subdivision:

A CCASS Participant presents the following Existing Shares of HK\$0.10 each of Sincere Watch (Hong Kong) Limited to the CCASS Depository for deposit on or after 4 September 2014.

<u>Certificate Number</u>	<b>Existing Share quantity printed on each certificate</b>	<b>Existing Share quantity (HK\$0.10 each)</b>	<b>Subdivided Share quantity (HK\$0.02 each)</b>
12341-12342	3,000	6,000	30,000
	<b>TOTAL:</b>	<u>6,000</u>	<u>30,000</u>

Date: \_\_\_\_\_

## CCASS Depository Services

To be completed if stock deposited in batch (i.e. stock deposited with more than one deposit form)	
Total No. of Share in Batch	Deposit Form: _____ of _____

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*#Note: Existing Share certificate representing shares of HK\$0.10 each will only be accepted for custody purpose under stock code: 444 (New) with effect from 21 October 2014.*