

**A. FURTHER INFORMATION ABOUT OUR COMPANY AND OUR SUBSIDIARIES****1. Incorporation**

Our Company was incorporated on February 22, 2013 in the Cayman Islands under the laws of the Cayman Islands as an exempted company with limited liability. Our Company has been registered as a non-Hong Kong company under Part XI of the Companies Ordinance on April 3, 2013 and our Company's principal place of business in Hong Kong is at Unit 908, China Merchants Tower, 168-200 Connaught Road Central, Sheung Wan, Hong Kong. Mr. Cheung Ying Kwan of Flat G, 2/F, Block 3, Palm Mansions, Whampoa Garden, Hung Hom, Kowloon, Hong Kong, a Hong Kong resident, has been appointed as the authorized representative of our Company for the acceptance of service of process and notices in Hong Kong.

As our Company was incorporated in the Cayman Islands, it operates subject to the law of the Cayman Islands and its constitution, which comprises the Memorandum and the Articles of Association. A summary of certain relevant parts of its constitution and certain relevant aspects of the law of the Cayman Islands is set out in Appendix V to this prospectus.

**2. Changes in share capital of our Company**

As at the date of incorporation of our Company, its authorized share capital was HK\$300,000 divided into 3,000,000 Shares of HK\$0.10 each. The following sets out the changes in the share capital of our Company since the date of its incorporation:

On February 22, 2013, one Share was allotted and issued fully paid to Codan Trust Company (Cayman) Limited and transferred on the same day to Epoch Keen.

On March 19, 2013, the authorized share capital of our Company was increased from HK\$300,000 to HK\$10,000,000,000.

On March 19, 2013, 5,833,959 Shares, 1,199,660 Shares, 737,180 Shares, 735,450 Shares, 490,590 Shares, 422,160 Shares, 409,000 Shares, 281,440 Shares, 47,380 Shares, 34,090 Shares and 34,090 Shares were allotted to Epoch Keen, First Harvest, Silver Harvest, Gold Wide, Silvery Boom, Wit Great, Praise Get, Ocean Through, Mr. Cheung Ying Kwan, Mr. Kwong Wai Sun Wilson and Mr. Chan Ngai Chi, respectively.

On October 16, 2013, Mr. Yu exercised in full the options granted under the Yu Share Option Agreement and an additional 1,013,000 Shares were allotted to Epoch Keen.

Immediately following completion of the Global Offering and the Capitalization Issue but without taking into account any Shares which may be issued upon the exercise of Over-allotment Option or any options which may be granted under the Share Option Scheme, the issued share capital of our Company will be HK\$209,832,160 divided into 2,098,321,600 Shares, all fully paid or credited as fully paid and 97,901,678,400 Shares will remain unissued. Other than pursuant to the general mandate to issue Shares referred to in the paragraph headed "Resolutions in writing of the

Shareholders of our Company passed on January 28, 2014” in this Appendix and the Share Option Scheme, our Directors do not have any present intention to issue any of the authorized but unissued share capital of our Company and, without prior approval of our Shareholders in general meeting, no issue of the Shares will be made which would effectively alter the control of our Company.

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

### **3. Changes in the share capital of our subsidiaries**

Certain information on our subsidiaries is contained in the Accountants’ Report in Appendix I to this prospectus. The following sets out the changes to the share capital made by the subsidiaries of our Company. See also the section headed “History, Reorganization and Corporate Structure” in this prospectus for more details.

#### ***Engen***

On August 6, 2010, Engen was incorporated and was initially authorized to issue a maximum of 50,000 shares each with a par value of US\$1.00 of a single class.

On August 17, 2010, one share of US\$1.00 of Engen was allotted and issued to Gushan at a consideration of US\$1.00. On September 20, 2010, 9,999 shares in Engen of US\$1.00 were further allotted and issued to Gushan at a consideration of US\$9,999.00.

On November 29, 2010, as part of the arrangement for acquiring Jinxin by Engen, Gushan transferred 1,800 shares and 1,500 shares in Engen to Gold Hero and Silver Harvest, respectively, for a total consideration of US\$870,000. For further details, see section headed “History, Reorganization and Corporate Structure – Incorporation and Commencement of our Business” of this Appendix.

On January 1, 2011, 436 shares in Engen were transferred to Gushan by Gold Hero for a consideration of US\$3,514,030. On the same date, 364 shares in Engen were transferred to Gushan by Silver Harvest for a consideration of US\$2,933,732.

On May 29, 2012, pursuant to an earn-out arrangement in connection with the acquisition of Xiangbei, Engen allotted and issued 135 shares and 90 shares to Gold Wide and Silvery Boom, respectively to satisfy the earn-out obligations for the year ended December 31, 2011. For further details, see section headed “History, Reorganization and Corporate Structure – Incorporation and Commencement of our Business” of this Appendix.

Pursuant to the written resolutions of the shareholders of Engen passed on February 1, 2013, the shareholders of Engen approved the sub-division of every one ordinary share of US\$1.00 each in the authorized and issued share capital of Engen into 100 ordinary shares of US\$0.01 each. Immediately following the stock split referred to above, Engen is authorized to issue a maximum of 5,000,000 shares of a single class each with a par value of US\$0.01 and the issued share capital of Engen became US\$10,225 comprising 1,022,500 shares of US\$0.01 each.

On February 25, 2013, Silvery Boom acquired 40,059 (3.92%) shares in Engen from Gushan at a price of HK\$375 per share, representing a total consideration of HK\$15,022,125.

On February 25, 2013, Gold Wide acquired 16,434 (1.61%), 39,882 (3.9%) and 3,729 (0.36%) shares in Engen from Gold Hero, Silver Harvest and Gushan, respectively, at a price of HK\$375 per share. The total consideration paid by Gold Wide to Gold Hero, Silver Harvest and Gushan is HK\$6,162,750, HK\$14,955,750 and HK\$1,398,375, respectively.

On February 25, 2013, Praise Get, Wit Great and Ocean Through acquired 40,900 (4.00%), 42,216 (4.13%) and 28,144 (2.75%) shares in Engen from Gushan, respectively, at a price of HK\$375 per share. The total consideration paid by Praise Get, Wit Great and Ocean Through to Gushan is HK\$15,337,500, HK\$15,831,000 and HK\$10,554,000, respectively.

On February 25, 2013, First Harvest acquired 119,966 (11.73%) shares in Engen from Gold Hero, at a price of HK\$375 per share, for a total consideration of HK\$44,987,250.

On February 25, 2013, Mr. Kwong Wai Sun Wilson, Mr. Chan Ngai Chi and Mr. Cheung Ying Kwan acquired 3,409 (0.33%), 3,409 (0.33%) and 4,738 (0.47%) shares in Engen from Gushan, respectively, at a price of HK\$375 per share. The total consideration paid by Mr. Kwong Wai Sun Wilson, Mr. Chan Ngai Chi and Mr. Cheung Ying Kwan is HK\$1,278,375, HK\$1,278,375 and HK\$1,776,750, respectively.

Pursuant to a board resolution dated March 19, 2013 and a written shareholder resolution dated March 19, 2013 of Gushan, 583,396 (57.06%) shares in Engen held by Gushan were distributed to Trillion Energy by way of distribution in specie as part of the Corporate Reorganization.

On March 19, 2013, as part of the Corporate Reorganization, Trillion Energy transferred 583,396 (57.06%) shares in Engen to Epoch Keen for a total consideration of HK\$1.00.

On March 19, 2013, Epoch Keen, First Harvest, Silver Harvest, Gold Wide, Silvery Boom, Praise Get, Wit Great, Ocean Through, Mr. Kwong Wai Sun Wilson, Mr. Chan Ngai Chi and Mr. Cheung Ying Kwan transferred their respective holdings in the issued share capital of Engen to our Company in consideration for the Shares allotted and issued by our Company as part of the Corporate Reorganization. Following such transfer, our Company became the holder of the entire issued share capital of Engen.

### *True Excel*

True Excel was incorporated in Hong Kong on August 12, 2010 with limited liability with an authorized share capital of HK\$10,000 divided into 10,000 shares of HK\$1.00 each and one subscriber share was allotted and issued to Fernside Limited at a consideration of HK\$1.00 on even date. On August 27, 2010, the subscriber share was transferred from Fernside Limited to Engen for a consideration of HK\$1.00. Following such transfer, Engen became the holder of the entire issued share capital of True Excel.

*Alpha Legend*

Alpha Legend was incorporated in Hong Kong on June 21, 2011 with limited liability with an authorized share capital of HK\$10,000 divided into 10,000 shares of HK\$1.00 each and one subscriber share was allotted and issued to Blear Services Limited at a consideration of HK\$1.00 on the same date. On August 10, 2011, the subscriber share was transferred from Blear Services Limited to Engen for a consideration of HK\$1.00. Following such transfer, Engen became the holder of the entire issued share capital of Alpha Legend.

*Alpha Business*

Alpha Business was incorporated in Hong Kong on October 14, 2011 with limited liability with an authorized share capital of HK\$10,000 divided into 10,000 shares of HK\$1.00 each and one subscriber share was allotted and issued to Blear Services Limited at a consideration of HK\$1.00 on the same date. On October 26, 2011, the subscriber share was transferred from Blear Services Limited to Engen for a consideration of HK\$1.00. Following such transfer, Engen became the holder of the entire issued share capital of Alpha Business.

*Alpha Universe*

Alpha Universe was incorporated in Hong Kong on November 1, 2012 with limited liability with an authorized share capital of HK\$10,000 divided into 10,000 shares of HK\$1.00 each and one subscriber share was allotted and issued to Blear Services Limited at a consideration of HK\$1.00 on the same date. On November 13, 2012, the subscriber share was transferred from Blear Services Limited to Engen for a consideration of HK\$1.00. Following such transfer, Engen became the holder of the entire issued share capital of Alpha Universe.

*Jinxin*

Jinxin was established on February 3, 2009 in the PRC with a registered capital of RMB10 million held by three individuals, namely, Mr. Liu Hanjiu, Ms. Wu Qiongying and Ms. Liu Jin. On March 24, 2010, Mr. Chen Lian acquired 75%, 5% and 5% of the registered capital of Jinxin from Mr. Liu Hanjiu, Ms. Wu Qiongying and Ms. Liu Jin, respectively, for a total consideration of RMB8,500,000. On November 9, 2010, Jinxin became the wholly owned subsidiary of True Excel following the acquisition by True Excel of the entire equity interest in Jinxin from the then shareholders of Jinxin, namely Mr. Liu Hanjiu and Mr. Chen Lian, for a total cash consideration of RMB17.7 million. In parallel with the said acquisition by True Excel, Jinxin's registered capital was increased from RMB10 million to RMB40 million on November 9, 2010. On March 29, 2011, Jinxin's registered capital was further increased from RMB40 million to RMB70 million. True Excel has remained as the holder of the entire issued capital of Jinxin since November 9, 2010.

*Tongxin*

Tongxin was established by Jinxin on June 1, 2011 in the PRC with a registered capital of RMB10 million. On June 27, 2012, Tongxin's registered capital was increased from RMB10 million to RMB50 million. Tongxin has remained as a wholly owned subsidiary of Jinxin since its establishment.

*Xiangbei*

Xiangbei was established on January 18, 2011 in the PRC with a registered capital of RMB30 million. On August 5, 2011, True Excel acquired the entire equity interest in Xiangbei for a total cash consideration of RMB34.6 million. Immediately following the acquisition, Xiangbei became the wholly owned subsidiary of True Excel. On July 1, 2013, Xiangbei's registered capital was increased from RMB30 million to RMB55 million.

*Baohe Xinshiji*

Baohe Xinshiji was established on September 19, 2012 in the PRC with a registered capital of RMB30 million. On December 31, 2012, Alpha Legend acquired the entire equity interest in Baohe Xinshiji for a total cash consideration of RMB30 million. Immediately following the acquisition, Baohe Xinshiji became the wholly owned subsidiary of Alpha Legend.

*Baohe Taiyue*

Baohe Taiyue was established on August 13, 2012 in the PRC with a registered capital of RMB10 million held by Guangzhou Taiyue. On September 25, 2012, Baohe Taiyue's registered capital was increased from RMB10 million to RMB30 million. Baohe Fushan, and Guangzhou Taiyue, respectively, acquired 20% and 80% of the registered capital of Baohe Taiyue for a total consideration of RMB6 million and RMB24 million. On December 31, 2012, Alpha Business acquired the entire equity interest in Baohe Taiyue for a total cash consideration of RMB30 million. Immediately following the acquisition, Baohe Taiyue became the wholly owned subsidiary of Alpha Business.

**4. Resolutions in writing of the Shareholders of our Company passed on January 28, 2014**

Pursuant to the written resolutions of our Shareholders who have the right to receive notice of, attend and vote at the general meetings, which were passed on January 28, 2014, among other things:

- (a) the Memorandum of Association was adopted with immediate effect, and conditional on the Listing, the Articles of Association of the Company were adopted in substitution for and to the exclusion of the existing articles of association of the Company previously adopted by our Company on February 22, 2013 with effect from the date on which the Shares are listed on the Stock Exchange.

- (b) conditional on (i) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares in issue and Shares to be issued pursuant to the Global Offering, the Capitalization Issue, and such listing and permission not subsequently having been revoked prior to the commencement of dealings in the Shares on the Stock Exchange; (ii) the execution and delivery of the Underwriting Agreements; and (iii) the obligations of the Underwriters under the Underwriting Agreements becoming and remaining unconditional (including, if relevant, as a result of the waiver of any conditions by the Sole Global Coordinator) and such obligations not having been terminated in accordance with their respective terms at any time at or before 8:00 on the Listing Date, that:
- (i) the Listing and Global Offering were approved and the Directors or any duly authorized committee of them were authorized to effect the allotment and issue of the new Shares pursuant to the Global Offering;
  - (ii) the granting of the Over-allotment Option by our Company to the Sole Global Coordinator of the Global Offering pursuant to which the Sole Global Coordinator may require the Company to issue up to an additional 15% of the number of Offer Shares initially available under the Global Offering 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) conditional upon the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, any Shares to be issued on the exercise of any options granted under the Share Option Scheme, the principal terms of which are set out in “E. Other Information – 2. Share Option Scheme” in the appendix, and the commencement of dealings in the Shares on the Main Board of the Stock Exchange, the adoption of the Share Option Scheme was approved and adopted and that the Directors or any duly authorised committee of them were authorised to grant options thereunder and to allot, issue, and deal with the Shares pursuant to the same and to take all such actions as they consider necessary and/or desirable to implement and give effect to the Share Option Scheme and to vote on any matter in connection therewith notwithstanding that they or any of them may be interested in the same;
  - (iv) a general unconditional mandate was granted to the Directors to exercise all the powers of the Company to allot, issue and deal with the Shares, and to make or grant offers, agreements or options which might require such Shares to be allotted and issued or dealt with any time, otherwise than pursuant to a rights issue, any scrip dividend scheme or similar arrangement, any adjustment of rights to subscribe for Shares under options and warrants or a specific authority granted by the Shareholders, subject to the requirement that the aggregate nominal value of the Shares so allotted and issued or agreed conditionally or unconditionally to be allotted and issued shall not exceed 20% of the aggregate nominal value of the share capital of the Company in issue immediately following the completion of the Capitalization Issue and the Global Offering (but before any exercise of the Over-allotment Option).

- (v) a general unconditional mandate was granted to the Directors to exercise all the powers of the Company to repurchase Shares with an aggregate nominal value of not more than 10% of the aggregate nominal value of the Company's share capital in issue immediately following the completion of the Capitalization Issue and the Global Offering (excluding Shares which may be issued upon the exercise of the Over-allotment Option).
- (vi) the extension of the general mandate to allot, issue and deal with Shares as mentioned in paragraph (iv) above was approved by the addition to the aggregate nominal value of the Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate of an amount representing the aggregate nominal value of the Shares repurchased by the Company pursuant to paragraph (v) above, provided that such extended amount shall not exceed 10% of the aggregate nominal value of the Shares in issue immediately following completion of the Capitalization Issue and the Global Offering, excluding any Shares which may fall to be issued pursuant to the exercise of the Over-allotment Option.

Each of the general mandates referred to in paragraphs (iv), (v) and (vi) above will remain in effect until whichever is the earliest of:

- (a) the conclusion of the Company's next annual general meeting;
  - (b) the expiration of the period within which the Company's next annual general meeting is required to be held under any applicable laws or the Articles of Association; or
  - (c) the time when such mandate is varied or revoked by an ordinary resolution of the Shareholders in general meeting.
- (vii) conditional upon the share premium account of the Company being credited as a result of the issue of the Offer Shares pursuant to the Global Offering, an amount of HK\$156,208,200.00 (which is then to be standing to the credit of the share premium account of the Company) be capitalised and applied to pay up in full at nominal value a total of 1,562,082,000 Shares for allotment and issue on a pro rata basis to the Shareholders who were registered on the Company's register of members on January 28, 2014, namely the Capitalization Issue:
- Epoch Keen Limited as to 951,727,440 Shares;
  - First Harvest Global Limited as to 166,752,740 Shares;
  - Silver Harvest Holdings Limited as to 102,468,020 Shares;
  - Gold Wide Enterprises Limited as to 102,227,550 Shares;
  - Silvery Boom Limited as to 68,192,010 Shares;



Wit Great Limited as to 58,680,240 Shares;  
Praise Get Limited as to 56,851,000 Shares;  
Ocean Through Limited as to 39,120,160 Shares;  
Mr. Cheung Ying Kwan as to 6,585,820 Shares;  
Mr. Kwong Wai Sun Wilson as to 4,738,510 Shares; and  
Mr. Chan Ngai Chi as to 4,738,510 Shares,

and that the Directors were authorised to allot and issue such Shares as aforesaid and to give effect to the Capitalization Issue and the Shares to be allotted and issued shall rank *pari passu* with all existing Shares.

## 5. Repurchase of our Shares

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

The Listing Rules permit companies whose primary listing is on the Main Board of the Stock Exchange to repurchase their securities on the Stock Exchange subject to certain restrictions, the most important of which are summarized below:

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

All proposed repurchases of securities on the Stock Exchange by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of its shareholders, either by way of general mandate or by specific approval of a particular transaction.

Pursuant to the written resolutions passed by the Shareholders of our Company on January 28, 2014, a general unconditional mandate (the "Repurchase Mandate") was granted to the Directors authorizing the repurchase by our Company on the Stock Exchange, or on any other stock exchange on which the securities of our Company may be listed and which is recognized by the SFC and the Stock Exchange for this purpose, of Shares with an aggregate nominal value not exceeding 10% of the aggregate nominal amount of the share capital of our Company in issue and to be issued as mentioned herein, at any time until the conclusion of the next annual general meeting of our Company, the expiration of the period within which the next annual general meeting of our Company is required by an applicable law or the Articles of Association to be held or when such mandate is revoked or varied by an ordinary resolution of the Shareholders of our Company in general meeting, whichever is the earliest.



*(ii) Source of funds*

Repurchases must be funded out of funds legally available for the purpose in accordance with the Memorandum and Articles of Association 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 from time to time. Subject to the foregoing, any repurchases by our Company may be made out of our Company's funds which would otherwise be available for dividend or distribution or out of the proceeds of the new issue of Shares made for the purpose of the repurchase or from sums standing to the credit of our Company's share premium account or, subject to solvency, out of share capital. Any amount of the premium payable on the purchase over the par value of the Shares to be repurchased must have been provided for out of either or both of the funds which would otherwise be available for dividend or distribution or from sums standing to the credit of our Company's share premium account.

*(b) Reasons for repurchases*

Our Directors believe that it is in the best interests of our Company and its Shareholders for our Directors to have a general authority from Shareholders to enable our Company to repurchase Shares in the market. Repurchases of Shares will only be made when our Directors believe that such repurchases will benefit our Company and its members. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of our Company and its assets and/or its earnings per share. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are purchased will be decided by the Directors at the relevant time having regard to the circumstances then pertaining.

*(c) Funding of repurchases*

In repurchasing securities, our Company may only apply funds legally available for such purpose in accordance with the Memorandum and Articles of Association and the applicable laws and regulations of Cayman Islands. It is presently proposed that any repurchase of Shares will be made out of the profits of our Company or the proceeds of a fresh issue of shares made for the purpose of the purchase or from sums standing to the credit of our Company's share premium account, 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. 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 Company or its gearing levels which, in the opinion of our Directors, are from time to time appropriate for our Company.

***(d) Share capital***

Exercise in full of the Repurchase Mandate, on the basis of 2,098,321,600 Shares in issue immediately after the listing of the Shares (but without taking account of Shares which may be issued pursuant to the exercise of the Over-allotment Option or the options which may be granted under the Share Option Scheme), could accordingly result in up to 209,832,160 Shares being repurchased by our Company during the period until:

- (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 any applicable law or the Articles of Association to be held; or
- (iii) the date on which the Repurchase Mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting, whichever occurs first.

***(e) Trading restrictions***

The total number of shares which a listed company may repurchase on the Stock Exchange is the number of shares representing up to a maximum of 10% of the aggregate number of shares in issue. A company may not issue or announce a proposed issue of new securities for a period of 30 days immediately following a repurchase (other than an issue of securities pursuant to an exercise of warrants, share options or similar instruments requiring the company to issue securities, which were outstanding prior to such repurchase) without the prior approval of the Stock Exchange. In addition, a listed company is prohibited from repurchase its shares on the Stock Exchange if the purchase price is higher than the average closing market price for the five preceding trading days on which its shares were traded on the Stock Exchange by 5% or more. The Listing Rules also prohibit a listed company from repurchasing its securities resulting in shares that are in the hands of the public falling below the relevant prescribed minimum percentage as required by the Stock Exchange. A company is required to procure that the broker appointed by it to effect a repurchase of securities discloses to the Stock Exchange such information with respect to the repurchase as the Stock Exchange may require.

***(f) Status of repurchased shares***

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

***(g) Suspension of repurchase***

A listed company may not make any repurchase of securities after a price sensitive development has occurred or has been the subject of a decision until such time as the price sensitive information has been made public available. In particular, during the period of one month immediately preceding the earlier of (i) the date of the board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of a listed company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and

(ii) the deadline for publication of an announcement of a listed company's results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), the listed company may not repurchase its shares on the Stock Exchange other than in exceptional circumstances. In addition, the Stock Exchange may prohibit a repurchase of securities on the Stock Exchange if a listed company has breached the Listing Rules.

**(h) Reporting requirements**

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

**(i) Connected Person**

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

**(j) General**

None of our Directors nor, to the best of their knowledge, having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules), has any present intention to sell any Shares to us or our subsidiaries.

Our 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.

No connected person (as defined in the Listing Rules) has notified us that he/she or it has a present intention to sell Shares to us, or has undertaken not to do so, if the Repurchase Mandate is exercised.

If as a result of a securities repurchase pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of our Company increases, such increase will be treated as an acquisition for the purpose of the Hong Kong Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase of the shareholders' interest, could obtain or consolidate control of our Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Code as a result of any such increase. Our Directors are not aware of any other consequences which may arise under the Code if the Repurchase Mandate is exercised.

If the Repurchase Mandate is fully exercised immediately following completion of the Global Offering and the Capitalization Issue, but without taking account of any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option or any options which may be granted under the Share Option Scheme, the total number of Shares that will be repurchased pursuant to the Repurchase Mandate shall be 209,832,160 Shares (being 10% of the issued share capital of our Company based on the aforesaid assumptions). The percentage shareholding of our Controlling Shareholders will be increased to approximately 50.76% of the issued share capital of our Company immediately following the full exercise of the Repurchase Mandate, which will trigger an obligation by the Controlling Shareholders to make a mandatory offer in accordance with Rule 26 of the Code. Our Directors have no present intention to exercise the Repurchase Mandate to such an extent that would trigger an obligation by the Controlling Shareholders to make a mandatory offer in accordance with Rule 26 of the Code.

Any repurchase of Shares which results in the number of Shares held by the public being reduced to less than the prescribed percentage of the Shares then in issue could only be implemented with the approval of the Stock Exchange to waive the Listing Rules requirements regarding the public float under Rule 8.08 of the Listing Rules. Our Directors have no present intention to exercise the Repurchase Mandate to such an extent that, in the circumstances, there is insufficient public float as prescribed under the Listing Rules.

## **6. Reorganization**

Please refer to the paragraphs under heading “History, Reorganization and Corporate Structure – Corporate Reorganization” for detailed information.

## **B. FURTHER INFORMATION ABOUT OUR BUSINESS**

### **1. Summary of material contracts**

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

- (a) an asset transfer agreement dated September 21, 2012 between Sichuan Xinshiji and Baohe Xinshiji whereby Baohe Xinshiji agreed to acquire certain assets (including movable production and R&D equipment and parts, trademarks, patents, know-hows and trade secrets) from Sichuan Xinshiji for a consideration of RMB30 million (the “Xinshiji Asset Transfer Agreement”);
- (b) a supplemental agreement to the Xinshiji Asset Transfer Agreement dated March 6, 2013 between Sichuan Xinshiji and Baohe Xinshiji which clarifies certain terms in the Xinshiji Asset Transfer Agreement (the “Supplemental Xinshiji Asset Transfer Agreement”);
- (c) a further supplemental agreement to the Xinshiji Asset Transfer Agreement dated April 16, 2013 between Sichuan Xinshiji and Baohe Xinshiji which amends certain terms of the Xinshiji Asset Transfer Agreement and the Supplemental Xinshiji Asset Transfer Agreement;

- (d) an asset transfer agreement dated September 24, 2012 between Guangzhou Taiyue and Baohe Taiyue whereby Baohe Taiyue agreed to acquire certain assets (including movable production and R&D equipment and parts, trademarks, patents, know-hows and trade secrets) from Guangzhou Taiyue for a consideration of RMB30 million (the “Taiyue Asset Transfer Agreement”);
- (e) a supplemental agreement to the Taiyue Asset Transfer Agreement dated March 6, 2013 between Guangzhou Taiyue and Baohe Taiyue which clarifies certain terms in the Taiyue Asset Transfer Agreement (the “Supplemental Taiyue Asset Transfer Agreement”);
- (f) a further supplemental agreement to the Taiyue Asset Transfer Agreement dated April 16, 2013 between Guangzhou Taiyue and Baohe Taiyue which amends certain terms of the Taiyue Asset Transfer Agreement and the Supplemental Taiyue Asset Transfer Agreement;
- (g) a deed of indemnity dated February 6, 2014 entered into by Mr. Yu and Epoch Keen in favor of our Company in relation to the completion of the sale and delivery of the production equipment and research and development equipment under the Xinshiji Asset Transfer Agreement and the Taiyue Asset Transfer Agreement, and the passing of clean title at the time of completion;
- (h) an agreement dated January 28, 2012 between Tongxin and Baohe Fushan with respect to our Tongxin facility in the Youxian Industrial Park (the “Tongxin Project Investment Agreement”), details of which are set out in the section headed “Business – Project Investment Agreements and Management Consultancy Agreement – Project Investment Agreements”;
- (i) a supplemental agreement to the Tongxin Project Investment Agreement dated August 9, 2013 between Tongxin and Baohe Fushan, details of which are set out in the section headed “Business – Project Investment Agreements and Management Consultancy Agreement – Project Investment Agreements”;
- (j) an agreement dated September 27, 2012 between Baohe Taiyue and Baohe Fushan with respect to our Baohe Taiyue facility in the Youxian Industrial Park (the “Baohe Taiyue Project Investment Agreement”), details of which are set out in the section headed “Business – Project Investment Agreements and Management Consultancy Agreement – Project Investment Agreements”;
- (k) a supplemental agreement to the Baohe Taiyue Project Investment Agreement dated August 9, 2013 between Baohe Taiyue and Baohe Fushan, details of which are set out in the section headed “Business – Project Investment Agreements and Management Consultancy Agreement – Project Investment Agreements”;
- (l) an agreement dated September 19, 2012 between Baohe Xinshiji and Baohe Fushan with respect to our Baohe Xinshiji facility in the Youxian Industrial Park (the “Baohe Xinshiji Project Investment Agreement”), details of which are set out in the section headed “Business – Project Investment Agreements and Management Consultancy Agreement – Project Investment Agreements”;
- (m) a supplemental agreement to the Baohe Xinshiji Project Investment Agreement dated August 9, 2013 between Baohe Xinshiji and Baohe Fushan, details of which are set out in the section headed “Business – Project Investment Agreements and Management Consultancy Agreement – Project Investment Agreements”;

- (n) a share transfer agreement dated November 30, 2012 between Guangzhou Taiyue, Baohe Fushan, Alpha Business and Baohe Taiyue, pursuant to which Alpha Business has agreed to acquire 80% and 20% of the issued share capital of Baohe Taiyue from Guangzhou Taiyue and Baohe Fushan, respectively, for a total consideration of RMB30 million;
- (o) a share transfer agreement dated November 30, 2012 between Sichuan Xinshiji, Baohe Fushan, Alpha Legend and Baohe Xinshiji, pursuant to which Alpha Legend has agreed to acquire 80% and 20% of the issued share capital of Baohe Xinshiji from Sichuan Xinshiji and Baohe Fushan, respectively, for a total consideration of RMB30 million (the “Baohe Xinshiji Share Transfer Agreement”);
- (p) a supplemental agreement to the Baohe Xinshiji Share Transfer Agreement dated November 30, 2012 between Mr. Chen Hai and Alpha Legend in relation to the ongoing management and conduct of business of Baohe Xinshiji;
- (q) a share transfer agreement dated March 19, 2013 entered into between our Company, Epoch Keen, First Harvest, Silver Harvest, Gold Wide, Silvery Boom, Praise Get, Wit Great, Ocean Through, Mr. Kwong Wai Sun Wilson, Mr. Chan Ngai Chi and Mr. Cheung Ying Kwan, pursuant to which our Company has agreed to acquire the entire issued share capital of Engen from each of Epoch Keen, First Harvest, Silver Harvest, Gold Wide, Silvery Boom, Praise Get, Wit Great, Ocean Through, Mr. Kwong Wai Sun Wilson, Mr. Chan Ngai Chi and Mr. Cheung Ying Kwan, the consideration of which is satisfied by our Company allotting Shares in our Company to each of Epoch Keen, First Harvest, Silver Harvest, Gold Wide, Silvery Boom, Praise Get, Wit Great, Ocean Through, Mr. Kwong Wai Sun Wilson, Mr. Chan Ngai Chi and Mr. Cheung Ying Kwan;
- (r) a share option agreement dated August 23, 2013 entered into between Mr. Yu and the Company pursuant to which the Company agreed to grant an option to Mr. Yu to purchase Shares in the Company;
- (s) the Cornerstone Investment Agreement dated 6 February 2014 entered into among our Company, VMS Investment Group Limited and the Sole Global Coordinator, pursuant to which VMS Investment Group Limited has agreed to subscribe at the Offer Price for such number of Offer Shares (rounded down to the nearest board lot) that may be purchased for an aggregate amount of US\$20 million;
- (t) a deed of indemnity dated February 6, 2014 entered into by Mr. Yu and Epoch Keen in favor of our Company, details of which are set out in the section headed “E. Other Information – 3. Tax and other Indemnities” in this Appendix;
- (u) a deed of non-competition dated February 6, 2014 entered into by Mr. Yu and Epoch Keen in favor of our Company, a summary of which is set out in the section headed “Relationship with Controlling Shareholders” in this prospectus; and
- (v) the Hong Kong Underwriting Agreement, the details of which are set out in the section headed “Underwriting” in this prospectus.

## 2. Intellectual property rights of our Group

*Registered Trademarks*



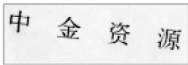




*As at the Latest Practicable Date, we have registered and have the right to use the following trademarks:*

Trademark	Place of registration	Class	Registration Number	Expiry Date
	PRC	6	8980315	January 6, 2022
<b>WE COM</b>	PRC	9	7346661	January 20, 2021
<b>豪达</b>	PRC	9	4740641	July 20, 2018
	PRC	9	3209396	September 6, 2023
	PRC	9	7346659	December 6, 2020
新世纪线缆	PRC	6	5132660	March 20, 2019
	PRC	6	3428907	August 20, 2014
龍騰新川东	PRC	9	6115092	February 20, 2020
海乘新世纪	PRC	9	7548805	February 13, 2021
坤佑新世纪	PRC	9	7548816	February 13, 2021



*Trademarks under application for registration*

*As at the Latest Practicable Date, applications have been made for the registration of the following trademarks:*

Trademark	Place of Application	Class	Application Number	Application Date
 湘北铜业	PRC	6	12347229	March 11, 2013
	PRC	6	12262243	March 14, 2013
	PRC	6	12262245	March 14, 2013
	PRC	6	12262244	March 14, 2013
	PRC	6	12442146	April 17, 2013
	HK	6, 35 & 40	302556379	March 22, 2013
	HK	6, 35 & 40	302556379	March 22, 2013

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

Domain Name	Registrant	Date of Registration
ylxbty.com	Xiangbei	April 10, 2012
cmru.com.cn	China Metal Resources Utilization Limited	November 12, 2013

*Patent*

*As at the Latest Practicable Date, the Group was the registered owner of the following patents:*

<b>Patent</b>	<b>Patent No.</b>	<b>Type</b>	<b>Place of Registration</b>	<b>Expiration Date</b>
Winch for flat refining furnace (平板式精煉爐用卷揚機)	ZL201320081102.1	Utility model	PRC	February 21, 2023
A hydraulic baler (一種液壓打包機)	ZL201320084399.7	Utility model	PRC	February 24, 2023
An equipment for cleaning ingots (鑄坯清理裝置)	ZL201320090130.X	Utility model	PRC	February 27, 2023
Copper granule current separator (銅米氣流分離機)	ZL201320090189.9	Utility model	PRC	February 27, 2023
Equipment for antechamber of shaft furnace (豎爐前室裝置)	ZL201320090180.8	Utility model	PRC	February 27, 2023
Workshop (廠房)	ZL201330061408.6	Design	PRC	March 12, 2023
Cooling equipment for crystallizer (結晶器冷卻裝置)	ZL201320090187.X	Utility model	PRC	February 27, 2023
Wire twisting equipment for cabling (電纜絞線裝置)	ZL201320383282.9	Utility model	PRC	June 30, 2023
Drying equipment for anneal softening of copper conductor (銅導體退火軟化乾燥裝置)	ZL201320383285.2	Utility model	PRC	June 30, 2023
An interlocking armored DC cable used in rail transit (一種用於軌道交通的聯鎖鎧裝直流電纜)	ZL201320383283.3	Utility model	PRC	June 30, 2023

*As at the Latest Practicable Date, applications have been made for the registration of the following patents:*

<b>Patent</b>	<b>Application No.</b>	<b>Type</b>	<b>Place of application</b>	<b>Application Date</b>
A method for producing low-oxygen copper wirerod using recycled copper (一種用再生銅生產無氧銅桿的方法)	201310077746.8	Invention	PRC	March 12, 2013
A production and application method of electrode material of chromium zirconium copper alloy (一種鉻鋯鐵銅合金電極材料及其制備和應用方法)	201310085496.2	Invention	PRC	March 18, 2013
A continuous extrusion method of purple mixed copper particle (一種紫雜銅顆粒連續擠壓方法)	201310105683.2	Invention	PRC	March 29, 2013
Vertical oxidation furnace (豎式氧化爐)	201320430241.0	Utility model	PRC	July 19, 2013
A soft cable with rubber sleeve for the coal cutter (一種採煤機橡膠套軟電纜)	201320756299.4	Utility model	PRC	November 27, 2013
A cable (一種電纜)	201320756412.9	Utility model	PRC	November 27, 2013
A power-controlled composite cable (一種動力-控制複合電纜)	201320756395.9	Utility model	PRC	November 27, 2013
A cable (一種電纜綫)	201320756297.5	Utility model	PRC	November 27, 2013

### 3. Further information about our PRC Operating Subsidiaries

#### 綿陽金鑫銅業有限公司 (*Mianyang Jinxin Copper Co., Ltd.*)

Nature of the company	Wholly foreign-owned enterprise
Date of establishment	February 3, 2009
Term of business operation	40 years expiring on February 3, 2049
Total investment	RMB175 million
Registered capital	RMB70 million
Attributable interest of our Company	100%
Scope of business	Manufacturing, processing and sales of nonferrous metal (excluding precious metal), and recycling, manufacturing and sales of metal scrap
Legal representative	Liu Hanjiu

#### 綿陽銅鑫銅業有限公司 (*Mianyang Tongxin Copper Co., Ltd.*)

Nature of the company	Limited liability company
Date of establishment	June 1, 2011
Term of business operation	50 years expiring on May 31, 2061
Registered capital	RMB50 million
Attributable interest of our Company	100%
Scope of business	Manufacturing and the sale of copper sticks, cables and wires; recycling, processing and sales of scrap metal, and cross-border trade;
Legal representative	Liu Hanjiu

#### 湖南銀聯湘北銅業有限公司 (*Hunan Yinlian Xiangbei Copper Co., Ltd.*)

Nature of the company	Wholly foreign-owned enterprise
Date of establishment	January 18, 2011
Term of business operation	20 years expiring on January 17, 2031
Total investment	RMB110 million
Registered capital	RMB55 million
Attributable interest of our Company	100%
Scope of business	Manufacturing, processing and sales of copper products, aluminum products; purchasing, processing and sales of scrap nonferrous metal materials; and sales of general machinery, environmental equipment, electromechanical device and office equipment
Legal representative	Huang Weiping

四川保和新世紀線纜有限公司 (*Sichuan Baohe Xinshiji Communications Cable Co., Ltd.*)

Nature of the company	Wholly foreign-owned enterprise
Date of establishment	September 19, 2012
Term of business operation	50 years expiring on September 18, 2062
Total investment	RMB60 million
Registered capital	RMB30 million
Attributable interest of our Company	100%
Scope of business	Manufacturing and sales of copper and aluminum conductor cores, tin-coated wires, cable compound, plastic wires, cable and rubber cable; sales of lighting equipment and building materials; researching and experimenting cable and wire technology and the promotion of the relevant technology
Legal representative	Chen Hai

綿陽保和泰越通信線纜有限公司 (*Mianyang Baohe Taiyue Communications Cable Co., Ltd.*)

Nature of the company	Wholly foreign-owned enterprise
Date of establishment	August 13, 2012
Term of business operation	50 years expiring on August 12, 2062
Total investment	RMB60 million
Registered capital	RMB30 million
Attributable interest of our Company	100%
Scope of business	Processing, manufacturing and sales of network and communication cables and parts thereto; extrusion of copper products; sales of copper wirerod and copper products; research of electronic products (excluding any business that needs prior governmental approval); and export and import of goods and technology
Legal representative	Fan Dunxian

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

**1. Directors**

*(a) Disclosure of interest – 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, and assuming that the Over-allotment Option and the options which may be granted under the Share Option Scheme have not been exercised, the interest or short position of Directors and 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 interest or short positions which they were taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, once the Shares are listed are as follows:

<b>Name of Director</b>	<b>Capacity/ Nature of interest</b>	<b>Number of Shares held</b>	<b>Approximate percentage of shareholding</b>
Mr. Yu Jianqiu	Interest in a controlled corporation	958,574,400	45.68%
Mr. Liu Hanjiu	Interest in a controlled corporation	103,205,200	4.92%
Mr. Huang Weiping	Interest in a controlled corporation	102,963,000	4.91%
Mr. Kwong Wai Sun Wilson	Legal and beneficial owner	4,772,600	0.23%

*(b) Particulars of service contracts*

Each of our executive Directors has entered into a service contract with our Company for a term of two years commencing from the Listing Date, which may be terminated by not less than three months' notice in writing served by either party on the other.

Each of our independent non-executive Directors has accepted an appointment letter issued by us for an initial fixed term of two years commencing from the Listing Date and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other.

Save as aforesaid, none of our Directors has or is proposed to have a service contract with us 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)).

**(c) Directors' remuneration**

For the period ended December 31, 2010, the years ended December 31, 2011 and 2012 and the nine months ended September 30, 2013, the aggregate of the remuneration paid (including salaries, allowance, benefits in kind, retirement scheme contributions and share-based payments) to our Directors by us and our subsidiaries was approximately RMB33,000, RMB10.7 million, RMB2.4 million, and RMB420,000.

Under the arrangement currently in force, the aggregate amount of emoluments payable by our Group to our Directors for the year ending December 31, 2014 is estimated to be approximately RMB4.2 million.

**2. Substantial Shareholders**

So far as the Directors are aware, immediately following the completion of the Global Offering and the Capitalization Issue (but without taking into account the Shares to be issued pursuant to the exercise of the Over-allotment Option or any options to be granted pursuant to the Share Option Scheme), the following persons (other than the Directors and chief executives of our Company) will have or be deemed or taken to have interest and/or short position in the Shares or the underlying Shares which would fall to be disclosed under the provisions of Division 2 and 3 of Part XV of the SFO:

<b>Name</b>	<b>Capacity in which interests are held</b>	<b>Number of Shares</b>	<b>Percentage of shareholding</b>
Mr. Yu Jianqiu <sup>(1)</sup>	Interest in a controlled corporation	958,574,400	45.68%
Epoch Keen <sup>(1)</sup>	Legal and beneficial owner	958,574,400	45.68%
Mr. Chen Gonghao <sup>(2)</sup>	Interest in a controlled corporation	167,952,400	8.00%
First Harvest <sup>(2)</sup>	Legal and beneficial owner	167,952,400	8.00%



*Notes:*

- (1) Epoch Keen is wholly-owned by Mr. Yu Jianqiu. Mr. Yu Jianqiu is deemed to be interested in the Shares held by Epoch Keen.
- (2) First Harvest is wholly-owned by Mr. Chen Gonghao. Mr. Chen Gonghao is deemed to be interested in the Shares held by First Harvest.

**3. Agency fees or commissions received**

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

**4. Disclaimers**

Save as disclosed herein:

- (a) none of our Directors or chief executives of our company has any interest or short position in the Shares, underlying Shares or debentures of our Company or any of its associated corporation (within the meaning of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies once the Shares are listed;
- (b) none of our Directors or experts referred to under the heading “E. Other Information – 10. Consents of experts” in this Appendix 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 or experts referred to under the heading “E. Other Information – 10. Consents of experts” in this Appendix 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) none of our 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));

- (e) taking no account of Shares which may be taken up under the Global Offering, none of our Directors knows of any person (not being a Director or chief executive of our Company) who will, immediately following completion of the Global Offering, have an interest or short position in the Shares or underlying Shares of our Company which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of SFO or be interested, directly or indirectly, in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of our Group;
- (f) none of the experts referred to under the heading “E. Other Information – 10. Consents of experts” in this Appendix has any shareholding in any member of our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group; and
- (g) So far as is known to our Directors, with the exception of Baohe Jiahao, which was our largest external supplier in 2012 and the first half of 2013 and which is 20.0% owned by Baohe Fushan, none of our Directors, their respective associates (as defined under the Listing Rules) or Shareholders of our Company who are interested in more than 5% of the issued share capital of our Company has any interests in the five largest customers or the five largest suppliers of our Group.

#### D. PARTICULARS OF THE SELLING SHAREHOLDERS

The particulars of the Selling Shareholders are set out below:

Name	Address	Number of Sale Shares
Wit Great	P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, BVI	59,102,400
Praise Get	P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, BVI	34,356,000
	Total:	<u>93,458,400</u>

#### E. OTHER INFORMATION

##### 1. Yu Share Option Agreement

On August 23, 2013, the Company entered into the Yu Share Option Agreement with Mr. Yu, pursuant to which the Company agreed to grant an option to Mr. Yu to purchase Option Shares in the Company at the Exercise Price. The entry into and performance of the Yu Share Option Agreement was approved by the Board of Directors of the Company pursuant to a board resolution dated August 23, 2013.

The following is a summary of the principal terms of the Yu Share Option Agreement.

***Purpose of the Yu Share Option Agreement***

The Purpose of the Yu Share Option Agreement is to reward Mr. Yu for his contributions over the Company its subsidiaries and business and to replace the Engen Option Agreement dated October 31, 2011 entered into between Mr. Yu, Gushan and Engen, pursuant to which Mr. Yu was granted an option to purchase option shares in Engen at a prescribed price. In consideration of the entry of the Yu Share Option Agreement, the Deed of Termination has been entered into to terminate the Engen Option Agreement on August 23, 2013.

***Number of Yu Options granted***

Pursuant to the Yu Share Option Agreement and as at the Latest Practicable Date, the Company agreed to grant to Mr. Yu (the “Grantee”) share options (the “Yu Options”) to subscribe to an aggregate of 1,013,000 Shares (“Option Shares”) at the Exercise Price, subject to any further adjustment made in the manner as contemplated under the Yu Share Option Agreement.

***Date of Grant***

The date of grant of the Yu Options is August 23, 2013 (the “Date of Grant”).

***Vesting***

The Yu Options shall immediately vest and become exercisable (in whole or in part) upon the Date of Grant.

***Exercise Period***

Commencing from the Date of Grant, Mr. Yu has the right to exercise the Yu Options, which shall continue until the expiration of such Yu Options, being the tenth anniversary of the Date of Grant (the “Expiration Date”), or, earlier termination of the Yu Options.

***Exercise Price***

The exercise price payable upon the exercise of any Yu Options shall be RMB63.179 (the “Exercise Price”), subject to any further adjustment made in the manner as contemplated under the Yu Share Option Agreement.

***Exercise of the Yu Options***

The Yu Options may be exercised at the Exercise Price at any time during the Exercise Period. The Grantee may give written notice to the Company of his election to purchase some, in which case, a minimum of 200,000 Option Shares (subject to adjustment), or all of the Option Shares for which the Yu Options may be exercised at the time of such notice. Such written notice shall specify the number of Option Shares to be purchased and shall be accompanied by (i) the delivery of an executed exercise agreement; (ii) the payment therefor in cash or, at the discretion of the Company, such other

method of payment acceptable to the Company, and (iii) such agreement, statement or other evidence as the Company may require in order to satisfy itself that the issuance of the Option Shares being purchased pursuant to such exercise and any subsequent resale thereof will be in compliance with applicable laws and regulations, including without limitation all applicable laws of the Cayman Islands, the Listing Rules and the applicable rules and regulations issued by the SFC.

***Company's right to withhold the exercise of the Yu Options***

The Company reserves the right to withhold the exercise of the Yu Options for reasons including but not limited to the Grantee's failure to comply with the relevant laws and regulations, applicable rules and regulations of the Company; the Grantee's breach of his employment agreement; the Grantee's unwillingness or failure to follow Company directives; the Grantee's failure to perform his duties and responsibilities; and the Grantee's failure to comply with applicable rules and regulations of the SFC and the Stock Exchange.

***Exercisability of the options upon and after termination of the Grantee's office with the Company***

Exercisability of the options upon and after termination of the Grantee's office with the Company shall be in accordance with the following:

- (i) if the Grantee's office with the Company terminates due to the death of the Grantee, no exercise of the Yu Options may occur after the expiration of the one-year period to follow such termination or, if earlier, the Expiration Date;
- (ii) if the Grantee's office with the Company is terminated by the Company for cause, the Yu Options shall thereupon cease to be exercisable and shall be forfeited forthwith;
- (iii) in the case where the Grantee has served as a Director of the Company for less than three years beginning from the Date of Grant, if (a) the Grantee's office with the Company is terminated by the Company (other than for cause), or (b) the Grantee resigns his office with the Company, no exercise of the Yu Options may occur after the expiration of the three-month period to follow such termination or resignation or, if earlier, the Expiration Date; and
- (iv) in the case where the Grantee has served as a Director of the Company continuously for three years or more beginning from the Date of Grant, if (a) the Grantee's office with the Company is terminated by the Company (other than for cause), or (b) the Grantee resigns his office with the Company, no exercise of the Yu Options may occur after the Expiration Date.

***Transfer of the Yu Options***

The Yu Share Option Agreement is personal to the Grantee, is non-assignable and is not transferable in any manner, by operation of law or otherwise, other than by will or by the laws of descent and distribution, and is exercisable, during the Grantee's lifetime, only by the Grantee. The terms of this Agreement shall be binding upon the executors, administrators, heirs, successors and assigns of the Grantee.

*Reorganization of capital structure*

In the event of any capitalization issue, rights issue, open offer, sub-division, consolidation of shares, or reduction of capital of the Company, such corresponding alterations (if any) shall be made (except on an issue of securities of the Company as consideration in a transaction which shall not be regarded as a circumstance requiring alteration or adjustment) in (i) the number of Option Shares that may be issued subject to the unexercised portion of the Yu Options; and/or (ii) the Exercise Price, as the Board of the Company shall determine to be appropriate, fair and reasonable.

*Exercise of the Yu Options*

On October 16, 2013, Mr. Yu exercised in full the Yu Options granted under the Yu Option Agreement and an additional 1,013,000 Shares were allotted to Epoch Keen, a company wholly-owned by Mr. Yu. For further details, please refer to the section headed “History, Reorganization and Corporate Structure – Corporate Reorganization – Exercise of options granted under the Yu Share Option Agreement by Mr. Yu” in this prospectus.

**2. Share Option Scheme**

The following is a summary of principal terms of the Share Option Scheme conditionally approved by a written resolution of our Shareholders passed on January 28, 2014 and adopted by a resolution of the Board on January 28, 2014. The terms of the Share Option Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules.

*Purpose*

The purpose of the Share Option Scheme is to provide incentive and/or reward to Eligible Persons for their contribution to, and continuing efforts to promote the interests of, our Company.

*Conditions of the Share Option Scheme*

The Share Option Scheme shall come into effect on the date (the “Approval Date”) on which the following conditions are fulfilled:

- (a) the approval of all the Shareholders for the adoption of the Share Option Scheme;
- (b) the approval of the Stock Exchange for the listing of and permission to deal in the Shares and any Shares which may fall to be issued pursuant to the exercise of any Options; and
- (c) the commencement of dealing of the Shares on the Main Board of the Stock Exchange.

*Who may join*

The Board may, at its absolute discretion, offer options (“Options”) to subscribe for such number of Shares in accordance with the terms set out in the Share Option Scheme to any director or employee of the Group and any other person (including a consultant or advisor) who in the sole discretion of the Board has contributed or will contribute to the Group. (“Eligible Persons”)

*Maximum number of Shares*

The maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other schemes of our Group shall not in aggregate exceed 10% of the Shares in issue as at the Listing Date (i.e. 209,832,160 Shares) (the “Scheme Mandate Limit”). Our Company may at any time as the Board may think fit seek approval from our Shareholders to refresh the Scheme Mandate Limit, save that the maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other schemes of our Company shall not exceed 10% of the Shares in issue as at the date of approval by Shareholders in general meeting where the Scheme Mandate Limit is refreshed.

Our Company may seek separate approval from our Shareholders in general meeting for granting Options beyond the Scheme Mandate Limit, provided that the Options in excess of the Scheme Mandate Limit are granted only to the Eligible Person specified by our Company before such approval is obtained.

The maximum number of 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 options granted and yet to be exercised under any other scheme shall not exceed 30% of our Company’s issued share capital from time to time. No options may be granted under the Share Option Scheme and any other share option scheme of our Company if this will result in such limit being exceeded.

*Maximum entitlement of each participant*

No Option may be granted to any one person such that the total number of Shares issued and to be issued upon exercise of Options granted and to be granted to that person in any 12-month period up to the date of the latest grant exceeds 1% of our Company’s issued share capital from time to time.

*Offer and grant of Options*

Subject to the terms of the Share Option Scheme, the Board shall be entitled at any time within 10 years after the Adoption Date to offer the grant of an Option to any Eligible Person as the Board may in its absolute discretion select to subscribe at the subscription price for such number of Shares as the Board may (subject to the terms of the Share Option Scheme) determine (provided the same shall be a board lot for dealing in the Shares on the Stock Exchange or an integral multiple thereof).

Subject to the terms of the Scheme, the Board may in its absolute discretion when offering the grant of an Option specify such conditions, restrictions or limitations in relation thereto in addition to those set forth in the Share Option Scheme as the Board may think fit when making an offer to an Eligible Person (including, without limitation, as to any performance criteria which must be satisfied by the Eligible Person and/or the Company and/or its Subsidiaries, and any minimum period for which an Option must be held, before an Option may be exercised, if any), provided that such conditions shall not be inconsistent with any other terms or conditions of the Share Option Scheme.

***Granting Options to Connected Persons***

Subject to the terms in the Share Option Scheme, only insofar as and for so long as the Listing Rules require, where any offer of an Option is proposed to be made to a Director, chief executive or a substantial shareholder (as defined in the Listing Rules) of our Company or any of their respective associates, such offer must first be approved by the independent non-executive Directors of our Company (excluding the independent non-executive Director who or whose associates is the grantee of an Option).

Where any grant of Options to a substantial shareholder (as defined in the Listing Rules) or an independent non-executive Director of our Company, or any of their respective associates, would result in the securities issued and to be issued upon exercise of all Options already 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:

- (a) representing in aggregate over 0.1% of the relevant class of securities in issue; and
- (b) (where the securities are listed on the Stock Exchange), having an aggregate value, based on the closing price of the securities at the date of each grant, in excess of HK\$5 million,

such further grant of Options must be approved by Shareholders. Our Company shall send a circular to Shareholders containing the information required under the Listing Rules. All connected persons of our Company must abstain from voting in favor at such general meeting.

Approval from Shareholders is required for any change in the terms of Options granted to a participant who is a substantial shareholder or an independent non-executive Director of our Company, or any of their respective associates.

***Offer period and number accepted***

An Option shall be deemed to have been granted and accepted by the Eligible Person and to have taken effect when the duplicate offer letter comprising acceptance of the offer of the Option duly signed by the Grantee together with a remittance in favor of our Company of HK\$1.00 by way of consideration for the grant thereof is received by our Company on or before 30 days after the offer date. To the extent that an offer is not accepted within the time stated in the offer for that purpose, it shall be deemed to have been irrevocably declined and shall immediately lapse.

Any offer of the grant of an Option may be accepted in respect of less than the number of Shares in respect of which it is offered provided that it is accepted in respect of board lots for dealing in Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate offer letter comprising acceptance of the offer of the Option.



*Restriction on the time of grant of Options*

The Board shall not grant any Option under the Share Option Scheme after 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 Option shall be granted during the period commencing one month immediately preceding the earlier of the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of our Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules) and the deadline for our Company to publish an announcement of its results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules), and ending on the date of the results announcements.

Notwithstanding the above, no Option shall be granted to the directors of the Company (a) 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 (b) 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.

*Exercise price*

The subscription price in respect of any particular Option shall be such price as the Board may in its absolute discretion determine at the time of grant of the relevant Option (and shall be stated in the letter containing the offer of the grant of the Option) but the subscription price shall be at least the highest of:

- (a) the closing price of a Share as stated in the Stock Exchange's daily quotations sheet on the offer date, which must be a Business Day;
- (b) the average closing price of a Share as stated in the Stock Exchange's daily quotation sheets for the five Business Days immediately preceding the offer date; and
- (c) the nominal value of a Share.

*Exercise of Option*

An Option shall be exercised in whole or in part (but if in part only, in respect of a Board Lot or any integral multiple thereof) within the Option Period in the manner as set out in this Share Option Scheme by the grantee (or his legal personal representative(s)) by giving notice in writing to our Company stating that the Option is thereby exercised and specifying the number of Shares in respect of which it is exercised. Each such notice must be accompanied by a remittance for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given. "Option Period" means a period to be determined and notified by the Board to the grantee during which period the Option may be exercised and in any event shall not exceed ten years commencing from the date on which the offer in relation to such Option is accepted.

The exercise of any Option shall be subject to the members of our Company in general meeting approving any necessary increase in the authorized share capital of our Company.

Subject as hereinafter provided:

- (a) where the holder of an outstanding Option ceases to be an Eligible Person for any reason, any part of the Option which has yet to be vested and/or exercisable prior to the date of cessation shall lapse on the date of cessation and not be exercisable, and any part of the Option which has been vested and/or is exercisable prior thereto shall remain exercisable for 1 month following the date of cessation after which date any outstanding Option shall lapse and not be exercisable. The date of such cessation shall be (i) if he is an employee of the Group, his last actual working day at his work place with the Group whether salary is paid in lieu of notice or not; or (ii) if he is not an employee of the Group, the date on which the relationship constituting him an Eligible Person ceases;
- (b) where the holder of an outstanding Option dies before exercising the Option in full or at all, the Option may be exercised up to the entitlement of such holder or, if appropriate, an election made pursuant to the terms of the Scheme by his or her personal representatives within 12 months of the date of death;
- (c) if a general offer by way of a take-over is made to all the Shareholders (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) and such offer becomes or is declared unconditional, the holders of outstanding Options (or his personal representatives) may by notice in writing to our Company within 14 days after such offer becoming or being declared unconditional exercise the Option to its full extent or to the extent specified in such notice. For the avoidance of doubt, any Option which has yet to be vested shall become vested in full in such situation;
- (d) if a general offer by way of a scheme of arrangement is made to all the Shareholders and the scheme has been approved by the necessary number of Shareholders at the requisite meetings, the holders of outstanding Options (or his personal representatives) may thereafter (but before such time as shall be notified by the Company) by notice in writing to our Company within 14 days of such approval exercise the Option to its full extent or to the extent specified in such notice. For the avoidance of doubt, any Option which has yet to be vested shall become vested in full in such situation; and
- (e) 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, each holder of outstanding Options (or his or her personal representatives) shall be entitled to exercise all or any of his Options at any time not later than five business days prior to the proposed general meeting of our Company 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 three business days immediately prior to the date of the proposed general meeting referred to above, issue and allot the relevant Shares to such holder credited as fully paid.

***Ranking of Shares***

The Shares to be allotted upon the exercise of an Option will be subject to all the provisions of the articles of association and the laws of the Cayman Islands from time to time and shall rank *pari passu* in all respects with the then existing fully paid Shares in issue on the allotment date or, if that date falls on a day when the register of members of our Company is closed, the first date of the reopening of the register of members, and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the allotment date or, if that date falls on a day when the register of members of our Company is closed, the first day of the re-opening of the register of members, other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date hereof shall be before the allotment date.

A Share issued upon the exercise of an Option shall not carry rights until the registration of the Grantee (or any other person) as the holder thereof.

***Life of Share Option Scheme***

Subject to the terms of this Scheme, the Share Option Scheme shall be valid and effective for a period of 10 years from the date on which it becomes unconditional, after which no further options will be granted or offered but the provisions of the Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any subsisting Options granted prior to the expiry of the 10-year period or otherwise as may be required in accordance with the provisions of the Share Option Scheme.

***Lapse of an Option***

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

- the expiry of the option period;
- the expiry of any of the period referred to paragraphs related to exercise of Option;
- subject to the scheme of arrangement becoming effective, the expiry of the period referred to paragraph (d) of “Exercise of Option” in this section;
- subject to the period mentioned in paragraph (e) of “Exercise of Option” in this section, the date of the commencement of the winding-up of our Company;
- the date on which he begins to appear to be unable to pay or has no reasonable prospect of being able to pay his debts or has become insolvent or has made any arrangements or composition with his or her creditors generally or on which he has been convicted of any criminal offense involving his or her integrity or honesty;
- if an Option was granted subject to certain conditions, restrictions or limitation, the date on which the Board resolves that a holder of outstanding Options has failed to satisfy or comply with such conditions, restrictions or limitation; or
- the date on which a holder of outstanding Options commits a breach of the transferability prohibition.

No compensation shall be payable upon the lapse of any Option, provided that the Board shall be entitled in its discretion to pay such compensation to the Grantee in such manner as it may consider appropriate in any particular case.

### *Adjustment*

In the event of any alteration to the capital structure of our Company while any Option remains exercisable, whether by way of capitalization of profits or reserves, rights issue, consolidation, reclassification, reconstruction, sub-division or reduction of the share capital of our Company, the Board may, if it considers the same to be appropriate, direct that adjustments be made to:

- the maximum number of Shares subject to the Share Option Scheme; and/or
- the aggregate number of Shares subject to the Option so far as unexercised; and/or
- the subscription price of each outstanding Option.

Where the Board determines that such adjustments are appropriate (other than an adjustment arising from a capitalization issue), the auditors appointed by our Company shall certify in writing to the Board that any such adjustments are in their opinion fair and reasonable, provided that:

- any such adjustments shall be made on the basis that the aggregate Subscription Price payable by the Grantee on the full exercise of any Option shall remain as nearly as practicable the same as (but shall not be greater than) as it was before such event;
- no such adjustments shall be made the effect of which would be to enable a Share to be issued at less than its nominal value;
- any such adjustments shall be made in accordance with the provisions as stipulated under Chapter 17 of the Listing Rules and supplementary guidance on the interpretation of the Listing Rules issued by the Stock Exchange from time to time (including supplemental guidance attached to the letter from the Stock Exchange dated September 5, 2005 to all issuers relating to Share Option Schemes); and
- the issue of securities as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustments.

### *Termination*

Our Company, by resolution in general meeting, or the Board may at any time terminate the operation of the Share Option Scheme and in such event no further Option will be offered but in all other respects the provisions of the Share Option Scheme shall remain in full force and effect and Options granted prior to such termination shall continue to be valid and exercisable in accordance with the Share Option Scheme.

### *Transferability*

The Option shall be personal to the grantee and shall not be assignable nor transferable, and 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.

***Alteration***

Those specific provisions of the Share Option Scheme which relate to the matters set out in Rule 17.03 of the Listing Rules shall not be altered to the advantage of the grantees of the Options or prospective grantees except with the prior approval of the Shareholders in general meeting (with participants and their Associates abstaining from voting). No such alteration shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alteration except with the consent or sanction in writing of such majority of the grantees as would be required of our Shareholders under the constitutional documents for the time being of our Company for a variation of the rights attached to our Shares.

***Cancellation of Options granted***

We may cancel an Option granted but not exercised with the approval of the grantee of such Option. Options may be granted to an Eligible Person in place of his canceled Options provided that there are available unissued Options (excluding the canceled Options) within the Scheme Mandate Limit of the Share Option Scheme (or similar limit under any other scheme adopted by the Company) from time to time.

**3. Tax and Other Indemnities**

Our Controlling Shareholders have entered into a deed of indemnity in favor of our Company (for itself and as trustee for each of its present subsidiaries) being the contract referred to in paragraph (t) of the subsection headed “B. Further Information About Our Business – 1. Summary of material contracts” in this Appendix) 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 on or before the date when the conditions set out in the paragraph headed “Conditions to the Hong Kong Public Offering” in the section headed “Structure of the Global Offering” of this prospectus are fulfilled .

**4. Litigation**

As at the Latest Practicable Date, no member of our Group was engaged in any litigation or arbitration of material importance and, so far as the Directors are aware, no litigation or claim of material importance is pending or threatened by or against any member of our Group.

**5. Sole Sponsor**

The Sole Sponsor has made an application on our behalf to the Listing Committee of the Stock Exchange for a listing of, and permission to deal in, all the Shares in issue and to be issued as mentioned herein (including any Shares which may fall to be issued pursuant to the exercise of the Over-allotment Option or options which may be granted under the Share Option Scheme).

The Sole Sponsor satisfies the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules.

The sponsor's fee in connection with the Global Offering and the Listing is US\$1.0 million.

## **6. Preliminary Expenses**

Our estimated preliminary expenses are approximately HK\$63,000 and are payable by our Company.

## **7. Promoter**

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

## **8. 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 our Group.

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

Under the present Cayman Islands law, there is no stamp duty payable in the Cayman Islands on transfers of Shares.

### ***(c) Consultation with professional advisors***

Intending holders of the Shares are recommended to consult their professional advisors 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, the Selling Shareholders, our Directors, the Sole Sponsor, the Sole Global Coordinator, the Underwriters 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.

## 9. Qualification of Experts

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

Name	Qualifications
BNP Paribas Securities (Asia) Limited	Licensed to conduct type 1 (dealing in securities), type 2 (dealing in future contracts), type 4 (advising on securities), type 6 (advising on corporate finance) and type 7 (providing automated trading services) regulated activities under the SFO, acting as the Sole Sponsor of the Global Offering
KPMG	Certified Public Accountants
Chen & Co.	Qualified PRC lawyers
Conyers Dill & Pearman (Cayman) Limited	Cayman Islands attorneys-at-law
DTZ	Professional property valuer
RSM China Consulting Co., Ltd.	Internal control consultant

## 10. Consents of Experts

Each of the experts named in paragraph headed “E. Other Information – 9. Qualification of experts” of this Appendix has given and has not withdrawn its 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 herein in the form and context in which it is respectively included.

## 11. Interests of Experts in our Company

None of the persons named in paragraph headed “E. Other Information – 9. Qualification of experts” of this Appendix is interested beneficially or otherwise in any Shares or shares of any member of our Group or has any right or option (whether legally enforceable or not) to subscribe for any shares or securities in any member of our Group.

## 12. Binding Effect

This prospectus shall have the effect, if an application is made in pursuance hereof, 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 so far as applicable.

## 13. Bilingual Prospectus

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



**14. Miscellaneous**

- (a) Save as disclosed herein, within two years immediately preceding the date of this prospectus:
  - (i) no share or loan capital of our Company or any of its 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 its subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
  - (iii) 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 its subsidiaries;
  - (iv) 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 its subsidiaries;
- (b) there are no founder, management or deferred shares nor any debentures or convertible debt securities in our Company or any of our subsidiaries;
- (c) our Directors confirm that there has been no material adverse change in the financial or trading position or prospects of our Group since September 30, 2013 (being the date to which the latest audited consolidated financial statements of our Group were made up);
- (d) 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 our Group in the 12 months preceding the date of this prospectus;
- (e) the principal register of members of our Company will be maintained in the Cayman Islands by Codan Trust Company (Cayman) Limited and a Hong Kong 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 Company's share register in Hong Kong and may not be lodged in the Cayman Islands;
- (f) all necessary arrangements have been made to enable the Shares to be admitted into CCASS for clearing and settlement;
- (g) no member of our group is presently listed on any stock exchange or traded on any trading system;
- (h) there is no arrangement under which future dividends are waived or agreed to be waived; and
- (i) our Directors have been advised that, under the Companies Law, the use of a Chinese name by our Company does not contravene the Companies Law.