

A. FURTHER INFORMATION ABOUT OUR GROUP**1. Incorporation of Our Company**

We were incorporated in the Cayman Islands under Cayman Companies Law as an exempted company with limited liability on September 24, 2012. We have established a principal place of business in Hong Kong at Level 28, Three Pacific Place, 1 Queen's Road East, Hong Kong and have been registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part XI of the Companies Ordinance on May 14, 2013 under the same address. Kam Mei Ha, Wendy and Wong Wai Yee, Ella have been appointed as the authorized representatives of our Company for the acceptance of service of process and notices on behalf of our Company in Hong Kong.

As we were incorporated in the Cayman Islands, our corporate structure and Memorandum of Association and Articles of Association are subject to the relevant laws and regulations of the Cayman Islands. A summary of the relevant laws and regulations of the Cayman Islands and of the Memorandum of Association and Articles of Association is set out in the section headed "Summary of the Constitution of Our Company and Cayman Companies Law" in Appendix III to this prospectus.

2. Changes in the Share Capital of Our Group***Our Company***

As of the date of incorporation of our Company, our Company had an authorized share capital of HK\$380,000, divided into 38,000,000 shares of a nominal or par value of HK\$0.01 each. One share of HK\$0.01 was allotted and issued at nominal or par value to the initial subscriber of the Company, and transferred on the same day to Magic Frontier, a company indirectly wholly owned by our Controlling Shareholders.

The following changes in the share capital of our Company have taken place since the date of incorporation of our Company up to the date of this prospectus:

- On April 23, 2013, the authorized share capital of our Company was increased from HK\$380,000 to HK\$20,000,000 by the creation of an additional 1,962,000,000 shares with a nominal value of HK\$0.01 each.

The following changes in the share capital of our Company will take place after the date of this prospectus:

- Immediately after the Underwriting Agreements becoming unconditional and prior to commencement of dealings in our Shares on the Stock Exchange, Magic Frontier will declare a dividend, to be satisfied in specie, by the transfer of the entire share capital in our Company to Success Intergrow.
- Immediately thereafter, we will allot and issue 799,999,999 Shares to Success Intergrow credited as fully paid.
- Immediately thereafter, Success Intergrow will transfer all our issued Shares to Eagle Seeker and the Financial Investors.

Immediately following the completion of the Global Offering but without taking into account any Shares which may be issued upon the exercise of the Over-allotment Option and Shares issued or to be issued under the RSU Scheme, the issued share capital of our Company will be HK\$10,751,260, divided into 1,075,126,000 Shares of HK\$0.01 each, all fully paid or credited as fully paid and 924,874,000 Shares of HK\$0.01 each will remain unissued.

Save as disclosed above and in this prospectus, there has been no alteration in the share capital of our Company since our incorporation.

3. Resolutions in Writing of the Sole Shareholder of Our Company Passed on May 20, 2013

Pursuant to the written resolutions passed by the Sole Shareholder on May 20, 2013:

- (a) our Company approved and adopted the Articles of Association conditional upon Listing;
- (b) conditional on (1) the Listing Committee granting the listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in this prospectus, (2) the Offer Price being fixed on the Price Determination Date and (3) the obligations of the Underwriters under the Underwriting Agreements becoming unconditional and not being terminated in accordance with the terms therein or otherwise, in each case on or before such dates as may be specified in the Underwriting Agreements:
 - (i) the Global Offering and the Over-allotment Option were approved and the Directors were authorized to allot and issue the new Shares pursuant to the Global Offering and the Over-allotment Option;
 - (ii) the proposed Listing was approved and the Directors were authorized to implement the Listing;
 - (iii) a general unconditional mandate was granted to the Directors authorizing them to exercise all the powers of our Company to allot, issue and deal with Shares or securities convertible into Shares and to make or grant offers, agreements and options (including but not limited to warrants, bonds, debentures, notes and other securities convertible into Shares) which would or might require such Shares to be allotted and issued, whether during the continuance of such mandate or thereafter (otherwise pursuant to (a) a rights issue, (b) any scrip dividend scheme or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles of Association, or (c) the grant of the RSU award, or (d) the exercise of any subscription or conversion rights attaching to any warrants, bonds, debentures, notes or other securities which are convertible into Shares in issue prior to the date of passing of the relevant resolution, or (e) the Global Offering, or (f) a specific authority granted by the Shareholders in general meeting), provided that the aggregate nominal value of Shares allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to an option or otherwise) shall not exceed 20% of the aggregate nominal value of the share capital of our Company in issue immediately following the completion of the Global Offering, such mandate to remain in effect during the period from the passing of the resolution until the earliest of the conclusion of our next annual general meeting, the expiration of the period within which we are required by any applicable law or the Articles of Association to hold our next annual general meeting and the passing of an ordinary resolution of the Shareholders in general meeting revoking or varying such mandate (the "**Applicable Period**");
 - (iv) a general unconditional mandate was granted to the Directors authorizing them to exercise all the powers of our Company to repurchase the Shares on the Stock Exchange or on any other stock exchange on which the securities of our Company may be listed and which is recognized by the SFC and the Stock Exchange for this purpose, with an aggregate nominal value not exceeding 10% of the aggregate nominal value of the share capital of our Company in issue immediately following completion of the Global Offering, such mandate to remain in effect during the Applicable Period;

- (v) subject to the passing of resolutions set out in paragraph (iii) and (iv) above, the unconditional general mandate mentioned in paragraph (iii) above be extended by the addition to the aggregate nominal value of the share capital of our Company which may be allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the Directors pursuant to such general mandate of an amount representing the aggregate nominal value of the Shares repurchased by our Company pursuant to the mandate to repurchase Shares referred to in paragraph (iv) above, provided that such extended amount shall not exceed 10% of the aggregate nominal value of the share capital of our Company in issue immediately following completion of the Global Offering; and
- (c) conditional on (1) the Listing Committee granting the listing of, and permission to deal in, the Shares underlying the RSU Awards which may be granted pursuant to the RSU Scheme and (2) the commencement of trading of the Shares on the Stock Exchange, the adoption of the RSU Scheme was approved and the Board or any committee thereof was authorized to grant RSU Awards pursuant to the RSU Scheme and to allot and issue Shares, procure the transfer of, and otherwise deal with Shares in connection with the RSU Scheme.

4. Our Corporate Reorganization

The companies comprising the Group underwent the Reorganization in preparation for the Listing. Please refer to the section headed "History and Reorganization – Reorganization" in this prospectus for further details.

5. Changes in the Share Capital of Our Subsidiaries

Our subsidiaries are referred to in the Accountants' Report, the text of which is set out in Appendix I to this prospectus. Save for the subsidiaries mentioned in the Accountants' Report, we do not have any other subsidiaries.

The following alterations in the share capital (or registered share capital, as the case may be) of our subsidiaries have taken place within the two years immediately preceding the date of this prospectus.

Crystalline Prestige

On September 26, 2012 Crystalline Prestige was incorporated in the British Virgin Islands with an authorized share capital of 50,000 ordinary shares of US\$0.01 par value each, and allotted and issued one share of US\$0.01 par value to the Company for a consideration of US\$0.01.

ACE Manufacturing

On January 16, 2012, ACE Manufacturing was incorporated in Hong Kong with a share capital of HK\$10,000 divided into 10,000 shares of HK\$1.00 par value each, and allotted and issued 100 shares of HK\$1.00 par value each to Magic Frontier for a consideration of HK\$100.

On September 27, 2012, Magic Frontier transferred its 100 shares of HK\$1.00 par value each in ACE Manufacturing to Crystalline Prestige for a consideration of HK\$100. As a result, ACE Manufacturing became an indirectly wholly owned subsidiary of our Company.

LC Gloricar

LC Gloricar was incorporated on August 29, 2011 in the British Virgin Islands with an authorized share capital of 100,000,000 ordinary shares of US\$0.01 par value each. On the same day, LC Gloricar allotted and issued 1,000,000 shares of US\$0.01 each to the initial subscribers, comprising 562,437 shares, 41,011 shares, 284,483 shares, 60,345 shares, 25,862 shares and 25,682 shares for a consideration of US\$5,624.37, US\$410.11, US\$2,844.83, US\$603.45, US\$258.62 and US\$258.62, respectively.

On September 20, 2012, pursuant to a share exchange agreement dated March 5, 2012 under which Success Intergrow received certain cash consideration and issued preferred shares to the initial subscribers, the initial subscribers transferred all their shares in LC Gloricar to Magic Frontier which is a wholly owned subsidiary of Success Intergrow.

On September 28, 2012, Magic Frontier transferred all its shares in LC Gloricar to Crystalline Prestige pursuant to a share transfer agreement dated September 28, 2012 in consideration for US\$10,000. As a result, LC Gloricar became an indirectly wholly owned subsidiary of our Company.

Daoable Future

On August 2, 2011, Daoable Future was incorporated in Hong Kong with a share capital of US\$10,000 divided into 100,000,000 shares of US\$0.0001 par value each, and allotted and issued 1,000,000 shares of US\$0.0001 par value each to LC Fund V for a consideration of US\$100.

On September 8, 2011, LC Fund V transferred its 1,000,000 shares of US\$0.0001 par value each in Daoable Future to LC Gloricar for a consideration of US\$100. As a result, Daoable Future became a wholly-owned subsidiary of LC Gloricar.

Hexie Auto

Hexie Auto was established on November 10, 2011 in the PRC with a registered capital of RMB10 million. On March 14, 2012, Hexie Auto's registered capital was increased to RMB170 million which has been fully paid up. On November 26, 2012, Hexie Auto's registered capital was increased to RMB245 million which has been fully paid up.

Yuanda Lexus

Yuanda Lexus was established on October 19, 2006 in the PRC with a registered share capital of RMB20 million. On March 25, 2011, Yuanda Lexus's registered capital was increased to RMB50 million which has been fully paid up.

Yudebao

Yudebao was established on May 8, 2009 in the PRC with a registered share capital of RMB10 million. On October 9, 2010, Yudebao's registered capital was increased to RMB30 million which has been fully paid up.

Zhengdebao

Zhengdebao was established on July 24, 2009 in the PRC with a registered share capital of RMB20 million. On May 4, 2011, Zhengdebao's registered capital was increased to RMB40 million which has been fully paid up.

Zhongdebao

Zhongdebao was established on March 4, 2005 in the PRC with a registered share capital of RMB20 million. On November 3, 2005, Zhongdebao's registered capital was increased to RMB30 million which has been fully paid up. On October 26, 2011, Zhongdebao's registered capital was increased to RMB42.86 million which has been fully paid up.

Luohe Luodebao

Luohe Luodebao was established on April 17, 2013 in the PRC with a registered share capital of RMB1 million. On April 28, 2013, Luohe Laode's registered capital was increased to RMB10 million which has been fully paid up.

Suzhou Yijun

Suzhou Yijun was established on October 24, 2012 in the PRC with a registered share capital of RMB20 million. On December 7, 2012, Suzhou Yijun's registered capital was increased to RMB50 million which has been fully paid up.

Save as disclosed above, there have been no alterations in the share capital of our subsidiaries within the two years immediately preceding the date of this prospectus.

6. Repurchases of Our Own Securities**(a) Provisions of the Listing Rules**

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their own securities on the Stock Exchange subject to certain restrictions, the more important of which are summarized below.

(i) Shareholders' Approval

All proposed repurchases of securities (which must be fully paid up in the case of shares) by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of the shareholders in general meeting, either by way of general mandate or by specific approval of a particular transaction.

Pursuant to a resolution passed by our then Shareholders on May 20, 2013, a general unconditional mandate (the "**Repurchase Mandate**") was given to the Directors authorizing any repurchase by our Company of Shares on the Stock Exchange or on any other stock exchange on which the securities may be listed and which is recognized by the SFC and the Stock Exchange for this purpose, of not more than 10% of the aggregate nominal value of our Company's share capital in issue immediately following the completion of the Global Offering (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option), such mandate to expire at the conclusion of our next annual general meeting, the date by which our next annual general meeting is required by the Cayman Companies Law or by our Articles of Association or any other applicable laws of the Cayman Islands to be held or when revoked or varied by an ordinary resolution of Shareholders in general meeting, whichever first occurs.

(ii) Source of Funds

Repurchases must be funded out of funds legally available for the purpose in accordance with the Memorandum and the Articles of Association of our Company and the Listing Rules and the applicable laws of the Cayman Islands. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Subject to the foregoing, any repurchases by our Company may be made out of the profits of our Company or out of a fresh issue of Shares made for the purpose of the repurchase or, out of share premium account or subject to the Cayman Companies Law, out of capital and, in the case of any premium payable on the purchase, out of the profits of our Company or from sums standing to the credit of the share premium account of our Company or, subject to the Cayman Companies Law, out of capital.

(iii) Trading Restrictions

The total number of shares which a listed company may repurchase on the Stock Exchange is the number of shares representing up to a maximum of 10% of the aggregate number of shares in issue. A company may not issue or announce a proposed issue of new securities for a period of 30 days immediately following a repurchase (other than an issue of securities pursuant to an exercise of

warrants, share options or similar instruments requiring the company to issue securities which were outstanding prior to such repurchase) without the prior approval of the Stock Exchange. In addition, a listed company is prohibited from repurchasing its shares on the Stock Exchange if the purchase price is 5% or more than the average closing market price for the five preceding trading days on which its shares were traded on the Stock Exchange. The Listing Rules also prohibit a listed company from repurchasing its securities if the repurchase would result in the number of listed securities which are in the hands of the public falling below the relevant prescribed minimum percentage as required by the Stock Exchange. A company is required to procure that the broker appointed by it to effect a repurchase of securities discloses to the Stock Exchange such information with respect to the repurchase as the Stock Exchange may require.

(iv) Status of Repurchased Shares

All repurchased securities (whether effected on the Stock Exchange or otherwise) will be automatically delisted and the certificates for those securities must be cancelled and destroyed.

(v) Suspension of Repurchase

A listed company may not make any repurchase of securities after a price sensitive development has occurred or has been the subject of a decision until such time as the price sensitive information has been made publicly available. In particular, during the period of one month immediately preceding the earlier of (a) the date of the board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of a listed company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules) and (b) the deadline for publication of an announcement of a listed company's results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), the listed company may not repurchase its shares on the Stock Exchange other than in exceptional circumstances. In addition, the Stock Exchange may prohibit a repurchase of securities on the Stock Exchange if a listed company has breached the Listing Rules.

(vi) Reporting Requirements

Certain information relating to repurchases of securities on the Stock Exchange or otherwise must be reported to the Stock Exchange not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the following business day. In addition, a listed company's annual report is required to disclose details regarding repurchases of securities made during the year, including a monthly analysis of the number of securities repurchased, the purchase price per share or the highest and lowest price paid for all such repurchases, where relevant, and the aggregate prices paid.

(vii) Connected Persons

A listed company is prohibited from knowingly repurchasing securities on the Stock Exchange from a "connected person", that is, a director, chief executive or substantial shareholder of the company or any of its subsidiaries or their associates and a connected person is prohibited from knowingly selling his securities to the company.

(b) Reasons for Repurchases

The Directors believe that the ability to repurchase Shares is in the interests of our Company and the Shareholders. Repurchases may, depending on the circumstances, result in an increase in the net assets and/or earnings per Share. The Directors sought the grant of a general mandate to repurchase Shares to give our Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regard to the circumstances then pertaining.

(c) Funding of Repurchases

In repurchasing securities, our Company may only apply funds lawfully available for such purpose in accordance with its Memorandum and Articles of Association, the Listing Rules and the applicable laws of the Cayman Islands.

It is not envisaged that any repurchase of Shares pursuant to the general mandate (including repurchase of the maximum number of Shares under such mandate effected in full at any time during the period of the mandate) would have a material adverse impact on the working capital and/or gearing position of the Company.

(d) General

The exercise in full of the repurchase mandate, on the basis of 1,075,126,000 Shares in issue immediately following the completion of the Global Offering and excluding the Shares that may be issued pursuant to the Over-allotment Option and the Shares issued or to be issued under the RSU Scheme, could accordingly result in up to approximately 107,512,600 Shares being repurchased by our Company during the period prior to:

- (i) the conclusion of our next annual general meeting; or
- (ii) the end of the period within which we are required by any applicable law or our Articles of Association to hold our next annual general meeting; or
- (iii) the date when the repurchase mandate is varied or revoked by an ordinary resolution of our Shareholders in general meeting,

whichever is the earliest.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates currently intends to sell any Shares to our Company.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the repurchase mandate in accordance with the Listing Rules, the Memorandum and Articles of Association of the Company and the applicable laws of the Cayman Islands.

If, as a result of any repurchase of Shares, a Shareholder's proportionate interest in the voting rights of our Company is increased, such increase will be treated as an acquisition for the purposes of the Hong Kong Code on Takeovers and Mergers (the "Takeovers Code"). Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of our Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the repurchase mandate.

No connected person of our Company has notified our Company that he or she has a present intention to sell Shares to our Company, or has undertaken not to do so, if the repurchase mandate is exercised.

B. FURTHER INFORMATION ABOUT OUR BUSINESS**1. Summary of Material Contracts**

The following contracts (not being contracts entered into in the ordinary course of business) were entered into by our Company or its subsidiaries within the two years preceding the date of this prospectus and are or may be material:

- (a) a share exchange agreement dated March 5, 2012 entered into between Success Intergrow, LC Gloricar, Mr. Feng, the Shareholder (as defined therein), the Investors (as defined therein), Magic Frontier, Ace Manufacturing, Daoable Future, Zhongdebao, Hexie Industrial Group and Hexie Auto;
- (b) a shareholders agreement dated March 5, 2012 entered into between Success Intergrow, LC Gloricar, Eagle Seeker, Magic Frontier, Ace Manufacturing, Daoable Future, Hexie Auto, Zhongdebao, Mr. Feng and the Investors (as defined therein);
- (c) the IPO Reorganization Agreement;
- (d) the Hong Kong Underwriting Agreement;
- (e) the Deed of Non-Competition; and
- (f) the Deed of Indemnity.

2. Intellectual Property Rights of the Group

As of the Latest Practicable Date, we have registered or have applied for the registration of the following intellectual property rights which are material in relation to our business.


(a) Domain Names

As of the Latest Practicable Date, we have registered the following domain names:

Domain Name	Registrant	Expiry Date
(1) hexieauto.cn	Hexie Auto	August 2, 2015
(2) hexieauto.com.cn	Hexie Auto	August 2, 2015
(3) hexieauto.com	Hexie Auto	August 2, 2015
(4) hexieauto.net	Hexie Auto	August 2, 2015

(b) Trademarks

As of the Latest Practicable Date, we had applied for the registration of the following trademarks:

Trademark	Territory of Registration	Applicant	Class	Application Number
	Hong Kong	China Harmony Auto Holding Limited	35,36,37,42,45 (Note)	302449963

Notes:

Class 35: Advertising; business management; business administration; office functions.

Class 36: Insurance; financial affairs; monetary affairs; real estate affairs.

Class 37: Building construction; repair; installation services.

Class 42: Scientific and technological services and research and design relating thereto; industrial analysis and research services; design and development of computer hardware and software.

Class 45: Legal services; security services for the protection of property and individuals; personal and social services rendered by others to meet the needs of individuals.

C. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**1. Disclosure of Interests****(a) Interests of the Directors and the Chief Executive of Our Company**

Immediately following the completion of the Global Offering and without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option, the interests or short positions of the Directors and chief executive of our Company in the shares, underlying shares and debentures of our Company or our associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to Section 352 of the SFO, to be entered in the register referred to in that section, or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules, to be notified to our Company and the Stock Exchange, once the Shares are listed, will be as follows:

Name of Director	Name of Corporation	Capacity/Nature of Interest	Number of Underlying Shares	Approximate % shareholding interest immediate following the completion of the Global Offering ⁽³⁾
Mr. Feng ⁽¹⁾	Company	Interests in a controlled corporation	686,720,000	62.76%
Mr. Yu Feng ⁽²⁾	Company	Beneficial owner	2,662,994	0.24%
Mr. Yang Lei ⁽²⁾	Company	Beneficial owner	2,506,347	0.23%
Mr. Fong Heung Sang, Addy (Dexter) ⁽²⁾	Company	Beneficial owner	2,036,407	0.19%
Mr. Cui Ke ⁽²⁾	Company	Beneficial owner	1,879,760	0.17%
Ms. Liu Wei ⁽²⁾	Company	Beneficial owner	1,801,437	0.16%

Notes:

- (1) Mr. Feng is deemed to be interested in the Shares held by Eagle Seeker by virtue of Eagle Seeker being controlled by Mr. Feng. Ms. Ma is Mr. Feng's spouse and is therefore deemed to be interested in all the Shares in which Mr. Feng is interested in.
- (2) These represent Shares underlying the RSU Awards granted to the relevant Director pursuant to the RSU Scheme. For further details, please refer to the section headed "– D. Restricted Share Unit Scheme – Outstanding RSU Awards Granted" below.
- (3) The percentage shareholding interest is calculated assuming the Over-allotment Option is not exercised and the vesting of all the RSU Awards granted pursuant to the RSU Scheme immediately following the completion of the Global Offering.

(b) Interests of the Substantial Shareholders

Information on the persons, not being Directors or chief executive of our Company, who will have, immediately following the completion of the Global Offering and without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option, an interest or short position in the Shares and the underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFC is set out in the section headed "Substantial Shareholders" of this prospectus.

So far as our Directors are aware, as at the date of this prospectus, the following persons (excluding us) are directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of our Group:

Member of our Group	Person with 10% or more interest (other than us)	Total Registered Capital	Approximate % of that person's Interest
Shangdebaojun	Zhu Jiangming	RMB50,000,000	10
Yichang Lushun	Yichang Xingshun	RMB10,000,000	35
Xinxiang Hedebao	Du Gewei	RMB10,000,000	49

2. Directors' Service Contracts

Each of our executive Directors has entered into a service agreement with us for an initial fixed period of three years commencing from their respective date of appointment unless terminated earlier. The appointments of the executive Directors are subject to the provisions of retirement and rotation of Directors under the Articles of Association of our Company.

Each of our non-executive Director and independent non-executive Directors has signed an appointment letter with us for an initial fixed period of three years commencing from their respective date of appointment. Under their respective appointment letters, each of the independent non-executive Directors is entitled to a fixed director's fee of HK\$300,000 per annum while the non-executive Director is not entitled to any remuneration. The appointments are subject to the provisions of retirement and rotation of Directors under the Articles of Associations of our Company.

Save as disclosed above, none of the Directors has entered or has proposed to enter into a service contract with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

3. Directors' Competing Interests

None of our Directors are interested in any business apart from the Group's business which competes or is likely to compete, directly or indirectly, with the business of the Group.

4. Disclaimers

Save as disclosed in this prospectus:

- (a) none of the Directors or chief executive of our Company has any interests or short positions in the shares, underlying shares and debentures of our Company or our associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which he is taken or deemed to have taken under such provisions of the SFO) or which will be required, pursuant to Section 352 of the SFO, to be entered in the register referred to in that section, or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, to be notified to our Company and the Stock Exchange, once the Shares are listed on the Stock Exchange;
- (b) so far as is known to any Director or chief executive of our Company, no person has an interest or short position in the Shares and underlying Shares which would fall to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or is, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group;
- (c) none of the Directors nor any of the persons listed in the section headed “– E. Other Information 5. – Qualification of Experts” below is interested in the promotion of, or in any assets which have been, within the two years immediately preceding the issue of this prospectus, acquired or disposed of by or leased to, any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group;
- (d) none of the Directors nor any of the persons listed in the section headed “– E. Other Information – 5. Qualification of Experts” below is materially interested in any contract or arrangement with the Group subsisting at the date of this prospectus which is unusual in its nature or conditions or which is significant in relation to the business of the Group as a whole;
- (e) save in connection with Underwriting Agreements, none of the persons listed in the section headed “– E. Other Information – 5. Qualification of Experts” below has any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and
- (f) save as contemplated under the Underwriting Agreements, none of our Directors, their respective associates (as defined under the Listing Rules), or Shareholders who are interested in more than 5% of the issued share capital of our Company, has any interest in our Company’s five largest customer and five largest suppliers.

D. RESTRICTED SHARE UNIT SCHEME

The following is a summary of the principal terms of our RSU Scheme conditionally approved and adopted by our shareholders on May 20, 2013. The RSU Scheme is not subject to the provisions of Chapter 17 of the Listing Rules as the RSU Scheme does not involve the grant of options by our Company to subscribe for new Shares.

1. Purposes of the RSU Scheme

The purpose of the RSU Scheme is to attract skilled and experienced personnel, to incentivize them to remain with the Group and to motivate them to strive for the future development and expansion of the Group by providing them with the opportunity to own equity interests in our Company.

2. RSU Awards

An RSU Award gives a participant in the RSU Scheme (the “**RSU Participant**”) a conditional right when the RSU Award vests to obtain either Shares or an equivalent value in cash with reference to the market value of the Shares on or about the date of vesting, as determined by the Board in its absolute discretion. An RSU Award may include, if so specified by the Board in its entire discretion, cash and non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of those Shares.

3. Participants in the RSU Scheme

Persons eligible to receive RSU Awards under the RSU Scheme are existing employees, directors (whether executive or non-executive, but excluding independent non-executive directors) or officers of the Company or any of our subsidiaries (“**RSU Eligible Persons**”). The Board selects the RSU Eligible Persons to receive RSU Awards under the RSU Scheme at its discretion.

4. Status of the RSU Scheme

(a) Conditions of the RSU Scheme

The RSU Scheme is conditional upon:

- (i) the passing by sole shareholder of a resolution to approve the adoption of the RSU Scheme and to authorize the Board to grant RSU Awards under the RSU Scheme and to allot and issue, procure the transfer of, and otherwise deal with Shares in connection with the RSU Scheme (which occurred on May 20, 2013);
- (ii) the Listing Committee of the Hong Kong Stock Exchange granting the listing of and permission to deal in the Shares underlying any RSU Awards which may be granted pursuant to the RSU Scheme; and
- (iii) the commencement of trading of the Shares on the Hong Kong Stock Exchange, (the “**RSU Conditions**”).

(b) Term of the RSU Scheme

Subject to the RSU Conditions being satisfied, the RSU Scheme will be valid and effective for a period of 10 years, commencing on the date of its adoption by our sole shareholder (unless it is terminated earlier in accordance with its terms) (the “**RSU Scheme Period**”), after which period no further RSU Awards shall be granted or accepted, but the provisions of the RSU Scheme shall remain in full force and effect in order to give effect to the vesting of RSU Awards granted and accepted prior to the expiration of the RSU Scheme Period.

5. Grant and Acceptance

(a) Making an Offer

An offer to grant an RSU Award will be made to an RSU Eligible Person selected by the Board (“**RSU Selected Person**”) by a letter, in such form as the Board may determine (“**RSU Grant Letter**”). The RSU Grant Letter will specify the value and the number of Shares underlying the RSU Award (or if the value and/or number of Shares is not available, the methodology by which that is calculated), the vesting criteria and conditions, the vesting schedule and such other details as the Board considers necessary, and will require the RSU Selected Person to undertake to hold the RSU Award on the terms on which it is granted and to be bound by the provisions of the RSU Scheme.

(b) Acceptance of an Offer

An RSU Selected Person accepts the grant of an RSU Award by sending a notice of acceptance (“**RSU Acceptance Notice**”) within the prescribed time and in such manner set out in the RSU Grant Letter. Once accepted, the RSU Award is granted from the date on which it was offered to the RSU Selected Person (“**RSU Grant Date**”). Upon acceptance, the RSU Selected Person becomes an RSU Participant in the RSU Scheme. Where the RSU Selected Person does not return the RSU Acceptance Notice within the time and in the manner prescribed, the RSU Award will lapse.

(c) Restrictions on Grants

The Board may not grant any RSU Awards to any RSU Selected Persons in any of the following circumstances:

- (i) the requisite approvals for that grant from any applicable regulatory authorities have not been granted;
- (ii) the securities laws or regulations require that a prospectus or other offering documents be issued in respect of the grant of the RSU Awards or in respect of the RSU Scheme, unless the Board determines otherwise;
- (iii) where granting the RSU Award would result in a breach by the Company, our subsidiaries or any of their directors of any applicable securities laws, rules or regulations;
- (iv) after a price sensitive event in relation to our securities has occurred or a price sensitive matter in relation to our securities has been the subject of a decision, until an announcement of such price sensitive information has been duly published in accordance with the Listing Rules; or
- (v) within the period commencing one month immediately preceding the earlier of:
 - (1) the date of our meeting of the Board (as such date is first notified to the Hong Kong Stock Exchange in accordance with the Listing Rules) for the approval of our results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
 - (2) the deadline to publish an announcement of our results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), and ending on the date of the results announcement; or
- (vi) where such grant of any RSU Award would result in a breach of the limits of the RSU Scheme (as set out in paragraph 6 below).

(d) Grants to Directors

Where any RSU Award is proposed to be granted to a Director, it shall not be granted on any day on which our financial results are published and during the period of:

- (i) 60 days immediately preceding the publication date of our annual results or, if shorter, the period from the end of our relevant financial year up to the publication date of our results and;
- (ii) 30 days immediately preceding the publication date of our quarterly results (if any) and half-year results or, if shorter, the period from the end of our relevant quarterly or half-year period up to the publication date of our results.

(e) Grants to Connected Persons

Before making any grant to a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, all of our independent non-executive Directors must approve the grant of the RSU Award, and such grants shall otherwise be subject to compliance with the Listing Rules.

6. Maximum Number of Shares pursuant to RSU Awards**(a) RSU Scheme Limit**

Subject to paragraph 6(b) below, no RSU Award shall be granted pursuant to the RSU Scheme if as a result of such grant (assumed accepted), the aggregate number of Shares (or, where cash is awarded in lieu of Shares, the aggregate number of Shares as are equivalent to the amount of cash so awarded (“**Share Equivalents**”)) underlying all grants made pursuant to the RSU Scheme (excluding RSU Awards that have lapsed or been cancelled in accordance with the rules of the RSU Scheme) will exceed in total 21,884,738 Shares, representing 2% of the number of Shares in issue on the Listing Date (the “**RSU Scheme Limit**”).

(b) Refreshment of RSU Scheme Limit

The RSU Scheme Limit may be refreshed from time to time subject to prior approval from our shareholders, but in any event the total number of Shares and Share Equivalents that may underlie the RSU Awards granted following the date of approval of the refreshed limit (the “**New Approval Date**”) under the limit as refreshed from time to time must not exceed 2% of the number of Shares in issue as of the relevant New Approval Date. Shares or Share Equivalents underlying RSU Awards granted under the RSU Scheme (including those outstanding, cancelled or vested RSU Awards) prior to such New Approval Date will not be counted for the purpose of determining the maximum aggregate number of Shares or Share Equivalents that may underlie the RSU Awards granted following the relevant New Approval Date.

(c) Annual Mandate

To the extent that the Company may, during the Relevant Period (defined below), grant RSU Awards pursuant to the RSU Scheme which may be satisfied by the Company allotting and issuing new Shares upon the vesting of the RSU Awards, the Company shall at its annual general meeting propose for our shareholders to consider and, if thought fit, pass an ordinary resolution approving a mandate specifying:

- (a) the maximum number of new Shares that may underlie RSU Awards granted pursuant to the RSU Scheme during the Relevant Period; and
- (b) that the Board has the power to allot and issue Shares, procure the transfer of Shares and otherwise deal with Shares pursuant to the vesting of any RSU Awards that are granted pursuant to the RSU Scheme during the Relevant Period as and when the RSU Awards vest.

The above mandate shall remain in effect during the period from the passing of the ordinary resolution granting the mandate until the earliest of:

- (A) the conclusion of our next annual general meeting;
- (B) the end of the period within which the Company is required by any applicable laws or by our Articles to hold our next annual general meeting; and

(C) the date on which such mandate is varied or revoked by an ordinary resolution of our shareholders in a general meeting,

(the “**Relevant Period**”).

In our annual reports the Company will disclose an analysis or reference of the fair value of the RSU Awards granted for the preceding financial year and the employee costs arising from such grants.

7. Rights Attached to RSU Awards

An RSU Participant does not have any contingent interest in any Shares underlying an RSU Award unless and until such Shares are actually transferred to the RSU Participant. Further, an RSU Participant may not exercise voting rights in respect of the Shares underlying their RSU Award and, unless otherwise specified by the Board in its entire discretion in the RSU Grant Letter to the RSU Participant, nor do they have any rights to any cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions from any Shares underlying an RSU Award.

8. Rights Attached to Shares

Any Shares transferred to an RSU Participant in respect of any RSU Award will be subject to all the provisions of the Articles and will form a single class with the fully paid Shares in issue on the date of the transfer or, if that date falls on a day when the register of members of the Company is closed, the first day of the reopening of the register of members, and accordingly will entitle the holder to participate in all dividends or other distributions paid or made on or after the date of the transfer or, if that date falls on a day when the register of members of the Company is closed, the first day of the reopening of the register of members.

9. Assignment of RSU Awards

RSU Awards granted pursuant to the RSU Scheme will be personal to each RSU Participant, and are not assignable. RSU Participants are prohibited from selling, transferring, assigning, charging, mortgaging, encumbering, hedging or creating any interest in favour of any other person over or in relation to any property held by the Trustee (as defined below) on trust for the RSU Participants, RSU Awards, Shares underlying any RSU Awards or any interest or benefits therein.

10. Vesting of RSU Awards

(a) General

The Board can determine the vesting criteria, conditions and the time when the RSU Awards will vest, but the date between the RSU Acceptance Notice and the date of vesting must be at least six months.

Within a reasonable time after the vesting criteria and conditions have been fulfilled, satisfied or waived, the Board will send a vesting notice (“**Vesting Notice**”) to each of the relevant RSU Participants. The Vesting Notice will confirm the extent to which the vesting criteria and conditions have been fulfilled, satisfied or waived, and the number of Shares (and, if applicable, the cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of those Shares) or the amount of cash the RSU Participant will receive.

(b) Appointment of Trustee

The Company intends to appoint a professional trustee (the “**Trustee**”) to hold Shares underlying the RSU Awards granted to RSU Participants pending the vesting of the RSU Awards. The Trustee shall subscribe for new Shares or purchase existing Shares from the market. The Company or our subsidiaries shall provide funds to enable the Trustee to subscribe for Shares or to make such on-market purchases of Shares.

(c) Award in Cash or Shares

Subject to the RSU Participant executing all documents that the Board considers necessary for vesting (which may include, without limitation, a certification to the Company or our relevant subsidiary that he/she has complied with all the terms and conditions set out in the rules of the RSU Scheme and the RSU Grant Letter), the Board may decide at its absolute discretion to:

- (i) direct and procure the Trustee to transfer the Shares underlying the RSU Award (and, if applicable, the cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of those Shares) to the RSU Participant which the Trustee has either acquired by making on-market purchases of Shares or which the Company has allotted and issued to the Trustee as fully paid up Shares; or
- (ii) pay, or direct and procure the Trustee to pay, to the RSU Participant in cash an amount which is equivalent to the value of the Shares (and, if applicable, the cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of those Shares) set out in paragraph 10(c)(i) above.

If an RSU Participant fails to execute the required documents in accordance with the Vesting Notice, the RSU Participant's RSU Award will lapse.

(d) Rights on a Takeover

If a general offer to acquire the Shares (whether by takeover offer, merger, or otherwise in a like manner) is made to all of our shareholders (or shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror) and the general offer to acquire the Shares is approved and the offer becomes or is declared unconditional in all respects, an RSU Participant's RSU Award will vest immediately to the extent specified in a notice given by the Company to the RSU Participant, even if the vesting period has not yet commenced.

(e) Rights on a Compromise or Arrangement

If a compromise or arrangement between the Company and our shareholders or creditors is proposed in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies and a notice is given by the Company to our shareholders to convene a general meeting to consider and if thought fit approve such compromise or arrangement, an RSU Participant's RSU Award will vest immediately to the extent specified in a notice given by the Company to the RSU Participant, even if the vesting period has not yet commenced.

(f) Rights on a Voluntary Winding-Up

If an effective resolution is passed during the RSU Scheme Period for the voluntary winding-up of the Company (other than for the purposes of a reconstruction, amalgamation or scheme of arrangement), all outstanding RSU Awards shall be treated as having vested immediately before the passing of such resolution to the extent represented by the proportion that (A) the time between the RSU Grant Date and the passing of the resolution bears to (B) the entire vesting period set out in the RSU Grant Letter. No Shares will be transferred, and no cash alternative will be paid, to the RSU Participant, but the RSU Participant will be entitled to receive out of the assets available in liquidation on an equal basis with our shareholders such sum as they would have received in respect of the RSU Award.

11. Lapse of RSU Awards**(a) Full Lapse of RSU Award**

An RSU Award will automatically lapse immediately where:

- (i) such RSU Participant's employment or service terminates for any reason, except (A) the employment or service is terminated by reason of death, retirement or disability, (B) where the employment is terminated involuntarily without cause, (C) where the company employing the RSU Participant ceases to be one of our subsidiaries or (D) any other incident occurs as the Board may at its discretion specify; or
- (ii) the RSU Participant makes any attempt or takes any action to sell, transfer, assign, charge, mortgage, encumber, hedge or create any interest in favour of any other person over or in relation to any Shares underlying the RSU Award or any interests or benefits pursuant to the RSU Award.

(b) Partial Lapse of RSU Award

An RSU Participant's RSU Award will lapse on a proportional basis based on the proportion that

- (A) the time between the RSU Grant Date and the occurrence of the following relevant event bears to
- (B) the entire vesting period set out in the RSU Participant's RSU Grant Letter if:
 - (i) the RSU Participant's employment or service is terminated because of the RSU Participant's death, retirement or disability;
 - (ii) the RSU Participant's employment or service is terminated involuntarily without cause;
 - (iii) the company with which the RSU Participant is employed ceases to be one of our subsidiaries; or
 - (iv) any other incident occurs as the Board may at its discretion specify,

provided that the performance criteria set out in the RSU Grant Letter have been fully satisfied and fulfilled, if capable of being satisfied or fulfilled, with reference to the date of occurrence of that event (on an annualised basis if applicable).

12. Cancellation of RSU Awards

The Board may at its discretion cancel any RSU Award that has not vested or lapsed, provided that:

- (i) the Company or our subsidiaries pay to the RSU Participant an amount equal to the fair value of the RSU Award at the date of the cancellation as determined by the Board, after consultation with our auditors or an independent financial adviser appointed by the Board;
- (ii) the Company or our relevant subsidiary provides to the RSU Participant a replacement RSU Award (or a grant or option under any other restricted share unit scheme, share option scheme or share-related incentive scheme) of equivalent value to the RSU Award to be cancelled; or
- (iii) the Board makes any arrangement as the RSU Participant may agree in order to compensate him/her for the cancellation of the RSU Award.

13. Reorganisation of Capital Structure

In the event of any capitalisation issue, rights issue, consolidation, sub-division or reduction of the share capital of the Company, the Board may make such equitable adjustments, designed to protect the RSU Participants' interests, to the number of Shares underlying the outstanding RSU Awards or to the amount of the equivalent value, as it may deem appropriate at its absolute discretion.

14. Amendment of the RSU Scheme

Save as provided in the RSU Scheme, the Board may alter any of the terms of the RSU Scheme at any time. Written notice of any amendment to the RSU Scheme shall be given to all RSU Participants.

Any changes to the authority of the Board in relation to any alteration of the terms of the RSU Scheme shall not be made without the prior approval of our shareholders in general meeting.

Any alterations to the terms and conditions of the RSU Scheme which are of a material nature or any changes to the terms of the RSU Awards granted must be approved by our shareholders in general meeting, except where the alterations or changes take effect automatically under the existing terms of the RSU Scheme. The Board's determination as to whether any proposed alteration to the terms and conditions of the RSU Scheme is material shall be conclusive.

15. Termination of the RSU Scheme

The Board may terminate the RSU Scheme at any time before the expiry of the RSU Scheme Period and no further RSU Awards shall be granted. The Company or our relevant subsidiary shall notify the Trustee and all RSU Participants of such termination and of how any property held by the Trustee on trust for the RSU Participants (including, but not limited to, any Shares held) and the outstanding RSU Awards shall be dealt with.

16. Administration of the RSU Scheme

The Board has the power to administer the RSU Scheme, including the power to construe and interpret the rules of the RSU Scheme and the terms of the RSU Awards granted under it. The Board may delegate the authority to administer the RSU Scheme to a committee of the Board. The Board may also appoint one or more independent third party contractors to assist in the administration of the RSU Scheme and delegate such powers and/or functions relating to the administration of the RSU Scheme as the Board thinks fit.

The Board's determinations under the RSU Scheme need not be uniform and may be made by it selectively with respect to persons who receive, or are eligible to receive, RSU Awards under it. If a Director is an RSU Participant he/she may, notwithstanding his/her own interest and subject to our Articles, vote on any Board resolution concerning the RSU Scheme (other than in respect of his/her own participation in it), and may retain RSU Awards under it.

Each RSU Participant waives any right to contest, amongst other things, the value and number of Shares or equivalent value of cash underlying the RSU Awards and the Board's administration of the RSU Scheme.

17. General

An application has been made to the Listing Committee of the Hong Kong Stock Exchange for the listing of, and permission to deal in, new Shares underlying any RSU Awards which may be granted pursuant to the RSU Scheme.

18. Outstanding RSU Awards Granted

As the date of this prospectus, RSU Awards were granted pursuant to the RSU Scheme to certain directors, senior management and employees of the Group to recognize their past contributions to the growth of the Group and to incentivize them to remain with the Group and to motivate them to strive for the future development and expansion of the Group.

As of the date of this prospectus, RSU Awards in respect of an aggregate of 19,110,898 new Shares, representing approximately 1.75% of the Shares in issue on the Listing Date but excluding any Shares which may be issued pursuant to the exercise of the Over-allotment Option, had been granted to 18 RSU Participants pursuant to the RSU Scheme, of which 5 of the RSU Participants are Directors.

The RSU Awards granted pursuant to the RSU Scheme are subject to vesting conditions and will vest over a period of four years.

Details of the RSU Awards granted pursuant to the RSU Scheme to the Directors are set out below:

Name of Directors	Number of Shares Underlying the RSU Awards granted
Mr. Yu Feng	2,662,994
Mr. Yang Lei	2,506,347
Mr. Fong Heung Sang, Addy (Dexter)	2,036,407
Mr. Cui Ke	1,879,760
Ms. Liu Wei	1,801,437
Total	<u>10,886,945</u>

All RSU Awards granted pursuant to the RSU Scheme to the RSU Participants have a vesting period of four years as follows: 10% on January 2, 2014, 30% on January 2, 2015, 30% on January 2, 2016 and 30% on January 2, 2017.

Each RSU Awards granted pursuant to the RSU Scheme has the same terms and conditions. The grant and vesting of the RSU Awards granted pursuant to the RSU Scheme are in compliance with Rule 10.08 of the Listing Rules.

The number of Shares used in this calculation includes Shares in issue as of the date of this prospectus and the Shares to be issued pursuant to the Global Offering and upon the vesting of all the RSU Awards granted pursuant to the RSU Scheme but excludes any Shares which may be issued pursuant to the exercise of the Over-allotment Option.

Assuming the Over-allotment Option is not exercised, the shareholding structure of our Company prior to and immediately following the vesting of all the RSU Awards granted pursuant to the RSU Scheme would be as follows:

Name of Shareholder	Immediately following the completion of the Global Offering and prior to the vesting of all the RSU Awards granted pursuant to the RSU Scheme		Immediately following the completion of the Global Offering and the vesting of all the RSU Awards granted pursuant to the RSU Scheme	
	Number of Shares	%	Number of Shares	%
Eagle Seeker	686,720,000	63.87%	686,720,000	62.76%
LC Fund V	63,680,000	5.92%	63,680,000	5.83%
LC Parallel Fund V	4,640,000	0.43%	4,640,000	0.42%
Grandsun	32,240,000	3.00%	32,240,000	2.95%
MCP Asia	6,800,000	0.63%	6,800,000	0.62%
MCPC II	2,960,000	0.28%	2,960,000	0.27%
Yushang	2,960,000	0.28%	2,960,000	0.27%
RSU Participants pursuant to the RSU Scheme	–	–	19,110,898	1.75%
Shareholders taking up Shares pursuant to the Global Offering	275,126,000	25.59%	275,126,000	25.14%
Total	<u>1,075,126,000</u>	<u>100.00%</u>	<u>1,094,236,898</u>	<u>100.00%</u>

Details of the RSU Scheme, including particulars and movements of the RSU Awards granted during each financial year of our Company, and our employee costs arising from the grant of the RSU Awards will be disclosed in our annual report.

E. OTHER INFORMATION

1. Estate duty and deed of indemnity

Each of the Controlling Shareholders (the “**Indemnifiers**”) has given indemnities in favor of our Company (for itself and as trustee for its subsidiaries) pursuant to a deed of indemnity dated May 20, 2013 (the “**Deed of Indemnity**”). Under such deed of indemnity, amongst others, the Indemnifiers irrevocably agree, covenant and undertake with each of the member of our Group that he/it will indemnify each of the members of our Group against:

- (i) any tax liabilities which might be payable by any of the Group’s subsidiary or branch in the PRC in respect of any income, profits or gains, transactions, events, acts, omissions, matters or things earned, accrued or received, entered into (or deemed to be so earned, accrued, received or entered into) or occurring on or before the date when the Global Offering becomes unconditional (the “**Effective Date**”);

- (ii) all costs (including all legal costs), expenses or other liabilities which any member of the Group may properly incur in relation to any taxation claims;
- (iii) all relocation fees, costs and any losses suffered or incurred by any member of our Group in the event that we cannot continue to use certain leased properties due to the defective titles of the relevant landlords or is otherwise prohibited from using or occupying any of such properties before the Effective Date;
- (iv) any losses suffered or incurred by any member of our Group arising out of the contracts we entered into as agent and on behalf of our Controlling Shareholders as described under “Relationship with Our Controlling Shareholders – Background” section of this prospectus; and
- (v) any losses in respect of any claims, actions, losses, liability, damages, costs suffered or incurred by any member of our Group as a result of, whether directly or indirectly, any problems relating to the performance or quality of the spare parts provided by third-party suppliers.

The Indemnifiers will, however, not be liable under the deed of indemnity for taxation where, among others, provision has been made for such taxation in the audited accounts of our Group as set out in the Accountants’ Report in Appendix I to this prospectus, but will remain liable for any tax liabilities (notwithstanding such provision has been made in respect of tax liabilities) arising in respect of or in consequence of any act, omission or event which occurred or is deemed to occur on or before the Effective Date.

Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or any of its subsidiaries under the laws of the Cayman Islands, Hong Kong or the PRC, being jurisdictions in which one or more of the companies comprising the Group are incorporated.

2. Litigation

As of the Latest Practicable Date, save as disclosed in the section headed “Our Business – Legal Compliance and Proceedings” in this prospectus, no member of the Group was engaged in any litigation, arbitration or claim of material importance, and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened by or against the Group, that would have a material adverse effect on its business, financial condition or results of operations.

3. Joint Sponsors

The Joint Sponsors have made an application on behalf of our Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares in issue, the Shares to be issued pursuant to the Global Offering (including the additional Shares which may be issued pursuant to the exercise of the Over-allotment Option). All necessary arrangements have been made to enable such Shares to be admitted into CCASS.

4. No Material Adverse Change

The Directors confirm that there has been no material adverse change in the financial or trading position or prospects of the Group since December 31, 2012 (being the date to which the latest audited combined financial statements of the Group were prepared).

5. Qualification of Experts

The following are the qualifications of the experts who have given opinions or advice which are contained in this prospectus:

Name	Qualification
Goldman Sachs	Licensed under the SFC to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance), Type 7 (providing automated trading services) and Type 9 (asset management regulated activities)
CICC	Licensed to conduct type 1 (dealing in securities), type 2 (dealing in futures contracts), type 3 (leveraged foreign exchange trading), type 4 (advising on securities), type 5 (advising on futures contracts) and type 6 (advising on corporate finance) regulated activities under the SFO
Conyers Dill & Pearman (Cayman) Limited	Cayman Islands attorneys-at-law
Beijing Jing Rui Law Firm	PRC legal adviser
Ernst & Young	Certified Public Accountants

6. Consents of Experts

Each of Goldman Sachs, CICC, Conyers Dill & Pearman (Cayman) Limited, Beijing Jing Rui Law Firm, and Ernst & Young has given and has not withdrawn its consent to the issue of this prospectus with the inclusion of its report and/or letter and/or summary of valuations and/or valuation certificates and/or legal opinion (as the case may be) and references to its name included in the form and context in which it respectively appears.

None of the experts named above has any shareholding interests in our Company or any of our subsidiaries or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in our Company or any of our subsidiaries.

7. Promoter

Our Company has no promoter for the purpose of the Listing Rules. Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus, no cash, securities or other benefit has been paid, allotted or given nor are any proposed to be paid, allotted or given to any promoters in connection with the Global Offering and the related transactions described in this prospectus.

8. Preliminary Expenses

The preliminary expenses incurred by our Company in relation to our incorporation were approximately HK\$16,000 and were paid by us.

9. Binding Effect

This prospectus shall have the effect, if an application is made in pursuance of this prospectus, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of Sections 44A and 44B of the Companies Ordinance insofar as applicable.

10. Bilingual Prospectus

The English language and Chinese language versions of this prospectus are being published separately, in reliance upon the exemption provided by section 4 of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

11. Miscellaneous

- (a) Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus:
 - (i) neither we nor any of our subsidiaries has issued or agreed to issue any share or loan capital fully or partly paid up either for cash or for a consideration other than cash;
 - (ii) no share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
 - (iii) no commissions, discounts, brokerage or other special terms have been granted in connection with the issue or sale of any shares or loan capital of any member of the Group;
 - (iv) no commission has been paid or payable (except commission to sub-underwriters) to any persons for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any shares of our Company or any of our subsidiaries;
 - (v) no founder, management or deferred shares of our Company or any of our subsidiaries have been issued or agreed to be issued;
- (b) Our Directors confirm that:
 - (i) there has not been any interruption in the business of our Company which may have or have had a material adverse effect on the financial position of our Company in the 12 months immediately preceding the date of this prospectus; and
 - (ii) our Company has no outstanding convertible debt securities or debentures.
- (c) Our principal register of members will be maintained by our principal registrar, Codan Trust Company (Cayman) Limited, in the Cayman Islands and our Hong Kong register of members will be maintained by the Hong Kong Share Registrar in Hong Kong. Unless the Directors otherwise agree, all transfer and other documents of title of Shares must be lodged for registration with and registered by the Hong Kong Share Registrar and may not be lodged in the Cayman Islands.
- (d) No company within our Group is presently listed on any stock exchange or traded on any trading system.
- (e) All necessary arrangements have been made enabling our Shares to be admitted into CCASS for clearing and settlement.