

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

Our Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on November 14, 2007. We have established a principal place of business in Hong Kong at Room 1502, 15/F., Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong and were registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part XI of the Companies Ordinance on March 20, 2008. Mr. Shum, whose correspondence address is Room 1502, 15/F, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong, has been appointed as the authorized representative of our Company for the acceptance of service of process and notices on behalf of our Company in Hong Kong.

As our Company was incorporated in the Cayman Islands, our corporate structure and our 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 Articles of Association is set out in the section headed “Summary of the Constitution of Our Company and Cayman Islands Company Law” in Appendix IV to this prospectus.

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

As of the date of our incorporation, our initial authorized share capital was HK\$380,000 divided into 3,800,000 Shares of HK\$0.10 each.

Pursuant to the resolutions in writing of the Shareholders passed on November 19, 2013, our authorized share capital was increased from HK\$380,000 divided into 3,800,000 Shares of HK\$0.10 each to HK\$1,000,000,000 by the creation of an additional 9,996,200,000 Shares.

Immediately following the completion of the Global Offering and the Capitalization Issue but not taking into account any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option and any Shares which may be issued upon the exercise of any options which may be granted under the Share Option Scheme, the issued share capital of our Company will be HK\$172,296,000 divided into 1,722,960,000 Shares, all fully paid or credited as fully paid, and 8,277,040,000 Shares will remain unissued.

Save for aforesaid and as mentioned in the section headed “— Resolutions in Writing of the Shareholders passed on November 19, 2013” below, there has been no alteration in the share capital of the Company since its incorporation.

**3. Resolutions in Writing of the Shareholders Passed on November 19, 2013**

- (i) Pursuant to written resolutions of the Shareholders passed on November 19, 2013:
  - (a) the amended and restated Memorandum and Articles of Association were approved and adopted conditional upon and with effect from the Listing;
  - (b) the authorized share capital of our Company was increased from HK\$380,000 divided into 3,800,000 Shares of HK\$0.10 each to HK\$1,000,000,000 divided into 10,000,000,000 Shares of HK\$0.10 each by the creation of an additional 9,996,200,000 Shares of HK\$0.10 each;
  - (c) conditional on (i) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares in issue, Shares to be issued pursuant to the Global Offering and the Capitalization Issue and Shares to be issued as mentioned in this prospectus (including any additional Shares which may be issued pursuant to the exercise of the Over-allotment Option or options which may be granted under the Share Option Scheme); (ii) the entering into of the Price Determination Agreement between the Joint Global Coordinators and our Company on the Price Determination Date; (iii) 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 (including the grant of the Over-allotment Option) was approved and our Directors were authorized to approve the allotment and issue of the Shares, as the case may be, pursuant to the Global Offering on and subject to the terms and conditions thereof as set out in this prospectus and the Application Forms to be published by the Company in accordance with the Listing Rules;
    - (ii) the granting of the Over-allotment Option by the Company to the International Underwriters, exercisable by the Stabilizing Manager, on behalf of the International Underwriters, pursuant to which the Stabilizing Manager may require the Company to allot and issue up to an additional 15% of the number of Offer Shares (the “**Over-allotment Shares**”) at the Offer Price, among others, to cover over-allocation in the International Offering was approved and the Directors were authorized to effect the same and to allot and issue the Over-allotment Shares upon the exercise of the Over-allotment Option;
    - (iii) the rules of the Share Option Scheme, the principal terms of which are set out in the paragraph headed “— D. Share Option Scheme” below, were approved and adopted and our Directors were authorized to grant options to subscribe for Shares thereunder and to allot, issue and deal with Shares pursuant to the exercise of options granted under the Share Option Scheme; and

- (iv) conditional on the share premium account of our Company being credited as a result of the issue of the Offer Shares by our Company pursuant to the Global Offering, our Directors were authorized to capitalize HK\$129,221,979.9 standing to the credit of the share premium account of our Company by applying such sum in paying up in full at par 1,292,219,799 Shares. Such Shares to be allotted and issued to the Shareholders whose names are on the register of members of our Company on the date before the Listing Date in accordance with their respective shareholdings in our Company or in accordance with the direction of such Shareholder;
- (d) a general unconditional mandate was given to our Directors to allot, issue and deal with (including the power to make an offer or agreement, or grant securities which would or might require Shares to be allotted and issued), otherwise than pursuant to a rights issue or pursuant to any scrip dividend schemes or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles or pursuant to the grant of options under the Share Option Scheme or other similar arrangement or pursuant to a specific authority granted by the Shareholders in general meeting, Shares with a total nominal value not exceeding 20% of the aggregate nominal value of the share capital of our Company in issue immediately following the completion of the Global Offering and Capitalization Issue (but taking no account of any Shares which may be issued and allotted pursuant to the exercise of the Over-allotment Option or any Shares that may be allotted and issued pursuant to the exercise of any options under the Share Option Scheme), such mandate to remain in effect until the conclusion of the next annual general meeting of our Company, or the expiration of the period within which the next annual general meeting of our Company is required by the Articles or any applicable laws to be held, or until revoked or varied by an ordinary resolution of the Shareholders in general meeting, whichever occurs first;
- (e) a general unconditional mandate was given to our Directors authorizing them to exercise all powers of our Company to repurchase on the Stock Exchange or on any other approved 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 such number of Shares as will represent up to 10% of the aggregate nominal value of the share capital of our company in issue immediately following the completion of the Global Offering and the Capitalization Issue (but taking no account of any Shares which may be issued and allotted pursuant to the exercise of the Over-allotment Option or any Shares that may be allotted and issued pursuant to the exercise of any options under the Share Option Scheme), such mandate to remain in effect until the conclusion of the next annual general meeting of our Company, or the expiration of the period within which the next annual general meeting of our Company is required by the Articles or any applicable laws to be held, or until revoked or varied by an ordinary resolution of the Shareholders in general meeting, whichever occurs first; and

- (f) the general unconditional mandate mentioned in paragraph (d) above was extended by the addition to the aggregate nominal value of the share capital of our Company which may be allotted or agreed conditionally or unconditionally to be allotted by our Directors pursuant to such general mandate of an amount representing the aggregate nominal value of the share capital of our Company repurchased by our Company pursuant to the mandate to repurchase Shares referred to in paragraph (e) above.

#### 4. Corporate Reorganization

The companies comprising the Group underwent the Reorganization in preparation for the Listing. Please refer to the section “History and Corporate Structure — Our Reorganization” in this prospectus.

#### 5. Changes in the Share Capital of Subsidiaries

Certain information on our subsidiaries is contained in the Accountant’s Report in Appendix I to this prospectus. The following sets out the changes to the share capital made by the subsidiaries of our Company during the two years preceding the date of this prospectus:

<u>Name of subsidiary</u>	<u>Date of change</u>	<u>Capital before change</u>	<u>Capital after change</u>
Foshan Yongheng	December 11, 2012	RMB11,000,000	RMB35,000,000
Guangdong Guangchang	November 12, 2012	RMB4,230,000	RMB42,300,000
Guangzhou Tianlang	May 8, 2012	RMB1,000,000	RMB50,000,000
Qingyuan Rongjing	November 21, 2012	RMB5,000,000	RMB30,000,000
Guangzhou Hongtai	November 14, 2012	RMB11,000,000	RMB35,000,000
Zhuhai Shenghui	February 28, 2013	RMB10,000,000	RMB40,000,000
Guangzhou Lvdi Baiyun	August 15, 2013	RMB10,000,000	RMB20,000,000
Zhide Property Management	August 5, 2013	RMB100,000	RMB500,000
Zhuhai Jiayu	October 12, 2013	RMB10,000,000	RMB30,000,000

Save as set out above, there has been no alteration in the share capital of any of our subsidiaries within the two years immediately preceding the date of this prospectus.

## 6. Repurchases of Our Shares

### (a) *Provisions of the Listing Rules*

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

#### (i) *Shareholders' approval*

All proposed repurchases of Shares (which must be fully paid up) 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 the resolutions passed by our then Shareholders on November 19, 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 10.0% of the aggregate nominal value of our Company’s share capital in issue immediately following the completion of the Global Offering and the Capitalization Issue (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option or any options which may be granted under the Share Option Scheme), 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 Companies Law or by our Articles of Association or any other applicable laws of the 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 our Articles and the applicable laws and regulations 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. Any purchase 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 purchase or, subject to the 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 Companies Law, out of capital.

*(b) Reasons for repurchases*

The Directors believe that it is in the best interests of our Company and Shareholders for the Directors to have general authority from the Shareholders to enable the Directors 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 where the Directors believe that such repurchases will benefit our Company and our Shareholders.

*(c) Funding of repurchases*

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

On the basis of the current financial position as disclosed in this prospectus and taking into account the current working capital position, the 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 Company as compared with the position disclosed in this prospectus. However, the 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 or the gearing levels of our Company which in the opinion of the Directors are from time to time appropriate for our Company.

The exercise in full of the Repurchase Mandate, on the basis of 1,722,960,000 Shares in issue immediately following the completion of the Global Offering and the Capitalization Issue (and assuming that the Over-allotment Option is not exercised and no Share is issued pursuant to the exercise of any options which may be granted under the Share Option Scheme), could accordingly result in up to 172,296,000 Shares being repurchased by our Company during the period prior to (i) the conclusion of the next annual general meeting of our Company; (ii) the expiration of the period within which the next annual general meeting of our Company is required by Companies Law or the Articles or any applicable laws of the Cayman Islands to be held; or (iii) the revocation or variation of the purchase mandate by an ordinary resolution of the Shareholders in general meeting, whichever occurs first (the “**Relevant Period**”).

*(d) General*

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 and the applicable laws and regulations 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.

Any repurchase of Shares which results in the number of Shares held by the public being reduced to less than 25.0% of our Shares than in issue could only be implemented with the approval of the Stock Exchange to waive the Listing Rules requirements regarding the public shareholding referred to above. It is believed that a waiver of this provision would not normally be given other than in exceptional circumstances.

No connected person has notified our Company that he 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**

We have entered into the following contracts (not being contracts entered into in the ordinary course of business) within the two years preceding the date of this prospectus that are or may be material:

- (a) an equity transfer agreement dated December 30, 2011 entered into by Guangzhou Shengyu as transferor and Guangzhou Qinxi as transferee regarding the transfer of 100% equity interest in Qingyuan Rongjing from Guangzhou Shengyu to Guangzhou Qinxi at a consideration of RMB5,000,000;
- (b) the Payment Deed dated January 20, 2012 entered into between our Company, Mr. Shum, Asiatic Enterprises, Renowned Brand, East Profit (the "**Obligors**"), and Highup Holdings Limited (as the agent and a security trustee of itself and the other Investors) by which the aggregate repayment amount owed by the Obligors to the Noteholders was amended to approximately US\$350.0 million, which was supplemented and amended by (i) a deed dated March 20, 2012 between the Obligors and Highup Holdings Limited and Sino-Ocean Land Capital Investment Limited and (ii) a confirmation letter dated March 22, 2013 issued by Highup Holdings Limited to the Obligors. Further details of the Payment Deed are disclosed under the section entitled "History and Corporate Structure — Pre-IPO Investment and Debt Restructuring" in this prospectus;
- (c) an equity transfer agreement dated January 20, 2012 entered into by Guangzhou Bolang as transferor and Times Real Estate as transferee regarding the transfer of 100% equity interest in Guangzhou Shengyu from Guangzhou Bolang to Times Real Estate at a consideration of RMB120,000,000;



- (d) an equity transfer agreement dated February 1, 2012 entered into by Guangzhou Qinxi as transferor and Times Real Estate as transferee regarding the transfer of 50% equity interest in Qingyuan Rongjing from Guangzhou Qinxi to Times Real Estate at a consideration of RMB2,500,000;
- (e) an equity transfer agreement dated February 20, 2013 entered into by Guangzhou Qingchu as transferor and Guangzhou Junbao as transferee regarding the transfer of 100% equity interest in Guangzhou Tiansi from Guangzhou Qingchu to Guangzhou Junbao at a consideration of RMB250,500,000;
- (f) an equity transfer agreement dated August 15, 2012 entered into by Guangzhou Qinxi as transferor and Times Real Estate as transferee regarding the transfer of 50% equity interest in Qingyuan Rongjing from Guangzhou Qinxi to Times Real Estate at a consideration of RMB2,500,000;
- (g) a capital increase and equity transfer agreement dated September 28, 2012 entered into by Gaoying Taifu as transferor and Guangzhou Shengyu as transferee, pursuant to which, Guangzhou Shengyu acquired 90% equity interest in Guangdong Guangchang by paying an amount of RMB38,070,000 for the increase in the capital of Guangdong Guangchang;
- (h) an equity transfer agreement dated November 16, 2012 entered into by Guangzhou Shengyu as transferor and Zhongshan Tianyue as transferee regarding the transfer of 40% equity interest in Guangzhou Hongtai from Guangzhou Shengyu to Zhongshan Tianyue at a consideration of RMB14,000,000;
- (i) an equity transfer agreement dated November 26, 2012 entered into by Gaoying Taifu as transferor and Guangzhou Shengyu as transferee regarding the transfer of 10% equity interest in Guangdong Guangchang from Gaoying Taifu to Guangzhou Shengyu at a consideration of RMB15,000,000;
- (j) an equity transfer agreement dated November 28, 2012 entered into by Guangzhou Shengyu as transferor and Ruici Chunhua as transferee regarding the transfer of 50% equity interest in Zhongshan Tianyue from Guangzhou Shengyu to Ruici Chunhua at a consideration of RMB5,000,000;
- (k) an equity transfer agreement dated November 28, 2012 entered into by Guangzhou Shengyu as transferor and Ruici Qiushi as transferee regarding the transfer of 50% equity interest in Zhongshan Tianyue from Guangzhou Shengyu to Ruici Qiushi at a consideration of RMB5,000,000;
- (l) an equity transfer agreement dated December 17, 2012 entered into by Ms. Guan Wanji (關婉姬), Mr. Cen Jiancai (岑建財) and Mr. Cen as transferors and Guangzhou Yongtai as transferee regarding the transfer of 35%, 35% and 30% equity interest in Guangzhou Zhide from Ms. Guan Wanji (關婉姬), Mr. Cen Jiancai (岑建財) and Mr. Cen at a consideration of RMB3,500,000, RMB3,500,000 and RMB3,000,000, respectively;



- (m) an equity transfer agreement dated January 6, 2013 entered into by Mr. Yan Le (嚴樂) as transferor and Guangzhou Shengyu as transferee regarding the transfer of 50% equity interest in Zhuhai Guoji from Mr. Yan Le (嚴樂) to Guangzhou Shengyu at a consideration of RMB2,500,000;
- (n) an equity transfer agreement dated January 20, 2013 entered into by Shanghai Dingzhong and Mr. Liu Chunguang (劉春光) as transferors and Guangzhou Shengyu as transferee regarding the transfer of 26% and 25% equity interest in Zhuhai Jinwu from Shanghai Dingzhong and Mr. Liu Chunguang (劉春光) to Guangzhou Shengyu at a consideration of RMB260,000 and RMB250,000, respectively;
- (o) an equity transfer agreement dated March 4, 2013 entered into by Guangzhou Bolang as transferor and Guangzhou Shengyu as transferee regarding the transfer of 20% equity interest in Zhuhai Jingrun from Guangzhou Bolang to Guangzhou Shengyu at a consideration of RMB8,760,000;
- (p) an equity transfer agreement dated March 6, 2013 entered into by Guangzhou Bolang as transferor and Times Group as transferee regarding the transfer of 35% equity interest in Guangzhou Yongtai from Guangzhou Bolang to Times Group at a consideration of RMB3,850,000;
- (q) an equity transfer agreement dated March 7, 2013 entered into by Guangzhou Mingtai as transferor and Guangzhou Yongtai as transferee regarding the transfer of 100% equity interest in Guangzhou Huaya from Guangzhou Mingtai to Guangzhou Yongtai at a consideration of RMB11,000,000;
- (r) an equity transfer agreement dated March 14, 2013 entered into by Mr. Zhang Jiasheng (張家盛) as transferor and Guangzhou Zhide as transferee regarding the transfer of 4.9505% equity interest in Zhide Technology from Mr. Zhang Jiasheng (張家盛) to Guangzhou Zhide at a consideration of RMB500,000;
- (s) an equity transfer agreement dated March 14, 2013 entered into by Zhuhai Tianchen as transferor and Guangzhou Shengyu as transferee regarding the transfer of 20% equity interest in Guangzhou Zichen from Zhuhai Tianchen to Guangzhou Shengyu at a consideration of RMB2,000,000;
- (t) an equity transfer agreement dated March 26, 2013 entered into by Guangzhou Zhide as transferor and Guangzhou Zhengyuan Investment Co., Ltd. (廣州市正元投資有限公司) as transferee regarding the transfer of 100% equity interest in Foshan Zhide Wangu from Guangzhou Zhide to Guangzhou Zhengyuan Investment Co., Ltd. (廣州市正元投資有限公司) at a consideration of RMB10,000;
- (u) an equity transfer agreement dated March 27, 2013 entered into by Guangzhou Tianyi as transferor and Pairuan Technology as transferee regarding the transfer of 100% equity interest in Zhuhai Shengyuan from Guangzhou Tianyi to Pairuan Technology at a consideration of RMB1,000,000;

- (v) an equity transfer agreement dated May 27, 2013 entered into by Ms. Zhong Xingmei (鍾杏梅) as transferor and Times Real Estate as transferee regarding the transfer of 70% equity interest in Foshan Meigui Huaye from Ms. Zhong Xingmei (鍾杏梅) to Times Real Estate at a consideration of RMB196,546,000;
- (w) an equity transfer agreement dated May 27, 2013 entered into by Mr. Luo Zhiwen (羅志文) as transferor and Guangzhou Shengyu as transferee regarding the transfer of 18% equity interest in Foshan Meigui Huaye from Mr. Luo Zhiwen (羅志文) to Guangzhou Shengyu at a consideration of RMB50,540,400;
- (x) an equity transfer agreement dated May 27, 2013 entered into by Mr. He Shaoping (何少平) as transferor and Guangzhou Shengyu as transferee regarding the transfer of 5% equity interest in Foshan Meigui Huaye from Mr. He Shaoping (何少平) to Guangzhou Shengyu at a consideration of RMB14,039,000;
- (y) an equity transfer agreement dated May 27, 2013 entered into by Mr. He Shaofan (何少凡) as transferor and Guangzhou Shengyu as transferee regarding the transfer of 5% equity interest in Foshan Meigui Huaye from Mr. He Shaofan (何少凡) to Guangzhou Shengyu at a consideration of RMB14,039,000;
- (z) an equity transfer agreement dated May 27, 2013 entered into by Ms. Luo Yuanping (羅苑萍) as transferor and Guangzhou Shengyu as transferee regarding the transfer of 2% equity interest in Foshan Meigui Huaye from Ms. Luo Yuanping (羅苑萍) to Guangzhou Shengyu at a consideration of RMB5,615,600;
- (aa) an equity transfer agreement dated May 27, 2013 entered into by Ms. Zhong Xingmei (鍾杏梅) as transferor and Times Real Estate as transferee regarding the transfer of 70% equity interest in Foshan Meiguiyuan from Ms. Zhong Xingmei (鍾杏梅) to Times Real Estate at a consideration of RMB131,033,000;
- (bb) an equity transfer agreement dated May 27, 2013 entered into by Mr. Luo Zhiwen (羅志文) as transferor and Guangzhou Shengyu as transferee regarding the transfer of 18% equity interest in Foshan Meiguiyuan from Mr. Luo Zhiwen (羅志文) to Guangzhou Shengyu at a consideration of RMB33,694,200;
- (cc) an equity transfer agreement dated May 27, 2013 entered into by Mr. He Shaoping (何少平) as transferor and Guangzhou Shengyu as transferee regarding the transfer of 5% equity interest in Foshan Meiguiyuan from Mr. He Shaoping (何少平) to Guangzhou Shengyu at a consideration of RMB9,359,500;
- (dd) an equity transfer agreement dated May 27, 2013 entered into by Mr. He Shaofan (何少凡) as transferor and Guangzhou Shengyu as transferee regarding the transfer of 5% equity interest in Foshan Meiguiyuan from Mr. He Shaofan (何少凡) to Guangzhou Shengyu at a consideration of RMB9,359,500;
- (ee) an equity transfer agreement dated May 27, 2013 entered into by Ms. Luo Yuanping (羅苑萍) as transferor and Guangzhou Shengyu as transferee regarding the transfer of 2% equity interest in Foshan Meiguiyuan from Ms. Luo Yuanping (羅苑萍) to Guangzhou Shengyu at a consideration of RMB3,743,800;

- (ff) an agreement dated June 5, 2013 and a supplemental agreement dated July 22, 2013 entered into between Guangzhou Pige, Times Real Estate, Guangzhou Shengyu, Times Group and Guangzhou Tianhe, pursuant to which Guangzhou Pige transferred 100% equity interest in Guangzhou Tianhe to Times Real Estate, Guangzhou Shengyu and Times Group at RMB140,000,000;
- (gg) a joint development agreement dated June 19, 2013 entered by Times Real Estate and Guangzhou Lvdi, pursuant to which Times Real Estate acquired 50% equity interest of Guangzhou Lvdi Baiyun through increasing its registered capital by RMB5,000,000;
- (hh) a supplemental joint development agreement dated June 28, 2013 entered by Times Real Estate and Guangzhou Lvdi, pursuant to which Times Real Estate agreed to increase the registered capital of Guangzhou Lvdi Baiyun by RMB10,000,000 to maintain its shareholding in Guangzhou Lvdi Baiyun as agreed in the agreement dated June 19, 2013 as set out in item (gg) above;
- (ii) an equity transfer agreement dated July 2, 2013 entered into by Guangzhou Shengyu as transferor and Daye Trust as transferee regarding the transfer of 20% equity interest in Guangzhou Nanying from Guangzhou Shengyu to Daye Trust at a consideration of RMB72,000,000;
- (jj) an equity transfer agreement dated July 5, 2013 entered into by Mr. Yan Le (嚴樂) as transferor and Guangzhou Shengyu as transferee regarding the transfer of 40% equity interest in Zhuhai Guoji from Mr. Yan Le (嚴樂) to Guangzhou Shengyu at a consideration of RMB2,000,000;
- (kk) an equity transfer agreement dated July 5, 2013 entered into by Ms. Deng Fen (鄧芬) as transferor and Guangzhou Shengyu as transferee regarding the transfer of 10% equity interest in Zhuhai Guoji from Ms. Deng Fen (鄧芬) to Guangzhou Shengyu at a consideration of RMB500,000;
- (ll) the Restructuring Deed dated July 12, 2013 entered into between our Company, Mr. Shum, Asiaciti Enterprises, Renowned Brand, East Profit and Highup Holdings Limited, in respect of, among others, the revised payment schedule for the amounts owed but not yet fallen due by the Obligors to the Investors and the modification of the security given by the Obligors to the Investors under the Note Subscription Agreement and the Exchangeable Notes. Further details of the Restructuring Deed are disclosed under the section entitled “History and Corporate Structure — Pre-IPO Investment and Debt Restructuring” in this prospectus;
- (mm) an equity transfer agreement dated October 8, 2013 entered into by Guangzhou Shengyu as transferor and Guangzhou Zhuorui as transferee regarding the transfer of 40% equity interest in Zhuhai Jiayu from Guangzhou Shengyu to Guangzhou Zhuorui at a consideration of RMB12,000,000;

- (nn) an equity transfer agreement dated November 11, 2013 entered into by Fogang Runxin as transferor and Zhongrong International Trust as transferee regarding the transfer of 100% equity interest in Guangzhou Zhuorui from Fogang Runxin to Zhongrong International Trust at a consideration of RMB10,000,000;
- (oo) the Deed of Non-competition;
- (pp) the Deed of Indemnity dated November 21, 2013 given by our Controlling Shareholders in favor of our Company (for itself and as trustee for each of its present subsidiaries) in respect of, amongst others, taxation and property matters referred to in the paragraph headed “— Other Information — Tax and other indemnities” in this Appendix;
- (qq) the cornerstone placing agreement dated November 19, 2013 and entered into between Fusion Capital Limited, UBS AG, Hong Kong Branch, Haitong International Securities Company Limited and us, pursuant to which Fusion Capital Limited has agreed to acquire at the Offer Price such number of Offer Shares as may be purchased with an aggregate amount of HK\$116,300,000, rounded down to the nearest whole board lot of 1,000 Shares;
- (rr) the cornerstone placing agreement dated November 19, 2013 and entered into between Ms. Xiong, UBS AG, Hong Kong Branch, Haitong International Securities Company Limited and us, pursuant to which Ms. Xiong has agreed to acquire at the Offer Price such number of Offer Shares as may be purchased with an aggregate amount of HK\$100,000,000, rounded down to the nearest whole board lot of 1,000 Shares;
- (ss) the cornerstone placing agreement dated November 20, 2013 and entered into between Guangzhou Highsun, UBS AG, Hong Kong Branch, Haitong International Securities Company Limited and us, pursuant to which Guangzhou Highsun has agreed to acquire at the Offer Price such number of Offer Shares as may be purchased with an aggregate amount of HK\$116,300,000, rounded down to the nearest whole board lot of 1,000 Shares;
- (tt) the cornerstone placing agreement dated November 22, 2013 and entered into between Yue Xiu Securities, UBS AG, Hong Kong Branch, Haitong International Securities Company Limited and us, pursuant to which Yue Xiu Securities has agreed to acquire at the Offer Price such number of Offer Shares as may be purchased with an aggregate amount of HK\$116,300,000, rounded down to the nearest whole board lot of 1,000 Shares; and
- (uu) the Hong Kong Underwriting Agreement.

## 2. Intellectual Property Rights of Our Group

### (a) Trademarks



As of the Latest Practicable Date, our Group was the registered proprietor of the following trademarks which, in the opinion of our Directors, are material to our business:

Trademark	Registration Number	Class	Name of Registered Proprietor	Place of Registration	Date of Registration	Expiry Date
	301058184AA	37	Our Company	Hong Kong	February 25, 2008	February 24, 2018
	301058184AB	45	Our Company	Hong Kong	February 25, 2008	February 24, 2018

As of the Latest Practicable Date, the following trademarks were licensed to our Group which, in the opinion of our Directors, are material to our business:

Trademark	Registration Number	Class	Name of Registered Proprietor	Place of Registration	Expiry Date
	4403399	36	Times Development Group (Note 1)	PRC	April 6, 2019
	1675744	36	Times Development Group (Note 1)	PRC	November 27, 2021
	1699569	37	Times Development Group (Note 1)	PRC	January 13, 2022
	4403411	39	Times Development Group (Note 1)	PRC	June 27, 2018
	4403412	39	Times Development Group (Note 1)	PRC	June 27, 2018
	4403413	41	Times Development Group (Note 1)	PRC	June 27, 2018
	4403414	37	Times Development Group (Note 1)	PRC	December 13, 2019
	4403415	43	Times Development Group (Note 1)	PRC	June 27, 2018

Trademark	Registration Number	Class	Name of Registered Proprietor	Place of Registration	Expiry Date
	4403416	36	Times Development Group ( <i>Note 1</i> )	PRC	June 27, 2018
	4403417	36	Times Development Group ( <i>Note 1</i> )	PRC	June 27, 2018
	4403418	42	Times Development Group ( <i>Note 1</i> )	PRC	August 27, 2018
	7459826	43	Times Development Group ( <i>Note 1</i> )	PRC	November 13, 2020
	7459836	43	Times Development Group ( <i>Note 1</i> )	PRC	August 6, 2021
	7459885	41	Times Development Group ( <i>Note 1</i> )	PRC	August 6, 2021
	7459935	39	Times Development Group ( <i>Note 1</i> )	PRC	August 6, 2021
	7459960	37	Times Development Group ( <i>Note 1</i> )	PRC	October 20, 2021
	7459981	36	Times Development Group ( <i>Note 1</i> )	PRC	February 20, 2021
	7459986	36	Times Development Group ( <i>Note 1</i> )	PRC	November 13, 2020
	7460002	37	Times Development Group ( <i>Note 1</i> )	PRC	November 13, 2020
	7460028	39	Times Development Group ( <i>Note 1</i> )	PRC	December 13, 2020
	7462606	41	Times Development Group ( <i>Note 1</i> )	PRC	January 13, 2021

<u>Trademark</u>	<u>Registration Number</u>	<u>Class</u>	<u>Name of Registered Proprietor</u>	<u>Place of Registration</u>	<u>Expiry Date</u>
	7577841	36	Times Development Group <i>(Note 1)</i>	PRC	June 27, 2021
	7577851	36	Times Development Group <i>(Note 1)</i>	PRC	August 6, 2021

*Note:*

- On March 13, 2013, Times Group entered into the Trademark License Agreement with Times Development Group. Pursuant to the Trademark License Agreement (which was amended and supplemented by a supplemental agreement dated July 1, 2013), Times Development Group granted an exclusive license to us to use the Trademark on a royalty free basis for a period commencing from March 13, 2013 and ending on March 12, 2033. Our PRC legal advisers, Commerce & Finance, confirmed that the terms of Trademark License Agreement are valid, binding and enforceable against the parties thereto.

**(b) Domain names**

As of the Latest Practicable Date, our Group was the registered proprietor of the following domain name which, in the opinion of our Directors, is material to our business:

<u>Domain name</u>	<u>Name of Registered Proprietor</u>	<u>Date of Registration</u>	<u>Expiry Date</u>
timesgroup.cn	Times Real Estate	December 3, 2003	December 3, 2015

**C. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

**1. Disclosure of Interests**

**(a) Interests and short positions of the Directors and the chief executive of our Company in the shares, underlying shares and debentures of our Company and its associated corporations**

Immediately following completion of the Global Offering and the Capitalization Issue (without taking into account of any Shares that may be issued under the Over-allotment Option or the Share Option Scheme), the interests or short positions of Directors or chief executives of our Company in the Shares, underlying Shares and debentures of our Company or its 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, under Section 352 of the SFO, to be entered in the register referred to in that



section, or which will be required, under the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “**Model Code**”), to be notified to our Company once the Shares are listed will be as follows:

(i) *Interest in Shares*

<u>Name of Director</u>	<u>Nature of Interest</u>	<u>Number of Shares<sup>(1)</sup></u>	<u>Approximate percentage of shareholding interest</u>
Mr. Shum (Notes 1 and 2)	Interest in controlled corporation	1,292,220,000L	75%

Notes:

- The letter “L” denotes the person’s long position in the Shares.
- Mr. Shum’s interest in our Company is held through Asiaciti Enterprises, a company owned as to 60% by Renowned Brand, which is in turn wholly-owned by Mr. Shum, and 40% by East Profit which is in turn wholly owned by Ms. Li, spouse of Mr. Shum.

(ii) *Interest in associated corporation of our Company*

<u>Name of Director</u>	<u>Name of associated corporation</u>	<u>Nature of Interest</u>	<u>Number of shares<sup>(1)</sup></u>	<u>Approximate percentage of shareholding interest in the associated corporation</u>
Mr. Shum (Note 1)	Asiaciti Enterprises	Interest in controlled corporation	120	60%
Mr. Shum	Renowned Brand	Beneficial owner	1	100%

Note:

- The issued shares of Asiaciti Enterprises is owned as to 60% by Renowned Brand which is in turn wholly owned by Mr. Shum.

(b) *Interests and short positions of the Substantial Shareholders in the Shares and Underlying Shares*

So far as our Directors are aware, immediately following the completion of the Global Offering and the Capitalization Issue (without taking into account any Shares that may be issued under the Over-allotment Option or the Share Option Scheme), the following persons, (not being Directors or chief executive of our Company) will have or be deemed or taken to have an interest and/or short position in the Shares or the underlying Shares which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

<u>Name of Shareholder</u>	<u>Nature of Interest</u>	<u>Number of Shares<sup>(1)</sup></u>	<u>Approximate percentage of interest in our Company immediately following the completion of the Global Offering and the Capitalization Issue</u>
Mr. Shum (Notes 1, 2, 3, 4)	Interest in controlled corporation	1,292,220,000L	75%
Ms. Li (Notes 1, 2, 3, 4)	Interest in controlled corporation	1,292,220,000L	75%
Renowned Brand (Notes 1, 2)	Interest in controlled corporation	1,292,220,000L	75%
East Profit (Notes 1, 3)	Interest in controlled corporation	1,292,220,000L	75%
Asiaciti Enterprises (Notes 1, 4)	Beneficial owner	1,292,220,000L	75%

*Notes:*

- (1) The letter “L” denotes the person’s long position in the Shares.
- (2) Renowned Brand is wholly owned by Mr. Shum.
- (3) East Profit is wholly owned by Ms. Li, spouse of Mr. Shum.
- (4) Asiaciti Enterprises is owned as to 60% by Renowned Brand and 40% by East Profit which is in turn wholly owned by Ms. Li, spouse of Mr. Shum.

So far as the Directors are aware, immediately following completion of the Global Offering, the following persons will be, 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 meeting of any members of the Group other than the Company.

<u>Name of shareholder</u>	<u>Name of the Group member</u>	<u>Capacity</u>	<u>Approximate percentage of shareholding</u>
Guangzhou Xiandai Investment Co., Ltd. (廣州現代投資有限公司).	Guangzhou Guangdechang	Beneficial owner	30%
Guangzhou Jiada Investment Consulting Co., Ltd. (廣州嘉達投資諮詢有限公司) . . . . .	Guangzhou Guangdechang	Beneficial owner	15%
Guangzhou Dafushi . . . . .	Guangzhou Junbao	Beneficial owner	30%
Shanghai Dingzhong . . . . .	Zhuhai Jinwu	Beneficial owner	25%
Mr. Liu Chunguang (劉春光). . . . .	Zhuhai Jinwu	Beneficial owner	24%
Zhongshan Tianyue . . . . .	Guangzhou Hongtai	Beneficial owner	40%
Daye Trust. . . . .	Guangzhou Nanying	Beneficial owner	20%
Guangzhou Hengde Investment Co., Ltd. (廣州市恒德投資有限公司) . . . . .	Guangzhou Hengde	Beneficial owner	30%
Guangzhou Lvdi . . . . .	Guangzhou Lvdi Baiyun	Beneficial owner	50%
Guangzhou Zhuorui . . . . .	Zhuhai Jiayu	Beneficial owner	40%

## 2. Particulars of Service Contracts

### (a) *Executive Directors*

Each of the executive Directors has entered into a service contract with our Company under which they agreed to act as executive Directors for an initial term of three years commencing from the Listing Date, which may be terminated by not less than three months' notice in writing served by either the executive Director or our Company.

The appointments of the Executive Directors are subject to the provisions of retirement and rotation of Directors under the Articles.

*(b) Independent Non-executive Directors*

Each of the independent non-executive Directors has signed an appointment letter with our Company for a term of three years with effect from the Listing Date. Under their respective appointment letters, each of the independent non-executive Directors is entitled to a fixed Director's fee. The appointments are subject to the provisions of retirement and rotation of Directors under the Articles.

*(c) Others*

- (i) Save as disclosed above, none of the Directors has entered into any service contract with any member of our Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation other than statutory compensation).
- (ii) None of the Directors or any past Directors of any members of our Group has been paid any sum of money for the three years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013 (i) as 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.
- (iii) There has been no arrangement under which a Director has waived or agreed to waive any remuneration or benefits in kind for the three years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013.
- (iv) None of the Directors has been or is interested in the promotion of, or in the property proposed to be acquired by, our Company, and no sum has been paid or agreed to be paid to any of them in cash or shares or otherwise by any person either to induce him to become, or to qualify him as, a Director, or otherwise for services rendered by him in connection with the promotion or formation of our Company.

**3. Competing Interest of Directors**

Please refer to the section "Relationship with Controlling Shareholders" in this prospectus.

**4. Fees or Commissions Received**

Save as disclosed in this prospectus, no commissions, discounts, agency fee, brokerages or other special terms has been granted in connection with the issue or sale of any capital of any member of our Group within the two years immediately preceding the date of this prospectus.

## 5. Disclaimers

Save as disclosed in this prospectus:

- (a) none of the Directors or chief executive of our Company has any interest or short positions in the Shares, underlying Shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is 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 into the register referred to in that section, or which will be required to be notified to us and the Stock Exchange pursuant to the Model Code, in each case once our Shares are listed;
- (b) none of our Directors nor any of the parties listed in the section headed “— Other Information — Consents of Experts” below has any direct or indirect interest in the promotion of our Company, or in any assets which have within the two years immediately preceding the date of this prospectus, been 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;
- (c) none of our Directors nor any of the parties listed in the section headed “— Other Information — Consents of Experts” below, is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to the business of our Group taken as a whole;
- (d) save for the Underwriting Agreements, none of the parties listed in the section headed “— Other Information — Consents of Experts” below:
  - (i) is interested legally or beneficially in any of our Shares or any shares of any of our subsidiaries; or
  - (ii) has any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe securities in any member of our Group;
- (e) none of the Directors has any existing or proposed service contracts with any member of our Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)); and
- (f) none of the Directors, their respective associates or Shareholders of our Company is interested in more than 5% of the issued share capital of our Company has any interests in the five largest suppliers.

## D. SHARE OPTION SCHEME

The following is a summary of the principal terms of the Share Option Scheme conditionally adopted by the written resolutions of the Shareholders passed on November 19, 2013. The terms of the Share Option Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules.

**(a) Purpose**

The Share Option Scheme is a share incentive scheme and is established to enable our Company to grant options to the Eligible Participants (as defined in paragraph (b) below) as incentives or rewards for their Contribution they had or may have made to our Group. The Share Option Scheme will provide the Eligible Participants an opportunity to have a personal stake in our Company with the view to achieving the following objectives:

- (i) motivate the Eligible Participants to optimize their performance efficiency for the benefit of our Group; and
- (ii) attract and retain or otherwise maintain on-going business relationship with the Eligible Participants whose contributions are or will be beneficial to the long-term growth of our Group.

**(b) Who may join**

The Board may, at its discretion, offer to grant an option to subscribe for such number of new Shares as the Board may determine at an exercise price determined in accordance with paragraph (e) below to:

- (i) any full-time or part-time employees, executives or officers of our Company or any of its subsidiaries;
- (ii) any directors (including independent non-executive directors) of our Company or any of its subsidiaries;
- (iii) any advisers, consultants, suppliers, customers, distributors and agents to our Company or any of its subsidiaries; and
- (iv) any such other persons who in the sole opinion of the Board, will contribute or have contributed to our Company and/or any of its subsidiaries.

Upon acceptance of the option, the grantee shall pay HK\$1.00 (or an equivalent amount in RMB) to our Company by way of consideration for the grant. Any offer to grant an option to subscribe for Shares may be accepted in respect of less than the number of Shares for which it is offered provided that it is accepted in respect of a board lot of dealing in Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate offer document constituting the acceptance of the option. To the extent that the offer to grant an option is not accepted by any prescribed acceptance date, it shall be deemed to have been irrevocably declined.

**(c) Maximum number of Shares**

The maximum number of Shares in respect of which options may be granted under the Share Option Scheme and under any other share option schemes of our Company must not in aggregate exceed 10% of the total number of Shares in issue immediately following the completion of the Global Offering (but taking no account of any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option), being 172,296,000 Shares,

excluding for this purpose Shares which would have been issued on the exercise in full of options in accordance with the terms of the Share Option Scheme (or any other share option schemes of our Company, but not canceled, lapsed or exercised). Subject to the issue of a circular by our Company and the approval of the Shareholders in general meeting and/or such other requirements prescribed under the Listing Rules from time to time, the Board may:

- (i) renew this limit at any time to 10% of the Shares in issue as of the date of the approval by the Shareholders in general meeting; and/or
- (ii) grant options beyond the 10% limit to Eligible Participants specifically identified by the Board. The circular issued by our Company to the Shareholders shall contain a generic description of the specified Eligible Participants who may be granted such options, the number and terms of the options to be granted, the purpose of granting options to the specified Eligible Participants with an explanation as to how the options serve such purpose, the information required under Rule 17.02(2)(d) and the disclaimer required under Rule 17.02(4) of the Listing Rules.

Notwithstanding the foregoing, the Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of our Company at any time shall not exceed 30% of the Shares in issue from time to time. No options shall be granted under any schemes of our Company (including the Share Option Scheme) if this will result in the 30% limit being exceeded. The maximum number of Shares in respect of which options may be granted shall be adjusted, in such manner as the auditors of our Company or an approved independent financial adviser shall certify to be appropriate, fair and reasonable in the event of any alteration in the capital structure of our Company in accordance with paragraph (q) below whether by way of consolidation, capitalization issue, rights issue, sub-division or reduction of the share capital of our Company but in no event shall exceed the limit prescribed in this paragraph.

**(d) Maximum number of options to any one individual**

The total number of Shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of our Company (including both exercised and outstanding options) to each Eligible Participant in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue as of the date of grant. Any further grant of options in excess of this 1% limit shall be subject to:

- (i) the issue of a circular by our Company which shall comply with Rules 17.03(4) and 17.06 of the Listing Rules containing the identity of the Eligible Participant, the numbers of and terms of the options to be granted (and options previously granted to such participant) the information as required under Rules 17.02(2)(d) and the disclaimer required under 17.02(4) of the Listing Rules; and
- (ii) the approval of the Shareholders in general meeting and/or other requirements prescribed under the Listing Rules from time to time with such Eligible Participant and his associates (as defined in the Listing Rules) abstaining from voting. The numbers and terms (including the exercise price) of options to be granted to such participant must be fixed before the Shareholders' approval and the date of the Board meeting at which the Board proposes to grant the options to such Eligible Participant shall be taken as the date of grant for the purpose of calculating the subscription price of the Shares. The Board shall forward to such Eligible Participant an offer document in such form as the Board may from time to time determine.



**(e) Price of Shares**

The subscription price of a Share in respect of any particular option granted under the Share Option Scheme shall be such price as the Board in its absolute discretion shall determine, save that such price will be at less the higher of:

- (i) the official closing price of the Shares as stated in the Stock Exchange's daily quotation sheets on the date of grant, which must be a day on which the Stock Exchange is open for the business of dealing in securities;
- (ii) the average of the official closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five Business Days immediately preceding the date of grant; and
- (iii) the nominal value of a Share.

**(f) Granting options to connected persons**

Any grant of options to a Director, chief executive or substantial shareholder (as defined in the Listing Rules) of our Company or any of their respective associates (as defined in the Listing Rules) is required to be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options). If the Board proposes to grant options to a substantial shareholder or any independent non-executive Director or any of their respective associates (as defined in the Listing Rules) which will result in the number of Shares issued and to be issued upon exercise of options granted and to be granted (including options exercised, canceled and outstanding) to such person in the 12-month period up to and including the date of such grant:

- (i) representing in aggregate over 0.1% or such other percentage as may be from time to time provided under the Listing Rules of the Shares in issue; and
- (ii) having an aggregate value in excess of HK\$5 million or such other sum as may be from time to time provided under the Listing Rules, based on the official closing price of the Shares at the date of each grant,

such further grant of options will be subject to the issue of a circular by our Company and the approval of the Shareholders in general meeting by way of a poll at which all connected persons of our Company shall abstain from voting in favor of the resolution concerning the grant of such options at the general meeting, and/or such other requirements prescribed under the Listing Rules from time to time. Any vote taken at the meeting to approve the grant of such options shall be taken as a poll.

The circular to be issued by our Company to the Shareholders pursuant to the above paragraph shall contain the following information:

- (i) the details of the number and terms (including the exercise price) of the options to be granted to each selected Eligible Participant which must be fixed before the shareholders' meeting and the date of Board meeting for proposing such further grant shall be taken as the date of grant for the purpose of calculating the exercise price of such options;

- (ii) a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options) to the independent Shareholders as to voting;
- (iii) the information required under Rule 17.02(2)(c) and (d) and the disclaimer required under Rule 17.02(4) of the Listing Rules; and
- (iv) the information required under Rule 2.17 of the Listing Rules.

**(g) Restrictions on the times of grant of Options**

A grant of options may not be made when inside information has come to the knowledge of the Company until such inside information has been announced pursuant to the requirements of the Listing Rules. In particular, no options may be granted during the period commencing one month immediately preceding the earlier of:

- (i) the date of the Board meeting (as such date to first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of our Company's annual results, half-year, quarterly or other interim period (whether or not required under the Listing Rules);
- (ii) the deadline for our Company to publish an announcement of results of the Company for (i) any year or half-year period in accordance with the Listing Rules; and (ii) any quarterly or any other interim period, where the Company has elected to publish such results (whether or not required under the Listing Rules), and ending on the date of actual publication of the results for such year, half year, quarterly or interim period (as the case may be), and where the grant of options is to a Director;
- (iii) no options shall be granted during the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and
- (iv) during the period of 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results.

**(h) Rights are personal to grantee**

An option is personal to the grantee and may be exercised or treated as exercised, as the case may be, in whole or in part. No grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favor of any third party over or in relation to any option or attempt so to do.

**(i) Time of exercise of Option and duration of the Share Option Scheme**

An option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the Option is deemed to be granted and accepted and prior to the expiry of ten years from that date. The period during which an option may be exercised

will be determined by the Board in its absolute discretion, save that no option may be exercised more than ten years after it has been granted. No option may be granted more than ten years after the date of approval of the Share Option Scheme. Subject to earlier termination by our Company in general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of ten years from the date of its adoption.

**(j) Performance target**

A grantee may be required to achieve any performance targets as the Board may then specify in the grant before any options granted under the Share Option Scheme can be exercised.

**(k) Rights on ceasing employment or death**

If the grantee of an option ceases to be an employee of our Company or any of its subsidiaries:

- (i) by any reason other than death, ill-health, injury, disability or termination of his employment on the grounds specified in paragraph (r)(v) below, the grantee may exercise the option up to the entitlement of the grantee as of the date of cessation (to the extent not already exercised) within a period of one month from such cessation; or
- (ii) by reason of death, ill-health, injury or disability, his personal representative(s) may exercise the option within a period of 12 (or such longer period as the Board may determine) months from such cessation or death of such grantee, failing which it will lapse.

**(l) Rights on dismissal**

If the grantee of an Option ceases to be an employee of our Company or any of its subsidiaries on the grounds that he has been guilty of serious misconduct, or in relation to an employee of our group (if so determined by the Board) on any other ground on which an employee would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the grantee's service contract with our group, or has been convicted of any criminal offense involving his integrity or honesty, his Option will lapse and not be exercisable after the date of termination of his employment.

**(m) Rights on takeover**

If a general or partial offer is made to all the Shareholders (or all such Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror (as defined in the Takeovers Codes)) and such offer becomes or is declared unconditional, the grantee of an option shall be entitled to exercise the Options (to the extent not already exercised) to its full extent at any time within 14 days after the date on which such general offer becomes or is declared unconditional.

**(n) Rights on winding-up**

In the event a notice is given by our Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up our Company, our Company shall forthwith give notice thereof to all grantees and thereupon, each grantee (or his legal personal representative(s)) shall be entitled to exercise all or any of his options (to the extent not already exercised) at any time not later than two Business Days prior to the proposed general meeting of our Company referred to above by giving notice in writing to our Company, accompanied by a remittance for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given, whereupon our Company shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of the proposed general meeting, allot the relevant Shares to the grantee credited as fully paid.

**(o) Rights on compromise or arrangement between our Company and its members or creditors**

If a compromise or arrangement between our Company and its members or creditors is proposed for the purposes of a scheme for the reconstruction of our Company or its amalgamation with any other companies pursuant to the laws of jurisdictions in which our Company was incorporated, our Company shall give notice to all the grantees of the options on the same day as it gives notice of the meeting to its members or creditors summoning the meeting to consider such a scheme of arrangement and there upon each grantee shall be entitled to exercise the option in whole or in part at any time prior to 12 noon (Hong Kong time) on the Business Day immediately prior to the date of the proposed meeting directed to be convened by the relevant court.

With effect from the date of such meeting, the rights of all grantees to exercise their respective options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all options shall, to the extent that they have not been exercised, lapse and determine. If for any reason such compromise or arrangement is not approved by the relevant court, the rights of grantees to exercise their respective options shall with effect from such date of the making of the order by the relevant court be restored in full but only to the extent not already exercised and shall become exercisable.

**(p) Ranking of Shares**

No dividends shall be payable in relation to shares that are the subject of options that have not been exercised. The Shares to be allotted upon the exercise of an option will not carry voting rights until completion of the registration of the grantee (or any other person) as the holder thereof. Subject to the aforesaid, Shares allotted and issued on the exercise of options will rank *pari passu* in all respects and shall have the same voting, dividend, transfer and other rights, including those arising on liquidation as attached to the other fully-paid Shares in issue on the date of exercise. Shares issued on the exercise of an option shall not be entitled to any rights attaching to shares by reference to a record date preceding the date of allotment.

**(q) Effect of alterations to capital**

In the event of any alteration in the capital structure of our Company whilst any option may become or remains exercisable, whether by way of capitalization issue, rights issue, open offer (if there is a price dilutive element), consolidation, sub-division or reduction of share capital of our Company in accordance with applicable laws and regulatory requirements, such corresponding alterations (if any) shall be made in the number or of Shares subject to any options so far as unexercised and/or the subscription price per Share of each outstanding option as the auditors of our Company or an independent financial adviser shall certify in writing to the Board to be in their/his opinion fair and reasonable in compliance with Rule 17.03(13) of the Listing Rules and the note thereto and the supplementary guidance issued by the Stock Exchange on September 5, 2005 and any future guidance and interpretation of the Listing Rules issued by the Stock Exchange from time to time.

Any such alterations will be made on the basis that a grantee shall have the same proportion of the issued share capital of our Company for which any grantee of an option is entitled to subscribe pursuant to the Options held by him before such alteration and the aggregate subscription price payable on full exercise of any option is to remain as nearly as possible the same (and in any event not greater than) as it was before such event. No such alteration will be made the effect of which would be to enable a Share to be issued at less than its nominal value.

The issue of securities as consideration in a transaction is not to be regarded as a circumstance requiring any such alterations.

**(r) Expiry of option**

An option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

- (i) the date of expiry of the option as may be determined by the Board;
- (ii) the expiry of any of the periods referred to in paragraphs (k), (l), (m), (n) or (o);
- (iii) the date on which the scheme of arrangement of our Company referred to in paragraph (o) becomes effective;
- (iv) subject to paragraph (n), the date of commencement of the winding-up of our Company;
- (v) the date on which the grantee ceases to be an Eligible Participant by reason of the termination of his relationship with our group on any one or more of the following grounds:
  - (1) that he has been guilty of serious misconduct;
  - (2) that he has been convicted of any criminal offense involving his integrity or honesty or in relation to an employee of our group;

- (3) that he has become insolvent, bankrupt or has made arrangements or compositions with his creditors generally; or
- (4) on any other ground on which an employee would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the grantee's service contract with our group. A resolution of the Board to the effect that the employment of a grantee has or has not been terminated on one or more of the grounds specified in this paragraph shall be conclusive; or
- (vi) the date on which the Board shall exercise our Company's right to cancel the option at any time after the grantee commits a breach of paragraph (h) above or the options are canceled in accordance with paragraph (t) below.

**(s) Alteration of the Share Option Scheme**

The Share Option Scheme may be altered in any respect by resolution of the Board except that:

- (i) any alteration to the advantage of the grantees or the Eligible Participants (as the case may be) in respect of the matters contained in Rule 17.03 of the Listing Rules; and
- (ii) any material alteration to the terms and conditions of the Share Option Scheme or any change to the terms of options granted,

shall first be approved by the Shareholders in general meeting provided that if the proposed alteration shall adversely affect any option granted or agreed to be granted prior to the date of alteration, such alteration shall be further subject to the grantees' approval in accordance with the terms of the Share Option Scheme. The amended terms of the Share Option Scheme shall remain in compliance with Chapter 17 of the Listing Rules and any change to the authority of the Board in relation to any alteration to the terms of the Share Option Scheme must be approved by Shareholders in general meeting.

**(t) Cancellation of Options**

Subject to paragraph (h) above, any cancellation of options granted but not exercised must be approved by the grantees of the relevant options in writing.

**(u) Termination of the Share Option Scheme**

Our Company may by resolution in general meeting or the Board at any time terminate the Share Option Scheme and in such event no further option shall be offered but the provisions of the Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any option granted prior thereto or otherwise as may be required in accordance with the provisions of the Share Option Scheme. Options granted prior to such termination but not yet exercised at the time of termination shall continue to be valid and exercisable in accordance with the Share Option Scheme.

**(v) Administration of the Board**

The Share Option Scheme shall be subject to the administration of the Board whose decision as to all matters arising in relation to the Share Option Scheme or its interpretation or effect (save as otherwise provided herein) shall be final and binding on all parties.

**(w) Condition of the Share Option Scheme**

The Share Option Scheme is conditional on:

- (i) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares which may be issued pursuant to the exercise of options to be granted under the Share Option Scheme;
- (ii) the obligations of the Underwriters under the Underwriting Agreement becoming unconditional (including, if relevant, as result of the waiver of any such condition(s)) and not being terminated in accordance with the terms of the Underwriting Agreements or otherwise;
- (iii) the approval of the rules of the Share Option Scheme by our Shareholders in general meeting; and
- (iv) the commencement of dealings in the Shares on the Stock Exchange.

**(x) Disclosure in annual and interim reports**

Our Company will disclose details of the Share Option Scheme in its annual and interim reports including the number of options, date of grant, exercise price, exercise period and vesting period during the financial year/period in the annual/interim reports in accordance with the Listing Rules in force from time to time.

**(y) Present status of the Share Option Scheme**

As of the Latest Practicable Date, no option had been granted or agreed to be granted under the Share Option Scheme.

Application has been made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares which may be issued pursuant to the exercise of the options to be granted under the Share Option Scheme.

**E. OTHER INFORMATION****1. Tax and other indemnities**

Our Controlling Shareholders have entered into the Deed of Indemnity with and in favor of each member of our Company (being the contract referred to in paragraph (a) of the section headed “— Further Information About Our Business — Summary of Material Contracts”



above) to provide indemnities on a joint and several basis in respect of, among other matters, taxation resulting from income, profits or gains earned, accrued or received as well as any property claim to which any member of our Group may be subject and payable on or before the date when the Global Offering becomes unconditional.

## **2. Litigation**

As of the Latest Practicable Date, we were not aware of any other litigation or arbitration proceedings of material importance pending or threatened against us or any of our Directors that could have a material adverse effect on our 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 for the listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in this prospectus (including any Shares which may be issued pursuant to the exercise of the Over-allotment Option and any Shares which may be issued upon the exercise of any options which may be granted under the Share Option Scheme).

## **4. Preliminary Expenses**

The preliminary expenses of our Company are estimated to be approximately HK\$54,600 and are payable by our Company.

## **5. Promoter**

The 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.

## **6. Taxation of holders of Shares**

### ***(a) Hong Kong***

The sale, purchase and transfer of Shares registered with our Company's Hong Kong branch register of members will be subject to Hong Kong stamp duty, the current rate charged on each of the purchaser and seller is 0.1% of the consideration of, if higher, of the fair value of the Shares being sold or transferred. Profits from dealings in the Shares arising in or derived from Hong Kong may also be subject to Hong Kong profits tax. Our Directors have been advised that no material liability for estate duty under the laws of China or Hong Kong would be likely to fall upon any member of the Group.

### ***(b) Cayman Islands***

No stamp duty is payable in the Cayman Islands on transfer of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands.

*(c) Consultation with professional advisers*

Intending holders of the Shares are recommended to consult their professional advisers if they are in doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of or dealing in the Shares. It is emphasized that none of our Company, our Directors or the other parties involved in the Global Offering can accept responsibility for any tax effect on, or liabilities of, holders of Shares resulting from their subscription for, purchase, holding or disposal of or dealing in Shares or exercise of any rights attaching to them.

**7. Qualification of Experts**

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

<u>Name</u>	<u>Qualifications</u>
UBS Securities Hong Kong Limited	A licensed corporation registered for Type 1 (dealing in securities), Type 6 (advising on corporate finance) and Type 7 (providing automated trading services) of the regulated activities under the SFO
Haitong International Capital Limited	A licensed corporation registered for Type 6 (advising on corporate finance) of the regulated activities under the SFO
Ernst & Young Commerce & Finance	Certified Public Accountants, Hong Kong PRC legal advisers
Appleby	Cayman Islands attorney-at-law
DTZ Debenham Tie Leung Limited	Property valuer
Hart Giles, Solicitors & Notaries	A solicitors firm in Hong Kong

**8. Consents of Experts**

Each of UBS Securities Hong Kong Limited, Haitong International Capital Limited, Ernst & Young, Commerce & Finance, Appleby, DTZ Debenham Tie Leung Limited and Hart Giles, Solicitors & Notaries has given and has not withdrawn its respective written consent to the issue of this prospectus with the inclusion of its report and/or letter and/or valuation certificate and/or opinion and/or the references to its name included in this prospectus the form and context in which it is respectively included.

**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. Miscellaneous**

- (a) Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus:

- (i) no share or loan capital of our Company or any of our subsidiaries has been issued or agreed to be issued or is proposed to be fully or partly paid either for cash or 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 founders or management or deferred shares of our Company or any of our subsidiaries have been issued or agreed to be issued;
  - (iv) no commissions, discounts, brokerages or other special terms have been granted or agreed to be granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries; and
  - (v) no commission has been paid or is payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any share in our Company or any of our subsidiaries.
- (b) Our Directors confirm that:
- (i) there has been no material adverse change in the financial or trading position or prospects of the Group since June 30, 2013 (being the date to which the latest audited consolidated financial statements of the Group were prepared); and
  - (ii) there has not been any interruption in the business of the Group which may have or has had a significant effect on the financial position of the Group in the 12 months preceding the date of this prospectus.
- (c) The principal register of members of our Company will be maintained in the Cayman Islands by Appleby Trust (Cayman) Ltd. and a branch register of members of our Company will be maintained in Hong Kong by Computershare Hong Kong Investor Services Limited. Unless the Directors otherwise agree, all transfer and other documents of title of Shares must be lodged for registration with and registered by our Hong Kong Share Registrar and may not be lodged in the Cayman Islands.
- (d) All necessary arrangements have been made to enable our Shares to be admitted into CCASS for clearing and settlement.
- (e) No company within our Group is presently listed on any stock exchange or traded on any trading system.
- (f) The Directors have been advised that, under the Companies Law, the use of a Chinese name by the Company for identification purposes only does not contravene the Companies Law.

- (g) The English 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 from Companies and prospectuses from Compliance Provisions) Notice (Chapter 32L of the Laws of Hong Kong).