
APPENDIX IV

STATUTORY AND GENERAL INFORMATION

FURTHER INFORMATION ABOUT OUR GROUP

1. Incorporation of our Company

Our Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law on 21 August 2012 with an authorised share capital of HK\$100,000 divided into 1,000,000 shares of HK\$0.10 each. On 21 August 2012, our Company issued and allotted one nil paid share to Codan Trust Company (Cayman) Limited, which was transferred to Mr. Lee on the same date.

As our Company was incorporated in the Cayman Islands, we operate subject to the relevant laws and regulations of the Cayman Islands and our constitution which comprises the Memorandum and the Articles. A summary of the relevant laws and regulations of the Cayman Islands and of our constitution is set out in Appendix III to this document.

2. Changes in share capital of our Company

At the date of incorporation of our Company, the authorised share capital of our Company was HK\$100,000 divided into 1,000,000 shares of HK\$0.10 each.

(a) *Sub-division of shares*

On 3 October 2013, each issued and unissued ordinary share of our Company of HK\$0.10 each was sub-divided into 10 Shares of HK\$0.01 each and following the sub-division of share capital of our Company, the number of shares of our Company was increased from 1,000,000 to 10,000,000.

(b) *Increase in authorised share capital*

The authorised share capital of our Company was increased from HK\$100,000 to HK\$10,000,000 by the creation of 990,000,000 new shares pursuant to a resolution passed by our sole Shareholder referred to in paragraph 3 below and subject to the conditions contained therein.

Immediately following the completion of [•••] and [•••] (taking no account of any Shares which may be allotted and issued pursuant to the exercise of the options which may be granted under [•••]), our authorised share capital will be HK\$10,000,000 divided into 1,000,000,000 Shares, of which 200,000,000 Shares will be issued fully paid or credited as fully paid, and 800,000,000 Shares will remain unissued. Other than pursuant to the exercise of the options which may be granted under [•••], there is no present intention to issue any of the authorised but unissued share capital of our Company and, without the prior approval of our Shareholders in general meeting, no issue of Shares will be made which would effectively alter the control of our Company.

Save as disclosed in this paragraph and in the paragraphs headed “1. Incorporation of our Company”, “3. Resolutions in writing of the sole Shareholder passed on 18 October 2013” and “4. Group reorganisation” of this Appendix, there has been no alteration in the share capital of our Company since its incorporation.

(c) *Founder shares*

Our Company has no founder shares, management shares or deferred shares.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

3. Resolutions in writing of the sole Shareholder passed on 18 October 2013

By resolutions in writing of the sole Shareholders passed on 18 October 2013:

- (a) we approved and adopted the Articles;
- (b) the authorised share capital of our Company was increased from HK\$100,000 to HK\$10,000,000 by the creation of 990,000,000 new Shares;
- (c) conditional on [•••]:
 - (i) [•••];
 - (ii) [•••];
 - (iii) [•••];
 - (iv) a general unconditional mandate was given to our Directors to exercise all powers of our Company to allot, issue and deal with, otherwise than by way of rights issue, scrip dividend schemes or similar arrangements in accordance with the Articles, or upon the exercise of any options which may be granted under [•••] or under [•••] or [•••], Shares with an aggregate nominal amount of not exceeding the sum of (aa) 20% of the aggregate nominal amount of the share capital of our Company in issue immediately following completion of [•••] and [•••] but excluding any Shares which may be issued pursuant to the exercise of any options which may be granted under [•••]; and (bb) the nominal amount of the share capital of our Company which may be purchased by our Company pursuant to the authority granted to our Directors as referred to in subparagraph (vi) below, until the conclusion of the next annual general meeting of our Company, or the date by which the next annual general meeting of our Company is required by the Articles or any applicable law to be held, or the passing of an ordinary resolution by Shareholders revoking or varying the authority given to our Directors, whichever occurs first;

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

- (v) a general unconditional mandate (the "**Repurchase Mandate**") was given to our Directors to exercise all powers of our Company to purchase Shares on [•••], with an aggregate nominal amount of not exceeding 10% of the aggregate nominal amount of the share capital of our Company in issue immediately following completion of [•••] and [•••] but excluding any Shares which may be issued pursuant to the exercise of any options which may be granted under [•••]; until the conclusion of the next annual general meeting of our Company, or the date by which the next annual general meeting of our Company is required by the Articles or any applicable law to be held, or the passing of an ordinary resolution by Shareholders revoking or varying the authority given to our Directors, whichever occurs first; and
- (vi) the extension of the general mandate to allot, issue and deal with Shares pursuant to paragraph (iv) above to include the nominal amount of Shares which may be purchased or repurchased pursuant to paragraph (v) above.
- (c) the form and substance of each of the service agreements made between our executive Directors and our Company, and the form and substance of each of the appointment letters made between each of our independent non-executive Directors with our Company were approved.

4. Group reorganisation

The companies comprising our Group underwent the Reorganisation to rationalise our Group's structure in preparation for [•••], which involved the following:

- (a) on 19 March 2012, New Heyday was incorporated in the BVI to act as the holding company of Idea Trade. It has an authorised share capital of US\$50,000 shares divided into 50,000 shares of US\$1.00 each, of which one share was allotted and issued at par to each of Mr. Lee and Mr. Cheung on 15 June 2012. The said one share held by and registered in the name of Mr. Cheung in New Heyday was held on trust pursuant to a declaration of trust dated 19 November 2012 in favour of Mr. Lee;
- (b) on 3 April 2012, Business Good was incorporated in the BVI as an investment holding company of Mr. Lee with an authorised share capital of US\$50,000 shares divided into 50,000 shares of US\$1.00 each. On 15 June 2012, Mr. Lee subscribed for and was allotted and issued one share in the share capital of Business Good at par value;
- (c) on 30 May 2012, Expand Trade was incorporated in the BVI for the purpose of acting as the intermediate holding company of our Group with an authorised share capital of US\$50,000 shares divided into 50,000 shares of US\$1.00 each. On 15 June 2012, Business Good subscribed for and was allotted and issued one share in the share capital of Expand Trade at par value;

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

- (d) on 30 May 2012, Idea Trade was incorporated in the BVI for the purpose of holding certain licences in connection with the trade exhibitions including the licence in relation to the Mega Shows with an authorised share capital of US\$50,000 shares divided into 50,000 shares of US\$1.00 each. On 15 June 2012, New Heyday subscribed for and was allotted and issued one share in the share capital of Idea Trade at par value;
- (e) on 4 July 2012, Mr. Lee transferred one share in the issued share capital of each of Mega Expo Operations, Mega Expo (BVI), Mega Expo (USA) and Mega Expo (Berlin), representing their respective entire issued share capital, to Expand Trade in consideration of and in exchange for Business Good, at the request of Expand Trade, allotting and issuing an aggregate of four shares in Business Good to Mr. Lee;
- (f) on 30 July 2012, Mr. Lee transferred one share in the issued share capital of each of Mega Expo (HK) and i-MegAsia, representing their respective entire issued share capital, to Expand Trade in consideration of and in exchange for Business Good, at the request of Expand Trade, allotting and issuing an aggregate of two shares in Business Good to Mr. Lee;
- (g) on 8 August 2012, Mr. Lee transferred one share in the issued share capital of Profit Topmark, representing its entire issued share capital, to Expand Trade in consideration of and in exchange for Business Good, at the request of Expand Trade, allotting and issuing one share in Business Good to Mr. Lee;
- (h) on 21 August 2012, our Company was incorporated in the Cayman Islands under the Companies Law as an exempted company to act as the ultimate holding company of our Group. The authorised share capital of our Company, on incorporation, was HK\$100,000 divided into 1,000,000 shares of HK\$0.10 each. On 21 August 2012, our Company allotted and issued one nil-paid share to Codan Trust Company (Cayman) Limited, which was transferred to Mr. Lee on the same date;
- (i) on 19 November 2012, Mr. Lee and Mr. Cheung entered into a deed ("**Deed**"), pursuant to which the parties thereto confirmed and agreed that in consideration of Mr. Cheung procuring HKCEC Management, the venue provider of the Mega Shows to enter into the licence agreements for the occupancy of venue for the Mega Shows in 2013 (the "**2013 HKCEC Licence Agreement**") with Idea Trade; Mr. Lee would procure Business Good to allot and issue 68 shares in Business Good to Mr. Cheung, subject to and upon the terms and conditions in the Deed;
- (j) on 19 November 2012, each of Mr. Lee and Mr. Cheung, (at the request and as trustee on trust for Mr. Lee), transferred one share in the issued share capital of New Heyday, representing its entire issued share capital, to Expand Trade in consideration of and in exchange for Business Good, at the request of Expand Trade, allotting and issuing 924 shares in Business Good to Mr. Lee. On the same day, Business Good allotted and issued 68 shares, credited as fully paid, to Mr. Cheung according to the terms of the Deed;
- (k) on 3 October 2013, each issued and unissued ordinary share of HK\$0.10 each of our Company was sub-divided into 10 Shares of HK\$0.01 each and following the sub-division of share capital, the number of shares of our Company increased from 1,000,000 to 10,000,000; and

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

- (l) on 3 October 2013, Mr. Lee transferred 10 nil-paid Shares in our Company to Business Good and Business Good transferred the entire issued share capital in Expand Trade to our Company, in exchange for which our Company (a) issued and allotted 9,999,990 Shares to Business Good, credited as fully paid; and (b) credited as fully paid at par the 10 nil-paid Shares which was then registered in the name of Business Good.

5. Changes in share capital of our subsidiaries

Our subsidiaries are listed in the Accountants' report set out in Appendix I to this document.

Save for the alterations described in paragraph 4 of this appendix, the following alterations in the share capital of our subsidiaries took place within the two years immediately preceding the date of this document:

- (a) Pursuant to an equity transfer agreement ("**Principal Agreement**") dated 31 October 2011, a first supplemental agreement dated 2 August 2012 and a second supplemental agreement dated 7 December 2012, Ningbo Partner agreed to transfer its 30% equity interest in Ningbo Tianyi to Mega Expo (HK) at a consideration of RMB600,000 ("**Consideration**"). On 30 June 2013, Mega Expo (HK) and Ningbo Partner entered into a confirmation regarding, among others, that Mega Expo (HK) is not required to pay the Consideration to Ningbo Partner anymore pursuant to the Principal Agreement and the relevant supplemental agreements, and that all outstanding responsibilities of the parties pursuant to the Principal Agreement and the relevant supplement agreements shall be terminated;
- (b) Mega Expo (Berlin) was incorporated in the BVI on 8 May 2012 with an authorised share capital of US\$50,000 divided into 50,000 shares of US\$1.00 each, of which one share was issued at par to Mr. Lee on 11 May 2012;
- (c) On 19 September 2012, Mega Expo Travel was incorporated in Hong Kong with an authorised share capital of HK\$2,000,000 divided into 2,000,000 shares of HK\$1.00 each, of which 500,000 shares were allotted and issued to Expand Trade at par upon incorporation; and
- (d) Mega Expo (U.S.A.) Inc. was incorporated in U.S.A. on 12 April 2013 and is authorised to issue 100 shares with a par value of US\$0.001 each. On 6 May 2013, 100 shares of Mega Expo (U.S.A.) Inc. were issued and allotted to Mega Expo (USA) for US\$100.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

6. Further information about our Group's PRC subsidiaries

Our Group has interest in the registered capital of two enterprises in the PRC. A summary of the corporate information of these enterprises are set out as follows:

(a) *Shenzhen Hengjian*

- (i) Name of the enterprise: 深圳恆建展覽策劃有限公司 (Shenzhen Hengjian Exhibition Planning Limited*)
- (ii) Economic nature: Wholly foreign-owned enterprise (limited liability company)
- (iii) Registered owner: Mega Expo (HK)
- (iv) Total investment: US\$300,000
- (v) Registered capital: US\$300,000
- (vi) Attributable interest to our Group: 100%
- (vii) Term of operation: From 30 November 2010 to 30 November 2025
- (viii) Scope of business: Engaging in exhibition display design, sales and marketing planning and provide related information consultation (restricted items not included) (for the aforesaid scope where permit management or relevant qualification is required to be obtained before operation; to act in accordance with the relevant provisions)

(b) *Ningbo Tianyi*

- (i) Name of the enterprise: 寧波天一甬港國際展覽有限公司 (Ningbo Tianyi Yonggang International Exhibition Limited*)
- (ii) Economic nature: Foreign-invested enterprise (limited liability company)
- (iii) Registered owner: Mega Expo (HK) (as to 70% of the registered capital)
Ningbo Partner (as to 30% of the registered capital)
- (iv) Total investment: RMB2,000,000
- (v) Registered capital: RMB2,000,000
- (vi) Attributable interest to our Group: 70% (Note)

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

- (vii) Term of operation: From 8 September 2009 to 7 September 2029
- (viii) Scope of business: Hosting and organising all kinds of economic and technical exhibitions and conference in the PRC; and holding of conference and providing consultation and management services in relation to the aforesaid business overseas

Note:

Prior to the Reorganisation, Mega Expo (HK) entered into an equity transfer agreement and supplemental agreements with Ningbo Partner to acquire its 30% equity interest in Ningbo Tianyi. As at the Latest Practicable Date, it is in the process of arranging for voluntary deregistration. For further details, please refer to the section headed "History and development" of this document.

For subsidiaries of our Group in other jurisdictions, please refer to Note 2 to the Accountants' report to this document.

7. Repurchase by our Company of our own securities

This paragraph includes information required by [•••] to be included in this document concerning the repurchase by us of our own securities.

(a) Shareholders' approval

All proposed repurchases of securities (which must be fully paid up in the case of shares) by a company listed on [•••] must be approved in advance by an ordinary resolution of the shareholder, either by way of general mandate or by specific approval of a particular transaction.

Note: Pursuant to a resolution in writing passed by the sole Shareholder on 18 October 2013, the Repurchase Mandate was given to our Directors authorising any repurchase by our Company of Shares on [•••], of up to 10% of the aggregate nominal amount of the share capital of our Company in issue immediately following completion of [•••] and [•••] but excluding any Shares which may be issued pursuant to the exercise of any options which may be granted under [•••], such mandate to expire at the conclusion of the next annual general meeting of our Company, or the date by which the next annual general meeting of our Company is required by the Articles or applicable Cayman Islands law to be held, or the passing of an ordinary resolution by Shareholders in general meeting revoking or varying the authority given to our Directors, whichever occurs first.

(b) Source of funds

Repurchases must be paid out of funds legally available for the purpose in accordance with the Articles and the Companies Law. Under the Cayman Islands laws, any repurchases by us may be made out of our profits or out of the proceeds of a fresh issue of Shares made for the purpose of the repurchase or, if so authorised by the Articles and subject to the Companies Law, out of capital. Any premium payable on a redemption or purchase over the par value of the Shares to be repurchased must be provided for out of our profits or from sums standing to the credit of our share premium account or, if authorised by the Articles and subject to the Companies Law, out of capital.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

(c) *Reasons for repurchases*

Our Directors believe that it is in the best interests of our Company and the Shareholders for our Directors to have general authority from the Shareholders to enable our Company to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made if our Directors believe that such repurchases will benefit our Company and the Shareholders.

(d) *Funding of repurchases*

In repurchasing securities, we may only apply funds legally available for such purpose in accordance with the Articles, [•••] and the applicable laws of the Cayman Islands.

On the basis of the current financial position of our Group as disclosed in this document and taking into account our current working capital position, our Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of our Group as compared with the position disclosed in this document. Our Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of our Group or the gearing levels which in the opinion of our Directors are from time to time appropriate for our Group.

(e) *General*

None of our 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 or our subsidiaries.

[•••]

8. [•••]

FURTHER INFORMATION ABOUT THE BUSINESS OF OUR GROUP

9. **Summary of material contracts**

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the members of our Group within the two years preceding the date of this document and are or may be material:

- (a) a share purchase agreement dated 3 October 2013 and entered into by Business Good as both the vendor and warrantor, Mr. Lee as warrantor and our Company as purchaser, pursuant to which Business Good transferred the entire issued share capital in Expand Trade to our Company, in exchange for which our Company, (a) issued and allotted 9,999,990 Shares to Business Good, credited as fully paid; and (b) credited as fully paid at par the 10 nil-paid Shares which were then registered in the name of Business Good;

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

- (b) a deed of indemnity dated 18 October 2013 and executed by Business Good and Mr. Lee in favor of our Company (for ourselves and as trustee for our subsidiaries stated therein) containing the indemnities more particularly referred to in the paragraph headed “Other information – 16. Estate duty, tax and other indemnity” of this Appendix; and
- (c) [•••].

10. Intellectual property rights of our Group

(a) Registered Trademark

As at the Latest Practicable Date, our Group is the registered owner of the following trademark, which is material in relation to our business operation:

Trademark	Applicant	Place of registration	Class	Registration number	Duration of validity
	Expand Trade	Hong Kong	35 and 39 <i>(Note)</i>	302516760	5 February 2013 to 4 February 2023

Note:

Services covered under class 35 include organisation, arranging and conducting of exhibitions or trade fairs for commercial or advertising purpose; organisation of shows or events for promotional purposes; sales promotion for others; rental of advertising space; advertising and marketing services; dissemination of advertising and promotional matter; publishing publicity texts; demonstration of goods; distribution of samples; rental of office machines and equipment; business management and administration; business appraisals; business information services; commercial information agencies; professional business consultancy; compilation of information into computer base; market research and studies; opinion polling; public relations; consultancy, information and advisory services relating to the foregoing.

Services covered under class 39 include travel agency services for arranging travel and travel reservation services; travel and accommodation arrangement services; tour operating and organising; information services relating to travel; arranging transport of travelers; escorting of travellers by land, air and sea.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

(b) *Domain names*

As at the Latest Practicable Date, our Group is the registered holder of the following domain names which are material in relation to our business operation:

No.	Domain name	Registered Holder	Registration date	Expiry date
1.	mega-show.com	Mega Expo (HK)	1 September 2005	1 September 2016
2.	asiaapparelexpo.com	Mega Expo (HK)	14 April 2011	14 April 2014
3.	asiaexposingapore.com	Mega Expo (HK)	13 April 2011	13 April 2014
4.	mega-expo.com	Mega Expo (HK)	6 July 2012	6 July 2014
5.	megaexpohk.com	Mega Expo (HK)	6 July 2012	6 July 2014
6.	singaporeasiaexpo.com	Mega Expo (HK)	24 February 2011	24 February 2014
7.	asiaexpolasvegas.com	Mega Expo (HK)	13 July 2011	13 July 2014

11. **Related party transactions**

Save as disclosed in Note 24 to the Accountants' report in Appendix I to this document, during the two years immediately preceding the date of this document, we have not engaged in any other material related party transactions.

FURTHER INFORMATION ABOUT DIRECTORS AND SHAREHOLDERS

12. **Directors**

(a) *Disclosure of interests of Directors*

- (i) Save for Mr. Lee (as shareholder and director of Business Good) and Mr. Si (as director of Business Good), none of our Directors is interested in the Reorganisation.
- (ii) Save as disclosed in this document, none of our Directors or their associates was engaged in any dealings with our Group during the two years preceding the date of this document.

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

(b) *Particulars of Directors' service contracts*

Executive Directors

Each of our executive Directors has entered into a service contract with our Company pursuant to which they agreed to act as executive Directors for an initial term of three years with effect from 18 October 2013 until terminated by not less than three months' notice in writing served by either party. After the expiry of the current term, our executive Director may continue to be appointed by our Company, subject to terms and conditions to be agreed between the parties.

Each of our executive Directors is entitled to a basic salary as set out below. Subject to such increase as the Board (or, if the relevant authority has been so delegated, the Remuneration Committee) may, subject to compliance with the provisions of the Articles for the time being in force, determine from time to time in its absolute discretion. The amount of the salary will not be increased for periods prior to 31 December 2013 but will be reviewed by our Company in or around December each year during the term. In addition, each of the executive Directors is also entitled to a discretionary management bonus in respect of each financial year of our Company during the term in an amount to be determined by our Board (or if the relevant authority has been so delegated, the Remuneration Committee) in its absolute discretion. An executive Director may not vote on any resolution of our Directors regarding the amount of the management bonus payable to him. The current basic annual salaries of our executive Directors are as follows:

Name	Annual salary <i>HK\$</i>
Mr. Lee	5,400,000
Mr. Si Tze Fung	1,800,000

Independent non-executive Directors

Each of our independent non-executive Directors has been appointed for an initial term of two years commencing from 18 October 2013 renewable automatically for successive term of one year each commencing from the next day after the expiry of the then current term of appointment, unless terminated by not less than three months' notice in writing served by either our independent non-executive Director or our Company expiring at the end of the initial term or at any time thereafter. Each of our independent non-executive Directors is entitled to a director's fee of HK\$300,000 per annum. Save for directors' fees, none of our independent non-executive Directors is expected to receive any other remuneration for holding their office as an independent non-executive Director.

Save as disclosed aforesaid, none of our Directors has or is proposed to have a service contract with our Company or any of our subsidiaries other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation).

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

(c) *Remuneration of Directors*

- (i) The aggregate emoluments paid and benefits in kind granted by our Group to our Directors in respect of the financial year ended 30 June 2013 were approximately HK\$6,378,000.
- (ii) Under the arrangements currently in force, the aggregate emoluments (excluding discretionary bonus) payable by our Group to and benefits in kind receivable by our Directors (including our independent non-executive Directors) for the year ending 30 June 2014 are expected to be approximately HK\$7,578,750.
- (iii) None of our Directors or any past directors of any member of our Group has been paid any sum of money for each of the three years ended 30 June 2013 as (i) an inducement to join or upon joining our Company; or (ii) for loss of office as a director of any member of our Group or of any other office in connection with the management of the affairs of any member of our Group.
- (iv) There has been no arrangement under which a Director has waived or agreed to waive any emoluments for each of the three years ended 30 June 2013.

(d) [•••]

13. [•••]

14. **Disclaimers**

Save as disclosed in this document:

- (a) [•••];
- (b) [•••];
- (c) none of our Directors nor any of the parties listed in paragraph 22 of this appendix has been interested in the promotion of, or has any direct or indirect interest in any assets which have been, within the two years immediately preceding the date of this document, acquired or disposed of by or leased to any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group nor will any Director apply for [•••] either in his/her own name or in the name of a nominee;
- (d) none of our Directors nor any of the parties listed in paragraph 22 of this Appendix is materially interested in any contract or arrangement subsisting at the date of this document which is significant in relation to business of us; and

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

- (e) save in connection with [•••], none of the parties listed in paragraph 22 of this Appendix:
 - (i) is interested legally or beneficially in any securities of any member of our Group; or
 - (ii) has any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

OTHER INFORMATION

15. [•••]

16. Estate duty, tax and other indemnity

Business Good and Mr. Lee (together, the “**Indemnifiers**”) have entered into a deed of indemnity (“**Deed of Indemnity**”) with and in favour of our Company (for itself and as trustee for each of our present subsidiaries) (being the material contract (b) above) to provide indemnities on a joint and several basis in respect of, among other matters:

- (a) any liability for Hong Kong estate duty which might be incurred by any member of our Group by reason of any transfer of property (within the meaning of sections 35 and 43 of the Estate Duty Ordinance (Chapter 111 of the Laws of Hong Kong) or the equivalent thereof under the laws of any jurisdiction outside Hong Kong) to any member of our Group on or before the date on which conditions stated in [•••]” in this document being fulfilled or, to the extent permitted, waived by the relevant party (“**the Effective Date**”); and
- (b) tax liabilities (including all fines, penalties, costs, charges, expenses and interests incidental or relating to taxation) which might be payable by any member of our Group in respect of any income, profits, gains, transactions, events, matters or things earned, accrued, received, entered into or occurring on or before the Effective Date, whether alone or in conjunction with any other circumstances whenever occurring and whether or not such tax liabilities are chargeable against or attributable to any other person, firm, company or corporation.

The Indemnifiers are under no liability under the deed of indemnity in respect of any taxation:

- (a) to the extent that provision has been made for such taxation in the audited accounts of any member of our Group for the three years ended to 30 June 2013;
- (b) to the extent that such taxation or liability for such taxation falling on any of the members of our Group in respect of any accounting period commencing on or after 1 July 2013 and ending on the Effective Date, where such taxation or liability would not have arisen but for some act or omission of, or transaction voluntarily effected by, any member of our Group (whether alone or in conjunction with some other act, omission or transaction, whenever occurring) without the prior written consent or agreement of the Indemnifiers, otherwise than any such act, omission or transaction:
 - (i) carried out or effected in the ordinary course of business or in the ordinary course of acquiring and disposing of capital assets after 1 July 2013; or

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

- (ii) carried out, made or entered into pursuant to a legally binding commitment created on or before 30 June 2013 or pursuant to any statement of intention made in the document; or
- (c) to the extent that such taxation liabilities or claim arises or are incurred as a result of the imposition of taxation as a consequence of any retrospective change in the law, rules and regulations or the interpretation or practice thereof by the Hong Kong Inland Revenue Department or the taxation authority of the PRC, Singapore, Germany, the US, Russia or any other relevant authority (whether in Hong Kong, the PRC, Singapore, Germany, the US, Russia or any other part of the world) coming into force after the date of the Deed of Indemnity or to the extent such claim arises or is increased by an increase in rates of taxation after the date of the Deed of Indemnity with retrospective effect; or
- (d) to the extent that any provision or reserve made for taxation in the audited accounts of any member of our Group up to 30 June 2013 and which is finally established to be an over-provision or an excessive reserve, in which case the Indemnifiers’ liability (if any) in respect of such taxation shall be reduced by an amount not exceeding such provision or reserve, provided that the amount of any such provision or reserve applied referred to in this paragraph to reduce the Indemnifiers’ liability in respect of taxation shall not be available in respect of any such liability arising thereafter.

Under the Deed of Indemnity, Business Good and Mr. Lee have also undertaken to us that they will, jointly and severally, indemnify and at all times keep us fully indemnified, on demand from and against all losses, claims, actions, demands, liabilities, damages, costs (including but not limited to legal and other professional costs), expenses, fines, payments, sums, outgoing fees, penalties, orders, judgment and losses of whatever nature suffered or incurred by any of the members of our Group directly or indirectly as a result of and in connection with the incidents referred to in the section headed “Business – Historical non-compliance” in this document.

17. Litigation

As at the Latest Practicable Date, save as disclosed in this document, no member of our Group is engaged in any litigation, arbitration or claim of material importance, and no litigation, arbitration or claim of material importance is known to our Directors to be pending or threatened by or against our Company, that would have a material adverse effect on our results of operations or financial condition of our Group.

18. [•••]

19. [•••]

20. [•••]

21. [•••]

22. [•••]

APPENDIX IV

STATUTORY AND GENERAL INFORMATION

27. Miscellaneous

- (a) Save as disclosed in this document:
 - (i) within two years preceding the date of this document:
 - (aa) no share or loan capital of our Company or of any of our subsidiaries has been issued, agreed to be issued or is proposed to be issued fully or partly paid either for cash or for a consideration other than cash;
 - (bb) no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries;
 - (cc) no commission has been paid or payable for subscribing or agreeing to subscribe, or procuring or agreeing to procure the subscriptions, for any shares in our Company or any of our subsidiaries; and
 - (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 arrangement under which future dividends are waived or agreed to be waived by our Company;
- (b) our Directors confirm that there has been no material adverse change in the financial or trading position or prospects of our Group since 30 June 2013 (being the date to which the latest audited combined financial statements of our Group were made up).
- (c) our Directors confirm that there has not been any interruption in the business of our Group which may have or has had a significant effect on the financial position of our Group in the 12 months preceding the date of this document.

28. [•••]

[•••]

29. [•••]