
HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

General

Our Company was incorporated in the Cayman Islands on October 7, 2005 and, as part of the Reorganization, became the holding company of our various subsidiaries. Further details of our corporate structure and Reorganization are set out under the paragraph headed “Our Reorganization” below.

History

Our history can be traced back to 1997 when Mr. Marcus Pan and his family members began to engage in the trading of aluminum products. Since then, we have expanded and diversified our business. We are now one of the Foxconn Companies’ major suppliers of aluminum parts, most notably with respect to the popular consumer electronic products they assemble for a leading global consumer electronics designer. Set out below are the key milestones:

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| 1998 | <ul style="list-style-type: none">● PanAsia Aluminium entered into an agreement with Zengcheng Aluminum Alloys for the formation of a joint venture, PanAsia Aluminum (China), in respect of the establishment of an aluminum products manufacturing plant to ensure a stable supply of aluminum products to our Group. PanAsia Aluminum (China) was owned as to 51% by PanAsia Aluminium and 49% by Zengcheng Aluminum Alloys. |
| 1999 | <ul style="list-style-type: none">● PanAsia Aluminum (China) received ISO 9001:2000 and ISO 9001:2008 certifications for its quality management system standard applicable to manufacture of aluminum alloy extrusions from Hong Kong Quality Assurance Agency (“HKQAA”). |
| 2000 | <ul style="list-style-type: none">● We acquired PanAsia Trading and incorporated PanAsia Aluminium (HK) to further expand our sales in Hong Kong.● We began our business relations with the Foxconn Companies. |
| 2003 | <ul style="list-style-type: none">● PanAsia Aluminium acquired all the equity interest in PanAsia Aluminum (China) from Zengcheng Aluminum Alloys, and PanAsia Aluminum (China) was converted into a wholly foreign owned enterprise.● We were awarded the “Certificate of Product Quality” by China Certification Committee for Quality Marks. |
| 2004 | <ul style="list-style-type: none">● We acquired an additional parcel of land of approximately 80,158 square meters adjacent to our then existing aluminum products manufacturing plant to further expand our factory and production capacity.● We were included on the approved list of aluminum extrusion products manufacturers of Det Norske Veritas (“Det Norske Veritas”), one of the world’s leading classification societies. |
| 2005 | <ul style="list-style-type: none">● We set up OPAL Macao to engage in offshore trading of aluminum products.● PanAsia Aluminum (China) received ISO 9001:2000 and ISO 9001:2008 certifications for its quality management system for the manufacture of aluminum alloy extrusions from The International Certification Network (“IQNet”), the largest provider of management system certifications in the world, and HKQAA. |
| 2008 | <ul style="list-style-type: none">● We began to manufacture mid- to high-end integrated aluminum door and window systems under the “OPLV (澳普利發)” brand, or our Branded OPLV Products, and since then, have developed a broad distribution network for our Branded OPLV Products across China. |

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- 2008
 - PanAsia Aluminum (China) received ISO 9001:2008 certification for its quality management system standard applicable to manufacture of aluminum alloy extrusions from HKQAA.
- 2009
 - We began to supply aluminum parts to the Foxconn Companies for their assembly of popular consumer electronic products for a leading global consumer electronics designer, including its popular multimedia tablets and laptop computers, which are housed in distinctive aluminum unibody chassis.
 - PanAsia Aluminum (China) was certified as an approved manufacturer of wrought aluminum alloys by Det Norske Veritas.
 - We entered into a cooperation agreement with the China Space Foundation (中國航天基金會), the only charitable organization for the space sector in China authorized by the Chinese government. As part of our marketing and brand building strategies, we sponsored the China Space Foundation and became a “China space program partner (中國航天事業合作夥伴)” and “China space program sponsor (中國航天事業贊助商),” and our Branded OPLV Products and some of our other products sold in China became the “exclusive products for China space (中國航天專用產品)” in the PRC aluminum products industry. During the Track Record Period, we had contributed approximately RMB4 million to the China Space Foundation. The sponsorship expires in December 2016.
- 2011
 - We commenced operations of a plant dedicated to CNC processing and made our first shipment of the unibody chassis to the Foxconn Companies.
 - We were named an “enterprise with an intellectual-property advantage in Guangdong for 2011 (2011年廣東省知識產權優勢企業)” by the Guangdong Provincial Intellectual Property Bureau (廣東省知識產權局).
 - PanAsia Aluminum (China) received GB/T 19001-2008/ISO 9001:2008 certifications for its quality management system and GB/T 24001-2004/ISO 14001:2004 certifications for its environmental management system, all being issued by China Quality Mark Certification Group, a certification service provider authorized by the Chinese government, and IQNet.
 - We were certified an “enterprise in Guangzhou with qualified work safety standards (廣州市安全生產標準化達標企業)” by the Guangzhou Production Safety Administration (廣州市安全生產監督管理局).

Corporate Development

PanAsia Enterprises (BVI)

PanAsia Enterprises (BVI) was incorporated in BVI on June 3, 1998 as a limited liability company with an authorized share capital of US\$50,000 divided into 50,000 shares of US\$1.00 each. On July 1, 1998, one share was allotted and issued at par to each of Mr. Marcus Pan and Mr. Fung Chi Kong, Felix (“Mr. Fung”), who held the share on trust for Mr. Marcus Pan. Notwithstanding the case for BVI companies, Mr. Marcus Pan established the trust in view of the legal requirements at that time that a Hong Kong company must have a minimum of two shareholders. Between 1998 and early 2000, PanAsia Enterprises (BVI) had no business activities. On May 26, 2000, in order to simplify the shareholding structure and to position PanAsia Enterprises (BVI) as the holding company of our Group’s business in Hong Kong, Mr. Fung transferred the one share held on trust for Mr. Marcus Pan in PanAsia Enterprises (BVI) back to Mr. Marcus Pan.

Mr. Fung was a director of our Company and was responsible for our overseas sales. He retired and left the Group in March 2012 and his responsibilities were taken up by other senior management personnel of our Group. Our Directors are of the view that the retirement of Mr. Fung has no material impact on our operation.

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Mr. Marcus Pan obtained his Australian residency and citizenship in October 2000. With a view that he had to focus on developing the aluminum products trading business in Australia and would not be able to timely handle the business affairs in Hong Kong, Mr. Marcus Pan designated his brother-in-law, Mr. Pan Gaolin, as trustee to hold his interest in PanAsia Enterprises (BVI). As a result, on December 18, 2000, Mr. Marcus Pan transferred his two shares in PanAsia Enterprises (BVI) to Mr. Pan Gaolin, who held the shares on trust for Mr. Marcus Pan. After several months of development, Mr. Marcus Pan considered the development plan of the Group for the Australian market to be in place and he believed he could devote more time to the business in Hong Kong. As such, Mr. Pan Gaolin transferred such shares back to Mr. Marcus Pan on May 1, 2001 and the same was later transferred to Easy Star on December 20, 2007.

PanAsia Enterprises (BVI) is principally engaged in investment holding.

Triplerich

Triplerich was incorporated in BVI on December 6, 2004 as a limited liability company with an authorized share capital of US\$50,000 divided into 50,000 shares of US\$1.00 each. On January 1, 2005, one share was allotted and issued at par to PanAsia Enterprises (BVI).

Triplerich is principally engaged in the holding of the Group's trademarks.

CEPA Chance

CEPA Chance was incorporated in BVI on December 8, 2003 as a limited liability company with an authorized share capital of US\$50,000 divided into 50,000 shares of US\$1.00 each. On December 15, 2003, one share was allotted and issued at par to Worldland Business Services Limited ("Worldland"), a company owned by Mr. Fung and his family members. On November 15, 2004, Worldland transferred its one share in CEPA Chance to PanAsia Enterprises (BVI) at par. On February 1, 2005, PanAsia Enterprises (BVI) transferred its one share in CEPA Chance to Worldland with the same being transferred back to PanAsia Enterprises (BVI) on the next day at par.

CEPA Chance is currently inactive and had no operations during the Track Record Period. We have no immediate intention to re-activate this company.

OPLV Architectural

OPLV Architectural was incorporated in Australia on January 31, 2008 as a proprietary company limited by shares. On the date of its incorporation, 100 shares were allotted and issued at par to PanAsia Enterprises (BVI) at par.

OPLV Architectural is currently inactive and had no operations during the Track Record Period. We have no immediate intention to re-activate this company.

OPAL Macao

OPAL Macao was incorporated in Macau on September 23, 2005 as a limited liability company with a share capital of MOP100,000 being held by PanAsia Enterprises (BVI). On July 21, 2011, the share capital of OPAL Macao increased from MOP100,000 to MOP1,000,000, all being held by PanAsia Enterprises (BVI). Such increase in share capital had been completed and approved by the relevant Macau governmental authority.

OPAL Macao is principally engaged in the trading of aluminum products.

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Win International

Win International was incorporated in Hong Kong on November 26, 2003 as a limited liability company with an authorized share capital of HK\$10,000 divided into 10,000 shares of HK\$1.00 each. On the date of its incorporation, one subscriber share was allotted and issued at par to each of Bosco Nominees Limited ("Bosco Nominees") and Bosco Secretaries Limited ("Bosco Secretaries"), both being Independent Third Parties. On December 18, 2003, each of Bosco Nominees and Bosco Secretaries transferred their one share in Win International to Mr. Fung and CEPA Chance, respectively, at par, and an additional 9,998 shares at HK\$1.00 each were allotted and issued to CEPA Chance. On July 28, 2005, Mr. Fung transferred his one share to Mr. Marcus Pan, who held the same on trust for PanAsia Enterprises (BVI), and CEPA Chance transferred its 9,999 shares to PanAsia Enterprises (BVI), at par.

As a result of such transfers, Win International was owned by PanAsia Enterprises (BVI) and Mr. Marcus Pan on trust for PanAsia Enterprises (BVI) as to 99.99% and 0.01%, respectively.

Win International is principally engaged in investment holding.

PanAsia Group

PanAsia Group was incorporated in Hong Kong on July 11, 1997 as a limited liability company with an authorized share capital of HK\$10,000,000 divided into 10,000,000 shares of HK\$1.00 each. On the date of its incorporation, 600,000 shares, 200,000 shares and 200,000 shares were allotted and issued at par to Mr. Marcus Pan, Mr. Pan Xieguang, father of Mr. Marcus Pan, and Mr. Pan Gaolin, respectively.

On September 15, 2000, Mr. Marcus Pan transferred his 600,000 shares in PanAsia Group to PanAsia Enterprises (BVI) at par. On September 30, 2001, Mr. Pan Xieguang transferred 100,000 shares at par to each of PanAsia Enterprises (BVI) and Ms. Shao, who held the same on trust for PanAsia Enterprises (BVI), and Mr. Pan Gaolin transferred his 100,000 shares at par to Ms. Pan Manqing, sister of Mr. Marcus Pan, who held the same on trust for PanAsia Enterprises (BVI). On even date, Mr. Pan Gaolin held his remaining 100,000 shares in PanAsia Group on trust for PanAsia Enterprises (BVI). As a result, PanAsia Group was owned by PanAsia Enterprises (BVI) and Ms. Shao, Ms. Pan Manqing and Mr. Pan Gaolin on trust for PanAsia Enterprises (BVI) as to 70% and 10%, 10% and 10%, respectively.

On July 29, 2005, Mr. Pan Gaolin and Ms. Pan Manqing transferred their respective 100,000 shares held on trust for PanAsia Enterprises (BVI) in PanAsia Group back to PanAsia Enterprises (BVI). On September 21, 2005, Ms. Shao transferred her 100,000 shares held on trust for PanAsia Enterprises (BVI) in PanAsia Group back to PanAsia Enterprises (BVI), and PanAsia Enterprises (BVI) transferred its one share in PanAsia Group to CEPA Chance and designated CEPA Chance to hold the same on trust for it. As a result, PanAsia Group was owned by PanAsia Enterprises (BVI) and CEPA Chance on trust for PanAsia Enterprises (BVI) as to 99.9999% and 0.0001%, respectively.

PanAsia Group is principally engaged in investment holding.

Loyal Hill Holdings

Loyal Hill Holdings was incorporated in Hong Kong on December 6, 2007 as a limited liability company with an authorized share capital of HK\$10,000 divided into 10,000 shares of HK\$1.00 each. On the date of its incorporation, one share was allotted and issued at par to PanAsia Enterprises (BVI).

Loyal Hill Holdings is currently inactive and had no operations during the Track Record Period. We have no immediate intention to re-activate this company.

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Loyal Hill

Loyal Hill was incorporated in Hong Kong on December 6, 2007 as a limited liability company with an authorized share capital of HK\$10,000 divided into 10,000 shares of HK\$1.00 each. On the date of its incorporation, one share was allotted and issued at par to PanAsia Enterprises (BVI).

Loyal Hill is currently inactive and had no operations during the Track Record Period. We have no immediate intention to re-activate this company.

PanAsia Aluminium

PanAsia Aluminium was incorporated in Hong Kong on July 18, 1997 as a limited liability company with an authorized share capital of HK\$10,000 divided into 10,000 shares of HK\$1.00 each. On the date of its incorporation, 9,999 shares and one share were allotted and issued at par to PanAsia Group and Mr. Pan Xieqiang, an uncle of Mr. Marcus Pan, who held the same on trust for PanAsia Group, respectively. On November 28, 2002, Mr. Pan Xieqiang transferred his one share to PanAsia Enterprises (BVI), with the same to be held on trust for PanAsia Group. As a result, PanAsia Aluminium was owned by PanAsia Group and PanAsia Enterprises (BVI) on trust for PanAsia Group as to 99.99% and 0.01%, respectively.

PanAsia Aluminium is principally engaged in investment holding, the trading of aluminum products and the provision of management services.

PanAsia Aluminium (HK)

PanAsia Aluminium (HK) was incorporated in Hong Kong on June 7, 2000 as a limited liability company with an authorized share capital of HK\$10,000 divided into 10,000 shares of HK\$1.00 each. On the date of its incorporation, 5,100 shares, 4,000 shares and 900 shares were allotted and issued at par to PanAsia Group, Mr. Fung and Mr. Liu Zhifen, a director of P & O Group, respectively. On March 31, 2001, Mr. Fung transferred his 4,000 shares at par to Blossom Base Consultants Limited ("Blossom Base"), a company owned by Ms. Shao.

On April 15, 2005, Blossom Base transferred its 4,000 shares in PanAsia Aluminium (HK) to PanAsia Group at par, and Mr. Liu Zhifen transferred his 899 shares and one share at par to PanAsia Group and PanAsia Enterprises (BVI) on trust for PanAsia Group, respectively. As a result of such transfer, PanAsia Aluminium (HK) was owned by PanAsia Group and PanAsia Enterprises (BVI) on trust for PanAsia Group as to 99.99% and 0.01%, respectively.

PanAsia Aluminium (HK) is principally engaged in the trading of aluminum products.

PanAsia Trading

PanAsia Trading was incorporated in Hong Kong on November 23, 1993 as a limited liability company with an authorized share capital of HK\$10,000 divided into 10,000 shares of HK\$1.00 each. On the date of its incorporation, one subscriber share was allotted and issued at par to each of Polygon Limited and Toptime Limited, both being Independent Third Parties. On June 2, 1994, Polygon Limited and Toptime Limited transferred their respective one share in PanAsia Trading to Mr. Kwok Ka Fai, the spouse of Mr. Fung's sister-in-law, and Ms. Lee Yim Ha, sister-in-law of Mr. Fung, respectively, at par.

On March 27, 1997, Ms. Lee Yim Ha and Mr. Kwok Ka Fai transferred their respective one share at par to Blossom Base and New Pacific Holdings Limited, a company owned by Ms. Shao, with the same to be held on trust for Blossom Base, respectively. On the same date, 9,998 shares were allotted to Blossom Base.

On February 23, 2000, Blossom Base and New Pacific Holdings Limited transferred their respective 9,999 shares and one share at par to PanAsia Group and PanAsia Aluminium, with the

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same to be held on trust for PanAsia Group, respectively. As a result, PanAsia Trading was owned by PanAsia Group and PanAsia Aluminium on trust for PanAsia Group as to 99.99% and 0.01%, respectively.

PanAsia Trading is principally engaged in the trading of aluminum products.

Guangzhou OPLV

Guangzhou OPLV was established under the laws of the PRC on December 12, 2007 as a limited liability company with a total investment and registered capital of US\$1,000,000 and Win International held 100% of equity interests in Guangzhou OPLV. On April 25, 2008, July 29, 2010 and January 6, 2012, the total investment and registered capital of Guangzhou OPLV was increased from US\$1,000,000 to US\$2,000,000, from US\$2,000,000 to US\$8,000,000 and from US\$8,000,000 to US\$13,000,000, respectively. Such increases in total investment and registered capital had been completed and approved by the relevant PRC governmental authority.

Guangzhou OPLV is principally engaged in the processing and selling of window and door systems under the “OPLV (澳普利發)” brand, or the Branded OPLV Products.

PanAsia Aluminum (China)

PanAsia Aluminum (China) was established under the laws of the PRC on April 20, 1998 with a total investment and registered capital of US\$5,589,000 and PanAsia Aluminium held 51% of equity interests in PanAsia Aluminum (China). PanAsia Aluminum (China) was a Sino-foreign joint venture at the time of its establishment, and became a wholly foreign owned enterprise in 2003 after PanAsia Aluminium acquired 100% of equity interests in PanAsia Aluminum (China). On December 7, 1998, November 13, 2000, August 29, 2008 and March 20, 2012, the total investment and registered capital of PanAsia Aluminum (China) was increased from US\$5,589,000 to US\$9,089,000, from US\$9,089,000 to US\$9,989,000, from US\$9,889,000 to US\$16,889,000 and from US\$16,889,000 to US\$21,889,000, respectively. Such increases in total investment and registered capital had been completed and approved by the relevant PRC governmental authority.

PanAsia Aluminum (China) is principally engaged in the manufacturing and selling of aluminum products.

Guangzhou Rongfu

Guangzhou Rongfu was established under the laws of the PRC on May 10, 2012 with a total investment and registered capital of RMB10,000,000 and PanAsia Aluminium (China) held 100% of equity interests in Guangzhou Rongfu.

Guangzhou Rongfu is principally engaged in the manufacturing, processing and selling of computer components.

Chengdu Zhencheng

Chengdu Zhencheng was established under the laws of the PRC on November 22, 2012 with a registered capital of HK\$10,000,000 and PanAsia Aluminium held 100% of equity interests in Chengdu Zhencheng.

Chengdu Zhencheng is principally engaged in the business of general trading and after sales services.

All of the transfers under the section headed “—Corporate Development” were properly and legally completed and settled, and that registration under the Circular of the State Administration

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Exchange on Relevant Issues concerning Foreign Exchange Administration of Financing and Return Investment Undertaken by Domestic Residents through Overseas Special-Purpose Vehicles (關於境內居民通過境外特殊目的公司融資及返程投資外匯管理有關問題的通知) is not applicable to any of such transfer.

Disposal of P & O Group and Oceanic

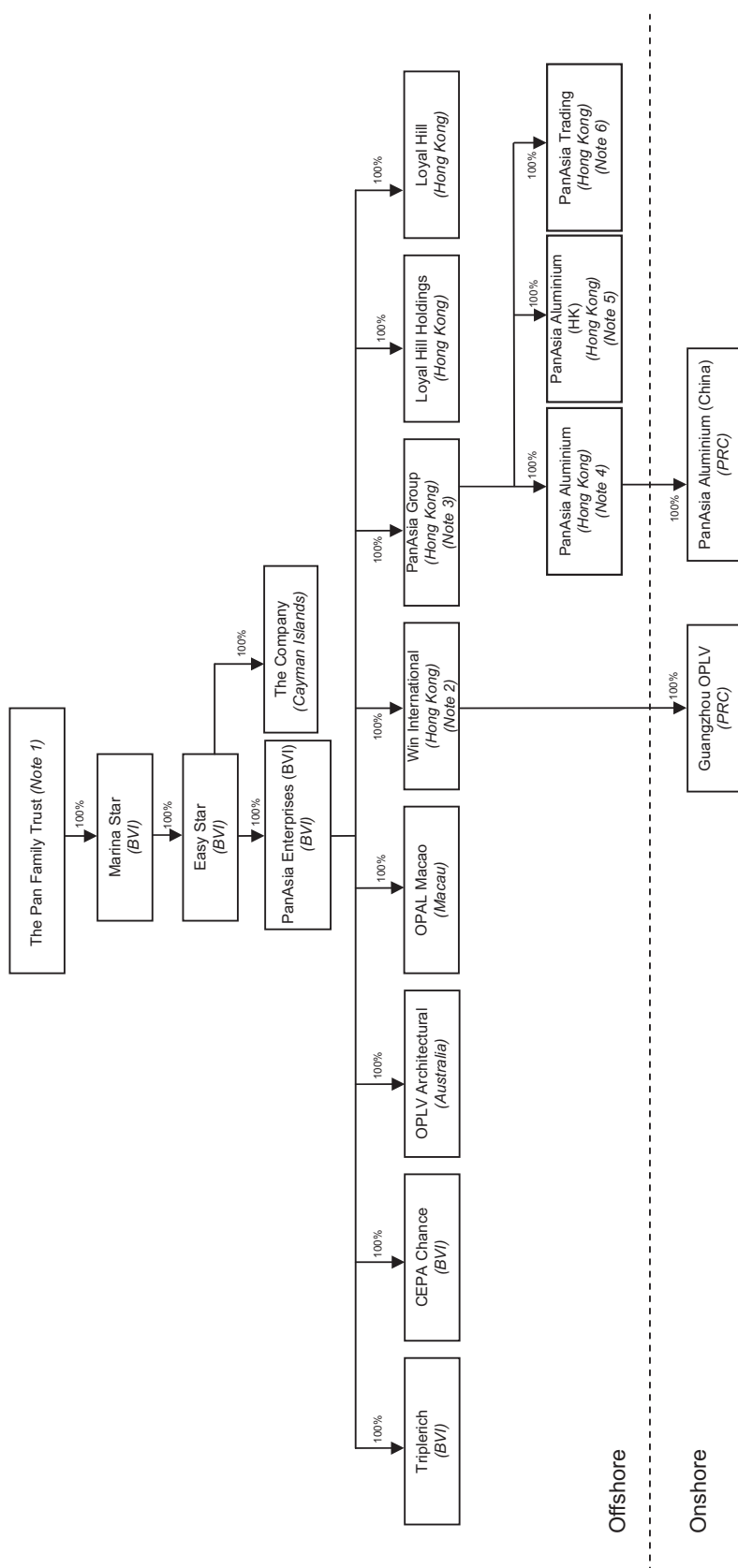
In the past, we had certain subsidiaries in Australia, which included P & O Group and Oceanic, through which we conducted our sales to Australia. In 2009, due to a strategic shift of our business focus to the Greater China market, we sold all of our holdings in P & O Group and Oceanic. See “Business—Our Products—Construction and Industrial Products—Relationship with P & O Group and Oceanic” in this prospectus for details of our disposals of P & O Group and Oceanic.

Disposal of PanAsia Aluminum (Toronto) and dissolution of PanAsia Aluminum (Calgary) and PanAsia Aluminum (Vancouver)

Between August 2004 to July 2006, we set up PanAsia Aluminum (Vancouver), PanAsia Aluminum (Toronto) and PanAsia Aluminum (Calgary) to distribute our aluminum products in North America. Due to a strategic shift of our business focus to the Greater China market and little prospect of significant business development in North America as a result of the anti-dumping duty imposed, PanAsia Aluminum (Vancouver) and PanAsia Aluminum (Calgary) were dissolved on April 13, 2009 and June 3, 2009, respectively. Subsequently, we also sold PanAsia Aluminum (Toronto) to Sino Synergy Trading Limited (“Sino Synergy”) on December 31, 2009 at a consideration of CA\$50,000, which was determined after arm’s-length negotiations based on the then business operations of PanAsia Aluminum (Toronto) in Canada as its net book value was negative at the time of such transfer. At the time of disposal, Sino Synergy was wholly owned by Mr. Liu Zhifen, a director of P & O Group, and we understand that Mr. Liu subsequently sold Sino Synergy to another Independent Third Party on July 30, 2010. PanAsia Aluminum (Toronto) was dissolved on October 26, 2011 and we are not aware of the reason for its dissolution.

Our Reorganization

The shareholding structure of our Group immediately prior to the Reorganization was as follows:



Note 1: The entire issued share capital of Marina Star is registered in the name of HSBC International Trustee. HSBC International Trustee acts as trustee of The Pan Family Trust.

Note 2: One share of Win International is held by Mr. Marcus Pan on trust for PanAsia Enterprises (BVI).

Note 3: One share of PanAsia Group is held by CEPA Chance on trust for PanAsia Enterprises (BVI).

Note 4: One share of PanAsia Aluminium is held by PanAsia Enterprises (BVI) on trust for PanAsia Group.

Note 5: One share of PanAsia Aluminium (HK) is held by PanAsia Enterprises (BVI) on trust for PanAsia Group.

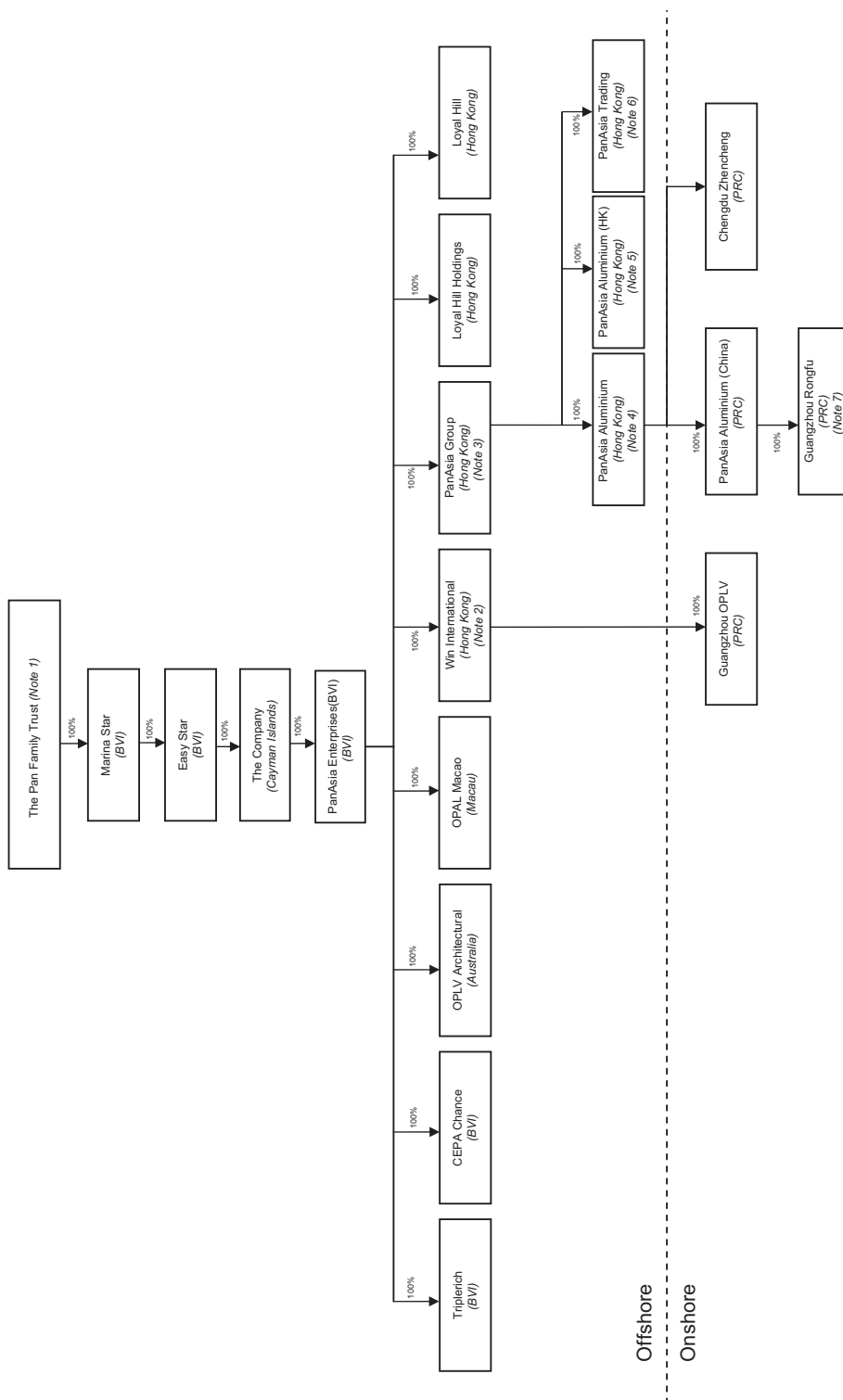
Note 6: One share of PanAsia Trading is held by PanAsia Aluminium on trust for PanAsia Group.

In preparation of Listing, our Group underwent the Reorganization pursuant to which the Company became the ultimate holding company of the other members of our Group.

Share Swap Between Our Company and Easy Star

On October 12, 2012, Easy Star transferred all of the shares it held in PanAsia Enterprises (BVI) to our Company. In consideration of which, our Company issued and allotted 999,999 Shares to Easy Star. Upon completion of such share swap, PanAsia Enterprises (BVI) became wholly owned by the Company, and all the companies held by PanAsia Enterprises (BVI) since then became subsidiaries of the Company.

Shareholding Structure Prior to the Completion of the Global Offering and the Capitalization Issue



Note 1: The entire issued share capital of Marina Star is registered in the name of HSBC International Trustee. HSBC International Trustee acts as trustee of The Pan Family Trust.

Note 2: One share of Win International is held by Mr. Marcus Pan on trust for PanAsia Enterprises (BVI).

Note 3: One share of PanAsia Group is held by CEPA Chance on trust for PanAsia Enterprises (BVI).

Note 4: One share of PanAsia Aluminium is held by PanAsia Enterprises (BVI) on trust for PanAsia Group.

Note 5: One share of PanAsia Aluminium (HK) is held by PanAsia Enterprises (BVI) on trust for PanAsia Group.

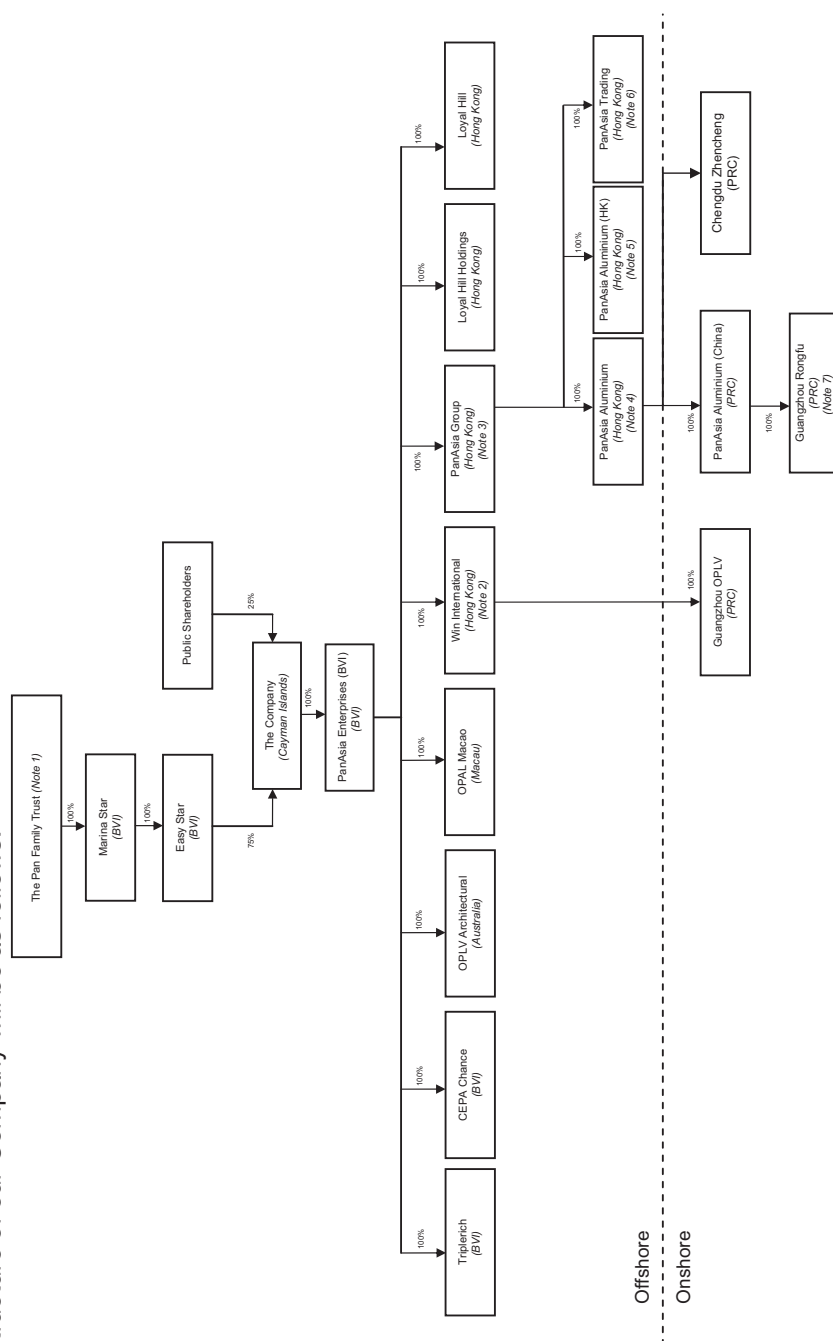
Note 6: One share of PanAsia Trading is held by PanAsia Enterprises (BVI) on trust for PanAsia Group.

Note 7: Established on May 10, 2012.

Capitalization Issue

Conditional upon the share premium account of our Company being credited as a result of the Global Offering, the Directors would be authorized to capitalize the amount of HK\$89,900,000 from such account and apply such sum in paying up in full a total of 899,000,000 Shares for the allotment and issue to the shareholders of our Company whose names appeared on the register of members of our Company at the close of business on the date the Capitalization Issue was approved by the shareholders on a pro rata basis.

Immediately following the completion of the Capitalization Issue and the Global Offering (assuming the Over-allotment Option is not exercised), the shareholding structure of our Company will be as follows:



Note 1: The entire issued share capital of Marina Star is registered in the name of HSBC International Trustee. HSBC International Trustee acts as trustee of The Pan Family Trust.
 Note 2: One share of Win International is held by Mr. Marcus Pan on trust for PanAsia Enterprises (BVI).
 Note 3: One share of PanAsia Group is held by CEPA Chance on trust for PanAsia Enterprises (BVI).
 Note 4: One share of PanAsia Aluminium is held by PanAsia Enterprises (BVI) on trust for PanAsia Group.
 Note 5: One share of PanAsia Aluminium (HK) is held by PanAsia Enterprises (BVI) on trust for PanAsia Group.
 Note 6: One share of PanAsia Trading is held by PanAsia Aluminium on trust for PanAsia Group.
 Note 7: Established on May 10, 2012.

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M&A Rules

On August 8, 2006, six PRC governmental and regulatory agencies, including MOFCOM and CSRC, promulgated the Rules on Acquisition of Domestic Enterprises by Foreign Investors (《關於外國投資者併購境內企業的規定》) (the “M&A Rules”), a regulation with respect to the mergers with and acquisitions of domestic enterprises by foreign investors that became effective on September 8, 2006 and revised on June 22, 2009. Under the M&A Rules, an offshore special purpose vehicle formed for listing purposes and controlled, directly or indirectly, by PRC companies or individuals, in cases where its shareholder or itself purchases the equities of the shareholders of a domestic company or subscribes for the increased capital of a domestic company by paying with its equities or additional issued shares, shall be required to obtain approval from the China Securities Regulatory Commission prior to the listing and trading of the securities of such offshore special purpose vehicle on an overseas stock exchange. In accordance with the M&A Rules, “takeover of a domestic enterprise by a foreign investor” means that the foreign investor purchases by agreement the equities of the shareholders of a domestic non-foreign-invested enterprise (“Domestic Enterprise”) or subscribes to the increased capital of a Domestic Enterprise, thus changing the Domestic Enterprise into a foreign-invested enterprise; or, a foreign investor establishes a foreign investment enterprise, through which it purchases by agreement the assets of a Domestic Enterprise and owns its assets; or, a foreign investor purchases by agreement the assets of a Domestic Enterprise, and then invests such assets to establish a foreign-invested enterprise and owns the assets.

Our PRC legal advisers, Jingtian & Gongcheng, have advised us that our subsidiaries in the PRC are not subject to the M&A Rules because they were set up by their investors in accordance with PRC laws and regulations regulating foreign direct investment directly and there is no such acquisition of domestic enterprises by foreign investors (as defined in the M&A Rules) involved in the Reorganization; and as of the Latest Practicable Date, neither our Company nor any of our subsidiaries in the PRC was required to obtain approvals or permits from any relevant PRC government authorities or departments or complete any other legal procedures or register with any other PRC government authorities or departments for the purpose of the Listing.