

THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this Prospectus or as to the action to be taken, you should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in First Mobile Group Holdings Limited, you should at once hand the Prospectus Documents to the purchaser, the transferee or to the bank, licensed securities dealer, registered institution in securities, or other agents through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Dealings in the Offer Shares may be settled through CCASS established and operated by HKSCC. You should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers for details of the settlement arrangements and how such arrangements may affect your rights and interests.

A copy of each of the Prospectus Documents, together with copies of the documents specified in the paragraph headed "Documents delivered to the Registrar of Companies in Hong Kong" in Appendix IV to this Prospectus, have been registered with the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Registrar of Companies in Hong Kong and the Securities and Futures Commission of Hong Kong take no responsibility as to the contents of any of these documents.

Subject to the granting of the listing of, and permission to deal in, the Offer Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Offer Shares on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Hong Kong Exchanges and Clearing Limited, the Stock Exchange and HKSCC take no responsibility for the contents of this Prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus.



FIRST MOBILE GROUP HOLDINGS LIMITED
(第一電訊集團有限公司)*
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 865)

OPEN OFFER OF 389,199,312 OFFER SHARES
AT HK\$0.13 PER OFFER SHARE ON
THE BASIS OF TWO (2) OFFER SHARES
FOR EVERY ONE (1) NEW SHARE HELD ON
THE RECORD DATE

Financial adviser to the Company and Underwriter to the Open Offer



Capitalised terms used in this cover page shall have the same meanings as defined in this Prospectus unless the context requires otherwise.

The Latest Time for Acceptance is at 4:00 p.m. on Monday, 17 October 2016. The procedures for application and payment for the Offer Shares are set out on pages 21 to 22 of this Prospectus.

Shareholders should note that the New Shares have been dealt in on an ex-entitlement basis commencing from Thursday, 25 August 2016. The Open Offer is conditional, among other things, upon the fulfillment or waiver of the conditions set out under the section headed "Conditions of the Underwriting Agreement" of the letter from the Board on pages 24 to 25 of this Prospectus. In particular, it is conditional upon the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof. Accordingly, the Open Offer may or may not proceed.

* For identification purposes only

CONTENTS

	<i>Page</i>
Definitions	1
Expected timetable	13
Termination of the Underwriting Agreement	15
Letter from the Board	17
Appendix I — Financial information of the Group	I-1
Appendix II — Unaudited pro forma financial information of the Enlarged Group	II-1
Appendix III — Summary of the constitution of the Company and Cayman Islands Companies Law	III-1
Appendix IV — General information	IV-1

DEFINITIONS

In this Prospectus, the following expressions have the meanings set out below unless the context requires otherwise:

“Acquisition”	the sale and purchase of the Sale Equity Interest pursuant to the Acquisition Agreement
“Acquisition Agreement”	the acquisition agreement dated 31 March 2014 (as supplemented by a supplemental agreement dated 27 October 2014, a second supplemental agreement dated 30 April 2015 and a third supplemental agreement dated 30 March 2016) entered into between, inter alia, the Company and the Vendors in respect of the sale and purchase of the Sale Equity Interest, as varied, amended, modified or supplemented in writing by the parties thereto from time to time
“acting in concert”	has the meaning given to it under the Takeovers Code
“Amended Subscription Agreement”	the Original Subscription Agreement as supplemented by a second supplemental agreement dated 27 October 2014, a third supplemental agreement dated 30 April 2015 and a fourth supplemental agreement dated 30 March 2016, as varied, amended, modified or supplemented in writing by the parties thereto from time to time
“Amended TB Option Agreement”	the TB Option Agreement as supplemented by a supplemental option deed dated 27 October 2014, a second supplemental option deed dated 30 April 2015 and a third supplemental option deed dated 30 March 2016, as varied, amended, modified or supplemented in writing by the parties thereto from time to time
“Application Form”	the form of application to be issued to the Qualifying Shareholders to apply for the Offer Shares for their Shareholders’ assured entitlement under the Open Offer in the agreed form
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Authorised Share Capital Cancellation”	the cancellation of the authorised but un-issued share capital of the Company in its entirety immediately upon the Share Consolidation becoming effective
“Authorised Share Capital Increase”	the increase of the authorised share capital of the Company to HK\$500,000,000 immediately following the Authorised Share Capital Cancellation becoming effective

DEFINITIONS

“Binjiang International Project”	濱江國際項目, being the residential property development project located in Quanzhou, Fujian Province currently held by the Target Group
“Board”	the board of Directors
“Business day(s)”	a day (other than a Saturday, a Sunday or public holidays) on which banks are generally open for business in Hong Kong
“Capital Reduction”	the reduction of the nominal value of each existing issued Share from HK\$0.10 to HK\$0.0005
“Capital Reorganisation”	the restructuring of the capital of the Company comprising, inter alia, the Capital Reduction, the Share Premium Cancellation, the Share Consolidation, the Authorised Share Capital Cancellation and the Authorised Share Capital Increase, which has become effective on 23 August 2016
“CCASS”	the Central Clearing and Settlement System established and carried on by HKSCC
“CCASS Operational Procedures”	the operational procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to the operations and functions of CCASS, as from time to time in force
“China” or “PRC”	the People’s Republic of China, which shall, for the purposes of this Prospectus, exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“China General”	China General (HK) Company Limited (中總(香港)有限公司), a company incorporated under the laws of Hong Kong on 1 September 1992, which is owned as to 50% each by Mr. Shie and Mr. Tsoi
“Circular”	the circular of the Company dated 29 February 2016 in relation to, among other things, the Acquisition, the Capital Reorganisation, the Open Offer, the Subscription, the Whitewash Waiver and the Special Deal
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“Companies Law”	Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands

DEFINITIONS

“Company”	First Mobile Group Holdings Limited, a company incorporated in the Cayman Islands whose issued shares are listed on the Stock Exchange (Stock Code: 865)
“Completion”	completion of the Proposed Restructuring
“Concert Group”	Fame Build, Talent Connect, the Vendors and any parties acting in concert with any of them
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration Shares”	4,086,592,788 New Shares to be allotted and issued as fully paid by the Company to the Vendors under the Acquisition Agreement
“Controlling Shareholder(s)”	Mr. Shie, Mr. Tsoi, Fame Build and Talent Connect, who will become the controlling Shareholders upon completion of the Acquisition
“Creditors Schemes”	the schemes of arrangement entered into between the Company and its creditors (none of whom are Shareholders) pursuant to Section 166 of the Predecessor Hong Kong Companies Ordinance and Section 86 of the Companies Law with, or subject to, any modification, addition or conditions approved or imposed by the High Court of Hong Kong and the Grand Court of the Cayman Islands
“Deed of Indemnity”	the deed of indemnity dated 26 February 2016 entered into by the Controlling Shareholders in favour of the Company (for itself and as trustee for the subsidiaries of the Enlarged Group)
“Deed of Non-Competition”	the deed of non-competition dated 26 February 2016 executed by the Controlling Shareholders (as covenantors) in favour of the Company
“Directors”	directors of the Company
“Disposal”	the disposal of Marzo Holdings Limited, Value Day Limited and MDL to the Purchaser at a nominal consideration of HK\$1.00 pursuant to the Disposal Agreement

DEFINITIONS

“Disposal Agreement”	the sale and purchase agreement dated 27 October 2014 (as supplemented by a supplemental agreement dated 30 April 2015 and a second supplemental agreement dated 30 March 2016) entered into between the Company and the Purchaser in relation to the Disposal, as varied, amended, modified or supplemented in writing by the parties thereto from time to time
“Disposed Group”	Marzo Holdings Limited, Value Day Limited and MDL and their subsidiaries, including eTouch Mobile Private Limited, PT Comworks Indonesia, Multi Brand Telecom Services Trade Company Limited, Calibro Global Limited, Distinct Elite Limited and Matrix Star Limited
“EGM”	the extraordinary general meeting of the Company held on 18 April 2016 approving, among other matters, the Capital Reorganisation, the Open Offer, the Subscription, the Acquisition, the Special Deal, the appointment of the proposed Directors, the New Memorandum and Articles and the Whitewash Waiver
“Enlarged Group”	the Group upon Completion
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any of his delegate
“Existing Controlling Shareholders”	Mr. Ng, Ms. Tan Sook Kiang, Mr. Ng Kok Tai, Md. Siew Ai Lian, NKT Holdings Sdn. Bhd. and Mr. Ng Kok Yang, collectively interested in 134,956,629 New Shares, representing approximately 69.4% of the issued share capital of the Company as at the Latest Practicable Date
“Existing Shareholders”	Shareholders as at the Latest Practicable Date
“FA Loan Agreement”	the loan agreement dated 3 February 2012 (as supplemented by side letters dated 4 December 2012, 5 February 2013 and 30 September 2013 respectively, a supplemental loan agreement dated 27 October 2014, a second supplemental loan agreement dated 30 April 2015 and a third supplemental loan agreement dated 30 March 2016) entered into between First Apex and MDL, as varied, amended, modified or supplemented in writing by the parties thereto from time to time

DEFINITIONS

“FA Option”	the option granted by the Company to First Apex under the FA Option Agreement to subscribe for convertible preference shares convertible into ordinary shares of HK\$0.01 each in the capital of the Company
“FA Option Agreement”	the option deed dated 3 February 2012 entered into between First Apex and the Company in relation to the issue of the FA Option and as terminated by a termination deed entered into between the Company and First Apex dated 27 October 2014
“Fame Build”	Fame Build Holdings Limited, a company incorporated in the British Virgin Islands with limited liability on 16 June 2014 and is solely and beneficially owned by Mr. Shie
“First Apex”	First Apex Investments Limited, a limited liability company incorporated in Hong Kong on 11 March 2010 and is wholly and beneficially owned by Mr. Benjamin Kumar Sharma (who is not an Existing Shareholder), which will become one of the Shareholders upon completion of the Subscription and the exercise of the New FA Option
“Group”	the Company and its subsidiaries from time to time
“Group Reorganisation”	the transfer of the Scheme Subsidiaries to the Scheme Company or the Scheme Administrators (or their nominees) for the benefit of the Scheme Creditors and, if applicable, creditors of the Scheme Subsidiaries upon the Creditor Schemes becoming effective
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Companies Ordinance”	Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time

DEFINITIONS

“Independent Shareholders”	the Shareholder(s) who are not members of the Concert Group and/or not involved or interested in (other than solely as a Shareholder) the Capital Reorganisation, the Creditors Schemes, the transactions contemplated under the Subscription Agreements, the Acquisition Agreement, the Open Offer, the Disposal Agreement and/or the Whitewash Waiver and therefore permitted to vote in respect of the resolution(s) to approve the Capital Reorganisation, the Creditors Schemes, the Subscription, the Acquisition, the Open Offer, the Whitewash Waiver and/or the Special Deal at the EGM
“Independent Third Party”	a party that is independent of the Company or of China General or any of their respective connected persons, as the case may be
“Jinwu”	Jinwu Limited, a special purpose investment company owned by Daxin Investment Fund, being an investment fund established under the laws of the Cayman Islands on 26 May 2010, managed by Greater China Capital Limited (which is not an existing Shareholder), which will become one of the Shareholders upon completion of the Subscription
“Last Trading Day”	27 November 2009, the last trading day before the Suspension
“Latest Practicable Date”	27 September 2016, being the latest practicable date prior to the date of this Prospectus for the purpose of ascertaining certain information contained in this Prospectus
“Latest Time for Acceptance”	4:00 p.m. on 17 October 2016 or such other time as may be agreed in writing between the Company and the Underwriter, being the latest time for acceptance of, and payment for, the Offer Shares as described in this Prospectus
“Latest Time for Termination”	4:00 p.m. on the following Business Day immediately after the Latest Time for Acceptance or such other time or date as may be agreed in writing between the Company and the Underwriter, being the latest time to terminate the Underwriting Agreement
“Listing Committee”	has the meaning ascribed to it under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“MDL”	Mobile Distribution Limited, an indirect wholly-owned subsidiary of the Company incorporated in Hong Kong on 29 August 2008
“Mr. Ng”	Mr. Ng Kok Hong, a Director and a substantial Shareholder holding approximately 31.1% of the Company’s issued share capital as at the Latest Practicable Date and the sole shareholder of the Purchaser
“Mr. Shie”	Mr. Shie Tak Chung, being one of the Vendors, who is interested in 50% of equity interest of China General
“Mr. Tsoi”	Mr. Tsoi Kin Sze, being one of the Vendors, who is interested in 50% of equity interest of China General
“New FA Option”	the option granted by the Company to First Apex under the New FA Option Agreement to subscribe for the New FA Subscription Shares, further details of which are set out in the Circular
“New FA Option Agreement”	the option deed dated 27 October 2014 (as supplemented by a supplemental option deed dated 30 April 2015 and a second supplemental option deed dated 30 March 2016) entered into between First Apex and the Company in relation to the issue of the New FA Option, as varied, amended, modified or supplemented in writing by the parties thereto from time to time
“New FA Subscription Shares”	129,032,258 New Shares to be allotted and issued as fully paid by the Company to First Apex under the New FA Option Agreement
“New Share(s)”	the ordinary share(s) of HK\$0.005 each in the capital of the Company immediately following the Capital Reorganisation becoming effective
“New TB Option”	the option granted by the Company to Time Boomer under the Amended TB Option Agreement to subscribe for the New TB Subscription Shares, further details of which are set out in the Circular
“New TB Subscription Shares”	83,870,968 New Shares to be allotted and issued as fully paid by the Company to Time Boomer under the Amended TB Option Agreement

DEFINITIONS

“Non-qualifying Shareholder(s)”	the Shareholder(s), whose addresses as shown on the register of members of the Company on the Record Date are in places outside Hong Kong where based on the legal opinions provided by the relevant overseas legal advisors to the Company, the Directors are of the opinion that it is necessary or expedient to exclude such Shareholder(s) from the Open Offer on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in such places
“Offer Share(s)”	New Shares to be allotted and issued under the Open Offer, being 389,199,312 New Shares
“Open Offer”	the proposed issue of the Offer Shares on the basis of two (2) Offer Shares for every one (1) New Share held by that Qualifying Shareholder on the Record Date at the Open Offer Price
“Open Offer Price”	HK\$0.13, the price at which the Offer Shares are offered to the Qualifying Shareholders
“Original Subscription Agreement”	the subscription agreement dated 27 August 2010 (as supplemented by side letters dated 15 September 2010, 23 December 2010, 31 March 2011, 7 July 2011, 2 November 2011, 30 March 2012, 4 December 2012 and 6 February 2013 respectively and supplemented by a supplemental agreement dated 28 September 2010) entered into between the Company (as issuer) and Jinwu (as subscriber) in relation to the subscription of ordinary shares of HK\$0.01 each in the capital of the Company
“Placing”	the placing of the Placing Shares pursuant to the Placing Agreement
“Placing Agreement”	the conditional placing agreement dated 27 September 2016 entered into between Jinwu and ASA Securities Limited in relation to the Placing
“Placing Share(s)”	an aggregate of up to 954,694,714 New Shares to be placed pursuant to the terms of the Placing Agreement
“Proposed Restructuring”	the proposed restructuring of the Group, involving, among other things, the Capital Reorganisation, the Creditors Schemes, the Subscription, the Open Offer, the Acquisition and the Disposal

DEFINITIONS

“Prospectus”	this prospectus issued by the Company in relation to the Open Offer
“Prospectus Documents”	this Prospectus and the Application Form
“Prospectus Posting Date”	30 September 2016 (or such other date as agreed between the Company and the Underwriter in writing), the date on which the Prospectus Documents will be despatched to the Qualifying Shareholders and this Prospectus will be despatched to the Non-qualifying Shareholders for their information only
“Purchaser”	Simply Divine Global Limited, a company incorporated in the British Virgin Islands on 4 September 2014, which is solely and beneficially owned by Mr. Ng
“Qualifying Shareholder(s)”	the Shareholder(s), other than the Non-qualifying Shareholders, whose names appear on the register of members of the Company as at the close of business on the Record Date
“Record Date”	the date by reference to which entitlements under the Open Offer are to be determined, being Friday, 2 September 2016
“Registrar”	the branch share registrar and transfer office of the Company in Hong Kong, Tricor Abacus Limited, Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong
“Resumption”	resumption of trading in the New Shares on the Stock Exchange
“Resumption Proposal”	the resumption proposal dated 4 December 2012 (as supplemented by subsequent submissions by the Company) which includes, among other things, the Capital Reorganisation, the Creditors Schemes, the Subscription and the Open Offer, submitted by the Company to the Stock Exchange
“Sale Equity Interest”	the entire issued share capital of China General
“Scheme Administrators”	the administrators sanctioned by the High Court of Hong Kong in respect of the Creditors Schemes
“Scheme Company”	a company to be incorporated and to be held and controlled by the Scheme Administrators for the purpose of holding the Scheme Subsidiaries
“Scheme Creditors”	the creditors under the Creditors Schemes

DEFINITIONS

“Scheme Subsidiaries”	the subsidiaries of the Company other than the Disposed Group
“Settlement Date”	the date being the third Business Day following the Latest Time for Acceptance
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company prior to the Capital Reorganisation becoming effective
“Share Consolidation”	the consolidation of ten (10) issued Shares of HK\$0.0005 each into one (1) New Share of HK\$0.005
“Share Premium Cancellation”	the share premium cancellation of the Company upon the Capital Reduction becoming effective
“Shareholders”	holders of the New Shares
“Special Deal”	the Disposal, which constitutes a special deal under Note 4 to Rule 25 of the Takeovers Code
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscribers”	Jinwu, Time Boomer and First Apex
“Subscription”	the allotment and issue of the Subscription Shares to the Subscribers pursuant to the Subscription Agreements
“Subscription Agreements”	the Amended Subscription Agreement, the Amended TB Option Agreement and the New FA Option Agreement, further details of which are set out in the Circular
“Subscription Shares”	the New Shares to be allotted and issued by the Company to the Subscribers under the Subscription Agreements
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“Suspension”	the suspension of trading in the Shares at the request of the Company since 9:30 a.m. on 27 November 2009
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers and Share Buy-backs

DEFINITIONS

“Talent Connect”	Talent Connect Investments Limited, a company incorporated in the British Virgin Islands with limited liability on 13 June 2014 and is solely and beneficially owned by Mr. Tsoi
“Target Group”	China General and its subsidiaries, including 惠安中總房地產開發有限公司 (Hui An China General Real Estate Development Company Limited*), 福建省厚德企業管理有限公司 (Fujian Province Houde Enterprise Management Company Limited*), 恒德(石獅)投資有限公司 (Hengde (Shishi) Investment Company Limited*), 揚州德輝房地產開發有限公司 (Yangzhou Dehui Real Estate Development Company Limited*) and 揚州德泰物業服務有限公司 (Yangzhou Detai Property Services Company Limited*)
“TB Loan Agreement”	the loan agreement dated 7 July 2011 (as supplemented by a deed of variation dated 3 February 2012, side letters dated 4 December 2012, 5 February 2013 and 30 September 2013 respectively, a supplemental loan agreement dated 27 October 2014, a second supplemental loan agreement dated 30 April 2015 and a third supplemental loan agreement dated 30 March 2016) entered into between Time Boomer and MDL, as varied, amended, modified or supplemented in writing by the parties thereto from time to time
“TB Option”	the option granted by the Company to Time Boomer under the TB Option Agreement to subscribe for ordinary shares of HK\$0.01 each in the capital of the Company
“TB Option Agreement”	the option deed dated 7 July 2011 entered into between Time Boomer and the Company in relation to the issue of the TB Option
“The Cullinan Bay Project”	天璽灣項目, being the residential property development project located in Yangzhou, Jiangsu Province currently held by the Target Group
“Time Boomer”	Time Boomer Limited, a limited liability company incorporated in the British Virgin Islands on 26 May 2011 and is wholly and beneficially owned by Mr. Tai Kai Hing (who is not an Existing Shareholder), which will become one of the Shareholders upon completion of the Subscription and upon exercise of the New TB Option

DEFINITIONS

“Underwriter”	Asian Capital (Corporate Finance) Limited, a corporation licensed to carry out type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities for the purposes of the SFO
“Underwriting Agreement”	the underwriting agreement dated 26 February 2016 (as supplemented and amended by a supplemental agreement dated 24 August 2016 and a second supplemental agreement dated 26 September 2016) entered into between the Company and the Underwriter in relation to the Open Offer
“Vendors”	Mr. Shie and Mr. Tsoi
“Whitewash Waiver”	a whitewash waiver pursuant to Note 1 on Dispensations from Rule 26 of the Takeovers Code granted by the Executive in respect of the obligations of Fame Build and Talent Connect to make a mandatory general offer for all the securities of the Company not already owned or agreed to be acquired by the Concert Group which may arise as a result of the transaction(s) contemplated under the Acquisition Agreement
“%”	per cent

The English names of the Chinese nationals, companies, entities, departments, facilities, certificates, titles and the like are translation of their Chinese names and are included in this Prospectus for identification purpose only and should not be regarded as their official English translation. In the event of any inconsistency, the Chinese name prevails. English translation of company names in Chinese or another language which are marked with “” are for identification purpose only.*

The English language version of this Prospectus has been translated into the Chinese language and English and Chinese versions of this Prospectus are being published separately. If there should be any inconsistency between the English and Chinese versions, the English version shall prevail.

* For identification purposes only

EXPECTED TIMETABLE

The expected timetable for the Open Offer and the relevant trading arrangement is set out below:

Events

2016

Latest time for acceptance of and payment for the Offer Shares.....	4:00 p.m., on Monday, 17 October
Latest time for termination of the Underwriting Agreement	4:00 p.m., on Tuesday, 18 October
Announcement of the results of the Open Offer to be published.....	Monday, 24 October
Despatch of share certificates for fully-paid Offer Shares (or refund cheques if the Open Offer is terminated)	Tuesday, 25 October
Announcement of completion of the Subscription, the Acquisition, the Open Offer and the Disposal	Tuesday, 25 October
Resumption and commencement of dealings in fully-paid Offer Shares.....	9:00 a.m., on Thursday, 27 October
Odd lot matching arrangement (note)	Thursday, 27 October 2016 to Wednesday, 16 November 2016
Last day for free exchange of share certificates for the New Shares	Friday, 18 November 2016

Note:

Upon Resumption, in order to facilitate the trading of odd lots of the New Shares arising from the Capital Reorganisation, the Subscription, the Acquisition and the Open Offer, the Company will appoint an agent to arrange for matching services regarding the sale and purchase of odd lots of the New Shares, on a best effort basis, to those Shareholders who wish to top-up to a full board lot or sell their shareholdings of odd lots of the New Shares. Holders of the New Shares in odd lots should note that the matching of sale and purchase of odd lots of the New Shares is on best effort basis and successful matching of sale and purchase of odd lots of the New Shares is not guaranteed. Shareholders are recommended to consult their professional advisers if they are in doubt about the above facility. Further announcement in respect of the details of the agent and the matching services will be made by the Company in due course.

All times and dates in this Prospectus refer to Hong Kong local times and dates. Dates or deadlines specified in the expected timetable above or in other parts of this Prospectus are indicative only and may be extended or varied. Any changes to the expected timetable will be published or notified to the Shareholders and the Stock Exchange as and when appropriate in accordance with the Listing Rules.

EXPECTED TIMETABLE

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE OPEN OFFER

If there is a tropical cyclone warning signal number 8 or above, or a ‘black’ rainstorm warning:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the date of the Latest Time for Acceptance, the latest time of acceptance of and payment for the Offer Shares will not take place at the Latest Time for Acceptance, but will be extended to 5:00 p.m. on the same day instead; or
- (ii) in force in Hong Kong at any local time between 12:00 noon and the Latest Time for Acceptance, the latest time of acceptance of and payment for the Offer Shares will not take place at the Latest Time for Acceptance, but will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

Under such circumstances, the dates mentioned in the expected timetable above (including, without limitation, the Latest Time for Termination) may be affected. Dates or deadlines stated in this Prospectus for events in the timetable are indicative only and may be extended or varied between the Company and the Underwriter. Any changes to the expected timetable for the Open Offer will be published or notified to the Shareholders as and when appropriate.

TERMINATION OF THE UNDERWRITING AGREEMENT

If, prior to the Latest Time for Termination:

- (1) in the reasonable opinion of the Underwriter, the success of the Open Offer would be materially and adversely affected by:
 - (a) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the sole and reasonable opinion of the Underwriter, materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Open Offer; or
 - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date hereof) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the sole and reasonable opinion of the Underwriter, materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially and adversely prejudice the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or
 - (c) any material adverse change in the business or in the financial or trading position of the Group as a whole; or
- (2) any material adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities) occurs which in the sole and reasonable opinion of the Underwriter is likely to materially and adversely affect the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or
- (3) there is any change in the circumstances of the Company or any member of the Group which in the sole and reasonable opinion of the Underwriter will adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any of member of the Group or the destruction of any material asset of the Group; or
- (4) the circular, prospectus or announcements of the Company published since the date of the Underwriting Agreement when published contain information (either as to business prospects or the condition of the Group or as to its compliance with any laws or Listing Rules or any applicable regulations) which has not prior to the date of the Underwriting Agreement been publicly announced or published by the Company and which may in the sole and reasonable opinion of the Underwriter is

TERMINATION OF THE UNDERWRITING AGREEMENT

material to the Group as a whole and is likely to affect materially and adversely the success of the Open Offer or might cause a prudent investor not to accept the relevant Offer Shares offered to it,

the Underwriter shall, by notice in writing to the Company served prior to the Latest Time for Termination, be entitled to terminate the Underwriting Agreement.

LETTER FROM THE BOARD



FIRST MOBILE GROUP HOLDINGS LIMITED
(第一電訊集團有限公司)*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 865)

Executive Directors:

Mr. Ng Kok Hong
Mr. Ng Kok Tai
Mr. Ng Kok Yang

Registered Office

P.O. Box 10008
Willow House
Cricket Square
Grand Cayman KY1-1001
Cayman Islands

*Head Office and Principal Place
of Business in Hong Kong*

Workshop 6, Level 1
Wah Yiu Industrial Centre
30-32 Au Pui
Wan Street
Fotan, Shatin
New Territories
Hong Kong

30 September 2016

To the Qualifying Shareholders

and, for information only, the Non-qualifying Shareholders

Dear Sir or Madam,

**OPEN OFFER OF 389,199,312 OFFER SHARES
AT HK\$0.13 PER OFFER SHARE ON
THE BASIS OF TWO (2) OFFER SHARES
FOR EVERY ONE (1) NEW SHARE HELD ON
THE RECORD DATE**

INTRODUCTION

Reference is made to (i) the announcements of the Company dated 22 August 2014, 31 October 2014 and 3 November 2014 and the Circular in relation to, among other things, the Acquisition, the Capital Reorganisation, the Open Offer, the Subscription, the Whitewash Waiver and the Special Deal; (ii) the announcement of the Company dated 18 April 2016 in

* *For identification purposes only*

LETTER FROM THE BOARD

relation to the poll results of the EGM; and (iii) the announcements of the Company dated 1 August 2016, 19 August 2016, 5 September 2016 and 19 September 2016 in relation to revision of the timetable for the Proposed Restructuring of the Company.

As disclosed in the Circular, to enable the existing Shareholders to participate in the Proposed Restructuring, the Company proposed to undertake the Open Offer on the basis of two (2) Offer Shares for every one (1) New Share held by the Qualifying Shareholders on the Record Date. As at the Record Date, the Company had 194,599,656 New Shares in issue. On the basis of two (2) Offer Shares for every one (1) New Share held on the Record Date, a total of 389,199,312 Offer Shares will be allotted and issued by the Company under the Open Offer. The Offer Shares under the Open Offer are fully underwritten by the Underwriter.

At the EGM held on 18 April 2016, all the resolutions in respect of the Open Offer, the Underwriting Agreement and the Whitewash Waiver were approved by the Independent Shareholders by way of poll. The Existing Controlling Shareholders, holding an aggregate of 1,349,566,292 Shares, representing approximately 69.35% of the issued share capital of the Company as at the date of the EGM, had abstained from voting on the relevant resolution(s) in relation to the Open Offer, the Underwriting Agreement and the Whitewash Waiver at the EGM.

The purpose of this Prospectus is to provide you with, among other things, further details of (i) the Open Offer (including the procedures for application and payment for the Offer Shares); (ii) the financial information of the Group; and (iii) the general information of the Group.

THE OPEN OFFER

Issue statistics

Basis of the Open Offer:	Two (2) Offer Shares for every one (1) New Share held by the Qualifying Shareholders on the Record Date
Open Offer Price:	HK\$0.13 per Offer Share payable in full upon application
Number of New Shares in issue as at the Latest Practicable Date:	194,599,656 New Shares
Number of Offer Shares:	389,199,312 Offer Shares, representing (i) approximately 200% of the issued share capital of the Company as at the Latest Practicable Date; (ii) approximately 66.7% of the issued share capital of the Company upon completion of the Open Offer; and (iii) approximately 6.67% of the issued share capital of the Company upon Completion
Aggregate nominal value of the Offer Shares:	The aggregate nominal value of the Offer Shares will be HK\$1,945,996.56

LETTER FROM THE BOARD

Number of Offer Shares 389,199,312 New Shares, being all the Offer Shares
underwritten by the
Underwriter:

Enlarged issued share capital 583,798,968 New Shares
upon completion of the
Open Offer and before the
Subscription and the
Acquisition:

Gross proceeds from the Approximately HK\$50.6 million
Open Offer:

As at the Latest Practicable Date, save for the New FA Option (entitling First Apex to subscribe for 129,032,258 New Shares) and the New TB Option (entitling Time Boomer to subscribe for 83,870,968 New Shares), the Company had no share options, warrants, derivatives or other securities convertible into or exchangeable for the New Shares outstanding or is proposed to be issued for cash or otherwise and no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any such capital.

Qualifying Shareholders

The Open Offer is only available to the Qualifying Shareholders. For the Non-qualifying Shareholders, the Company will send copies of this Prospectus to them for their information only, but the Application Form will not be sent to the Non-qualifying Shareholders. To qualify for the Open Offer, a Shareholder must, at the close of business on the Record Date:

- (i) be registered as a member of the Company on the register of members of the Company; and
- (ii) not be a Non-qualifying Shareholder.

Shareholders whose New Shares are held by nominee companies should note that the Board will regard a nominee company as a single Shareholder according to the register of members of the Company. Shareholders with their New Shares held by nominee companies are advised to consider whether they would like to arrange for registration of the relevant New Shares in the name of the beneficial owner(s) prior to the Record Date. Beneficial owners should consult their professional advisers if they are in any doubt as to whether they should register their shareholding in their own names.

The Record Date was Friday, 2 September 2016. The last day of dealing in the New Shares on a cum-entitlement basis was Wednesday, 24 August 2016 and the New Shares had been dealt with on an ex-entitlement basis from Thursday, 25 August 2016. The register of members of the Company had closed from Monday, 29 August 2016 and reopened on Monday, 5 September 2016.

LETTER FROM THE BOARD

In order to be registered as members of the Company on the Record Date, all transfers of New Shares must be lodged (together with the relevant share certificate(s)) with the Company's branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong by 4:30 p.m. on Friday, 26 August 2016.

The invitation to subscribe for the Offer Shares to be made to the Qualifying Shareholders will not be transferable.

Qualifying Shareholders who take up their pro-rata entitlements in full under the Open Offer will not suffer any dilution to their interests in the Company. Qualifying Shareholder should note that, if he/she/it does not take up any of his/her/its entitlement in full under the Open Offer, his/her/its proportionate shareholding in the Company will be diluted.

The Board has not received any information or irrevocable undertakings from any substantial Shareholders of their intention to take up their respective Offer Shares under the Open Offer.

Non-qualifying Shareholders

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong. Based on the register of members of the Company, as at the Latest Practicable Date, there were two Shareholders whose address as shown on the register of members of the Company is in a place outside of Hong Kong (holding in aggregate approximately 16,752 New Shares) whose addresses as shown in the register of members of the Company were in Malaysia, which were outside Hong Kong.

The Company has complied with all necessary requirements specified in Rule 13.36(2) of the Listing Rules (including notes 1 and 2 thereto) and has made enquiry with its legal advisers regarding the feasibility of extending the Open Offer to the said two overseas Shareholders. Based on the legal advice provided by the legal advisers in Malaysia, no legal or regulatory compliance is required to be made in Malaysia save for the depository of the Prospectus Documents with the securities commission of Malaysia within seven days after its first issuance. Accordingly, the Open Offer will be extended to the Shareholders in Malaysia. As such, there will be no Non-qualifying Shareholders under the Open Offer.

It is the responsibility of any person (including but not limited to nominee, agent and trustee) outside Hong Kong wishing to apply for the Offer Shares to satisfy himself or herself or itself as to the full observance of the laws of the relevant places and the requirements of the relevant regulatory bodies, including obtaining any governmental or other consents and paying any taxes, duties and other amounts required to be paid in the relevant places in connection therewith. Shareholders should consult their professional advisers if in doubt.

Offer Price

The Open Offer Price is HK\$0.13 per Offer Share, payable in cash and in full by a Qualifying Shareholder upon acceptance of the relevant pro rata entitlement of the Offer Shares.

LETTER FROM THE BOARD

The Open Offer Price of HK\$0.13 per Offer Share represents:

- (i) a discount of approximately 92.3% to the theoretical quoted price of HK\$1.68 per New Share (the quoted price of HK\$0.168 per Share has been adjusted to reflect the effects of the Capital Reorganisation) on 27 November 2009, being the Last Trading Day; and
- (ii) a premium of approximately HK\$11.16 over the unaudited consolidated net liabilities per New Share of HK\$10.27 as at 31 December 2015 (based on the audited consolidated net liabilities of the Group of approximately HK\$2,147.0 million as at 31 December 2015 and 194,599,656 New Shares upon the Capital Reorganisation becoming effective).

The Open Offer Price was determined by the Company, after taking into account (i) the financial performance and financial position of the Group; and (ii) the fact that trading in the Shares on the Stock Exchange has been suspended since 27 November 2009.

The Board considers the Open Offer Price is fair and reasonable and in the interests of the Company and the Shareholders as a whole. The net price per Offer Share, after deducting all the expenses incurred and to be incurred thereof, to the Company will be approximately HK\$49.0 million.

Basis of the Open Offer

The basis of the Open Offer shall be two (2) Offer Shares for every one (1) New Share held by the Qualifying Shareholders on the Record Date at the Open Offer Price of HK\$0.13 per Offer Share. Subject to the terms of the Underwriting Agreement, acceptance of all or any part of a Qualifying Shareholder's assured entitlement of the Offer Shares should be made by completing the Application Form(s) and lodging the same with a remittance of the aggregate Open Offer Price in respect thereof with the Registrar by no later than the Latest Time for Acceptance. All remittances must be made by cheque or cashier's order in Hong Kong dollars. Cheques must be drawn on an account with, and banker's cashier orders must be issued by, a licensed bank in Hong Kong and made payable to "FIRST MOBILE GROUP HOLDINGS LIMITED" and crossed "Account Payee Only".

It should be noted that unless the duly completed Application Form, together with the appropriate remittance, have been lodged with the Registrar by no later than 4:00 p.m. on Monday, 17 October 2016 (or, under bad weather conditions, such later date and/or time as mentioned in the section headed "Expected timetable" in this Prospectus), the Application Form and all rights and entitlements thereunder will be deemed to have been declined and will be cancelled. The Application Form contains full information regarding the procedures to be followed for acceptance of the whole or part of your assured entitlement of the Offer Shares.

All cheques or banker's cashier orders will be presented for payment immediately upon receipt and all interest earned on such application monies (if any) will be retained for the benefit of the Company. Any Application Form in respect of which the accompanying cheque and/or banker's cashier order is dishonoured on first presentation is liable to be rejected, and,

LETTER FROM THE BOARD

in such event, the relevant entitlements thereunder will be deemed to have been declined and will be cancelled. No receipt will be issued in respect of any Application Form or any application monies received.

If the Underwriter exercises the rights to terminate the Underwriting Agreement or if the conditions of the Open Offer are not fulfilled, the monies received in respect of acceptances of the Offer Shares will be refunded to the Qualifying Shareholders or in case of joint applicants, to the first-named applicant, without interest by means of cheques despatched by ordinary post to their respective registered addresses at their own risk as soon as practicable thereafter.

The Company will notify the Qualifying Shareholders the allocation result of application for the Offer Shares on Monday, 24 October 2016 by way of announcement.

The Application Form is for the use by the person(s) named therein only and are not transferable.

Status of the Offer Shares

The Offer Shares, when allotted, issued and fully paid, will rank *pari passu* with the then existing New Shares in issue on the date of allotment of the Offer Shares in all respects. Holders of such Offer Shares will be entitled to receive all future dividends and distributions which are declared after the date of allotment and issue of the Offer Shares.

Fractional entitlements

Fractions of Offer Shares will not be allotted to the Qualifying Shareholders and fractional entitlements will be rounded down to the nearest whole number. Any Offer Shares created from the aggregation of fractions of Offer Shares will be taken up by the Underwriter.

No application for excess Offer Shares

After arm's length negotiation with the Underwriter, the Company decided that it will not offer the Qualifying Shareholders the entitlement to apply for any Offer Shares which are in excess of their assured entitlements.

Share certificates and refund cheques for the Offer Shares

Subject to the fulfillment of the conditions of the Open Offer, certificates for all fully-paid Offer Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on or before Tuesday, 25 October 2016. Applicant(s) will only receive one share certificate for all the fully-paid Offer Shares allotted and issued to him/her/it. Refund cheques in respect of the Offer Shares if the Open Offer is terminated shall be despatched by ordinary post to the applicants at their own risk.

Application for listing of the Offer Shares

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Offer Shares. Dealings in the Offer Shares will be subject to the payment of stamp duty, Stock Exchange trading fee and any other applicable fees and

LETTER FROM THE BOARD

charges in Hong Kong. No part of the securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no such listing or permission to deal is proposed to be sought.

Subject to the granting of the approval for the listing of, and permission to deal in, the Offer Shares on the Stock Exchange, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Offer Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

All necessary arrangements will be made to enable the Offer Shares in their fully-paid form to be admitted to CCASS. The first day of dealings in the Offer Shares is expected to commence on Thursday, 27 October 2016.

Dealings in the Offer Shares will be subject to the payment of stamp duty, Stock Exchange trading fee, Securities and Futures Commission transaction levy or any other applicable fees and charges in Hong Kong.

The Offer Shares will have the same board lot size of 4,000 New Shares per board lot.

TAXATION

Shareholders are advised to consult their professional advisers if they are in any doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the Offer Shares.

LETTER FROM THE BOARD

UNDERWRITING AGREEMENT

Date:	26 February 2016 (as supplemented and amended by a supplemental agreement dated 24 August 2016 and a second supplemental agreement dated 26 September 2016), pursuant to which the parties agreed to extend certain dates in relation to the Open Offer, including the Prospectus Posting Date and the Record Date under the Underwriting Agreement, in accordance with the revised timetable of the Open Offer as set out in the announcement of the Company dated 19 September 2016)
Parties:	(i) the Company; and (ii) the Underwriter, who and its ultimate shareholders are (i) not acting in concert with any member of the Concert Group; and (ii) save for being the financial adviser to the Company, an Independent Third Party
Number of Offer Shares to be underwritten by the Underwriter:	389,199,312 Offer Shares
Open Offer price:	HK\$0.13 per Offer Share
Underwriting commission:	3% of the aggregate Open Offer Price in respect of the 389,199,312 Offer Shares underwritten by the Underwriter, being approximately HK\$1.5 million

Terms of the Underwriting Agreement were determined after arm's length negotiations between the Company and the Underwriter. The Directors are of the opinion that the terms of the Underwriting Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Conditions of the Underwriting Agreement

The Underwriting Agreement is conditional upon the following conditions being fulfilled:

- (a) the conditions precedent to the Acquisition Agreement having been fulfilled;
- (b) all of the conditions precedent to the Subscription Agreements having been duly satisfied or waived in accordance with the terms set out therein;
- (c) the delivery to the Stock Exchange for authorisation, and the registration with the Registrar of Companies in Hong Kong, respectively, not later than the Prospectus Posting Date, of one copy of each of the Prospectus Documents for use by the Qualifying Shareholders to apply for the Offer Shares under their entitlements, duly signed by two Directors (or by their agents duly authorised in writing) as having

LETTER FROM THE BOARD

been approved by resolution of the Directors (and all other documents required to be attached to it) and otherwise in compliance with the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the laws of Hong Kong (as amended, supplemented or otherwise modified from time to time);

- (d) the posting of the Prospectus Documents to the Qualifying Shareholders and, if required by or in compliance with the Listing Rules, a copy of this Prospectus stamped “For Information Only” to the Non-qualifying Shareholders on the Prospectus Posting Date;
- (e) the approval of the Open Offer, the Underwriting Agreement and the transactions contemplated thereunder by the Independent Shareholders at the EGM;
- (f) the approval of the Whitewash Waiver by the Independent Shareholders at the EGM by way of poll;
- (g) the grant of the Whitewash Waiver by the Executive;
- (h) the approval of the Special Deal by the Independent Shareholders by way of poll and the consent of the Special Deal granted by the Executive;
- (i) the grant or the agreement to grant (subject to allotment) by the Listing Committee, and not having withdrawn or revoked such grant, of the listing of and permission to deal in all the Offer Shares, either unconditionally or subject to such conditions as are accepted by the Company;
- (j) the Stock Exchange having conditionally or unconditionally approved, or decided to allow the Company to proceed with, the resumption of trading in the New Shares on the Stock Exchange and all the conditions attached to such approval or decision (if any) having been fulfilled (other than those conditions relating to or in connection with restoration of public float) or waived by the Stock Exchange; and
- (k) all other necessary waivers, consents and approval including but not limited to those from the Stock Exchange, the SFC and any other relevant government or regulatory authorities, which are required (if any) for the implementation of the resumption proposal and all transactions contemplated thereunder.

Except for condition (h), all the other conditions are not waivable. Save for conditions (e) to (h) above, none of the conditions precedent has been fulfilled up to the Latest Practicable Date. If any of the conditions of the Underwriting Agreement is not fulfilled in whole (or waived where applicable) by Tuesday, 18 October 2016 (or such other time and/or date as the Company and the Underwriter may determine in writing), or shall become incapable of being fulfilled, all obligations and liabilities of the parties under the Underwriting Agreement shall cease, and no party shall have any claim against the other party of the Underwriting Agreement and no party shall have any claim against any other party for costs, damages, compensation or otherwise save for any antecedent breaches.

LETTER FROM THE BOARD

The Underwriter shall pay to the Company on the Settlement Date, being 24 October 2016 (or such other time or date as may be agreed between the Company and the Underwriter) the aggregate Open Offer Price in respect of the untaken Offer Shares for which they are obliged to subscribe or procure subscription in accordance with the Underwriting Agreement, less any amounts payable to the Underwriter.

Termination of Underwriting Agreement

If, prior to 4:00 p.m. on Tuesday, 18 October 2016 or such later date or time as the Company and the Underwriter may agree in writing, being the Latest Time for Termination:

- (1) in the reasonable opinion of the Underwriter, the success of the Open Offer would be materially and adversely affected by:
 - (a) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the sole and reasonable opinion of the Underwriter, materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Open Offer; or
 - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date hereof) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the sole and reasonable opinion of the Underwriter, materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially and adversely prejudice the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or
 - (c) any material adverse change in the business or in the financial or trading position of the Group as a whole; or
- (2) any material adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities) occurs which in the sole and reasonable opinion of the Underwriter is likely to materially and adversely affect the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or
- (3) there is any change in the circumstances of the Company or any member of the Group which in the sole and reasonable opinion of the Underwriter will adversely affect the prospects of the Company, including without limiting the generality of the

LETTER FROM THE BOARD

foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any of member of the Group or the destruction of any material asset of the Group; or

- (4) the circular, prospectus or announcements of the Company published since the date of the Underwriting Agreement when published contain information (either as to business prospects or the condition of the Group or as to its compliance with any laws or Listing Rules or any applicable regulations) which has not prior to the date of the Underwriting Agreement been publicly announced or published by the Company and which may in the sole and reasonable opinion of the Underwriter is material to the Group as a whole and is likely to affect materially and adversely the success of the Open Offer or might cause a prudent investor not to accept the relevant Offer Shares offered to it,

the Underwriter shall, by notice in writing to the Company served prior to the Latest Time for Termination, be entitled to terminate the Underwriting Agreement.

In the event that the Underwriter exercises its rights to terminate the Underwriting Agreement, the Open Offer will not proceed.

Placing down to restore public float

The Stock Exchange has indicated that if, upon completion of the Proposed Restructuring, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued share capital, are held by the public or if the Stock Exchange believes that:

- (i) a false market exists or may exist in the New Shares; or
- (ii) there are insufficient New Shares in public hands to maintain an orderly market,

trading in the New Shares will remain suspended.

In order to restore the public float of the Company upon completion of the Capital Reorganisation, the Open Offer, the Subscription and the Acquisition, the Company has been informed that, Jinwu entered into the Placing Agreement on 27 September 2016 with ASA Securities Limited (the “**Placing Agent**”), an Independent Third Party, for the placing of (i) 584,382,770 New Shares on a fully-underwritten basis; and (ii) up to a total of 370,311,944 New Shares on a best effort basis, at HK\$0.23 per Placing Share. The Placing Shares represent approximately 16.4% (assuming all Placing Shares are placed) and approximately 10.0% (assuming only 584,382,770 New Shares are placed) of the issued share capital of the Company immediately following the Capital Reorganisation becoming effective.

Completion of the Placing is conditional on:

- (i) the conditions precedent under the Subscription Agreements having been fulfilled or waived (as the case may be);

LETTER FROM THE BOARD

- (ii) the Stock Exchange granting approval for the listing of, and permission to deal in, the Subscription Shares and the Placing Shares;
- (iii) the Capital Reorganisation having been completed;
- (iv) the placees and/or the Placing Agent not becoming a substantial shareholder (as defined in the Listing Rules) of the Company as a result of the Placing; and
- (v) the Company obtaining all necessary written consents and approvals (if any) from the relevant authorities in respect of the transactions contemplated under the Placing Agreement, if applicable.

In the event that the conditions under the Placing Agreement have not been satisfied on or before 31 October 2016, all liabilities of the parties to the Placing Agreement shall cease and determine and no party shall have any claim against the other, save for any liability arising out of any antecedent breaches. Pursuant to the Placing Agreement, completion of the Placing will take place on the same day as the completion of the Open Offer, the Subscription and the Acquisition and a further announcement will be made upon completion of the Placing in accordance with the Listing Rules.

The placees and their respective ultimate beneficial owners shall be third parties independent of the Company and not connected with the Company and its connected persons (as defined in the Listing Rules).

Following the completion of the Placing, none of the placees will become a substantial shareholder (as defined in the Listing Rules) of the Company.

The placing price shall be HK\$0.23 per Placing Share, represents a discount of approximately 86.3% to the theoretical quoted price of HK\$1.68 per New Share (the quoted price of HK\$0.168 per Share has been adjusted to reflect the effects of the Capital Reorganisation) on 27 November 2009, being the Last Trading Day.

Following completion of the Placing (assuming all Existing Shareholders subscribed for the Offer Shares), not less than 1,751,396,907 New Shares will be held in the hands of the public, representing approximately 30.0% of the issued share capital of the Company immediately after the completion of the Open Offer, the Subscription, the Acquisition and the Placing. Accordingly, the Company shall restore the 25% minimum public float requirement under Rule 8.08(1)(a) of the Listing Rules.

LETTER FROM THE BOARD

SHAREHOLDING STRUCTURE OF THE COMPANY

The tables below set out the changes in the shareholding structure of the Company arising from the Open Offer, the Subscription, the Acquisition and the Placing. For illustrative purposes only, two cases, which assume (I) none of the Existing Shareholders subscribed for the Offer Shares and the Underwriter takes up the Offer Shares in full; and (II) all Existing Shareholders subscribed for the Offer Shares, are shown below:

Case (I) — none of the Existing Shareholders subscribed for the Offer Shares

Name of shareholders	As at the Latest Practicable Date		(I) Immediately upon completion of the Open Offer <i>(Note 2)</i>		(II) Immediately after the Open Offer and the Subscription <i>(Note 2)</i>		(III) Immediately after the Open Offer, the Subscription and the Acquisition <i>(Note 2)</i>		(IV) Immediately after the Open Offer, the Subscription, the Acquisition and the Placing <i>(Note 3)</i>	
	<i>(New Shares)</i>	<i>(%)</i>	<i>(New Shares)</i>	<i>(%)</i>	<i>(New Shares)</i>	<i>(%)</i>	<i>(New Shares)</i>	<i>(%)</i>	<i>(New Shares)</i>	<i>(%)</i>
Subscribers										
Jinwu Limited	—	—	—	—	954,694,714	54.5	954,694,714	16.4	370,311,944	6.3
Time Boomer	—	—	—	—	83,870,968	4.8	83,870,968	1.4	83,870,968	1.4
First Apex	—	—	—	—	129,032,258	7.4	129,032,258	2.2	129,032,258	2.2
Subtotal	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,167,597,940</u>	<u>66.7</u>	<u>1,167,597,940</u>	<u>20.0</u>	<u>583,215,170</u>	<u>9.9</u>
Existing Controlling Shareholders										
Mr. Ng Kok Hong	59,676,639	30.7	59,676,639	10.2	59,676,639	3.4	59,676,639	1.0	59,676,639	1.0
Ms. Tan Sook Kiang	908,862	0.5	908,862	0.2	908,862	0.1	908,862	0.0	908,862	0.0
NKT Holdings Sdn. Bhd <i>(Note 1)</i>	59,676,639	30.7	59,676,639	10.2	59,676,639	3.4	59,676,639	1.0	59,676,639	1.0
Mr. Ng Kok Yang	<u>14,694,489</u>	<u>7.5</u>	<u>14,694,489</u>	<u>2.5</u>	<u>14,694,489</u>	<u>0.8</u>	<u>14,694,489</u>	<u>0.3</u>	<u>14,694,489</u>	<u>0.3</u>
Subtotal	<u>134,956,629</u>	<u>69.4</u>	<u>134,956,629</u>	<u>23.1</u>	<u>134,956,629</u>	<u>7.7</u>	<u>134,956,629</u>	<u>2.3</u>	<u>134,956,629</u>	<u>2.3</u>
Other Public Shareholders <i>(Note 3)</i>	59,643,027	30.6	59,643,027	10.2	59,643,027	3.4	59,643,026	1.0	644,025,796	11.1
Underwriter <i>(Note 4)</i>	—	—	389,199,312	66.7	389,199,312	22.2	389,199,312	6.7	389,199,312	6.7
Mr. Shie	—	—	—	—	—	—	2,043,296,394	35.0	2,043,296,394	35.0
Mr. Tsoi	—	—	—	—	—	—	<u>2,043,296,394</u>	<u>35.0</u>	<u>2,043,296,394</u>	<u>35.0</u>
Total	<u>194,599,656</u>	<u>100.0</u>	<u>583,798,968</u>	<u>100.0</u>	<u>1,751,396,908</u>	<u>100.0</u>	<u>5,837,989,695</u>	<u>100.0</u>	<u>5,837,989,695</u>	<u>100.0</u>

LETTER FROM THE BOARD

Case (II) — all Existing Shareholders subscribed for the Offer Shares

Name of shareholders	As at the Latest Practicable Date		(I) Immediately upon completion of the Open Offer		(II) Immediately after the Open Offer and the Subscription		(III) Immediately after the Open Offer, the Subscription and the Acquisition		(IV) Immediately after the Open Offer, the Subscription, the Acquisition and the Placing	
	(New Shares)	(%)	(New Shares)	(%)	(New Shares)	(%)	(New Shares)	(%)	(New Shares)	(%)
			(Note 2)		(Note 2)		(Note 2)		(Note 3)	
Subscribers										
Jinwu Limited	—	—	—	—	954,694,714	54.5	954,694,714	16.4	370,311,944	6.3
Time Boomer	—	—	—	—	83,870,968	4.8	83,870,968	1.4	83,870,968	1.4
First Apex	—	—	—	—	129,032,258	7.4	129,032,258	2.2	129,032,258	2.2
Subtotal	—	—	—	—	1,167,597,940	66.7	1,167,597,940	20.0	583,215,170	9.9
Existing Controlling Shareholders										
Mr. Ng Kok Hong	59,676,639	30.7	179,029,917	30.7	179,029,917	10.2	179,029,917	3.1	179,029,917	3.1
Ms. Tan Sook Kiang	908,862	0.5	2,726,586	0.5	2,726,586	0.2	2,726,586	0.0	2,726,586	0.1
NKT Holdings Sdn. Bhd (Note 1)	59,676,639	30.7	179,029,917	30.7	179,029,917	10.2	179,029,917	3.1	179,029,917	3.1
Mr. Ng Kok Yang	14,694,489	7.5	44,083,467	7.5	44,083,467	2.5	44,083,467	0.7	44,083,467	0.7
Subtotal	134,956,629	69.4	404,869,887	69.4	404,869,887	23.1	404,869,887	6.9	404,869,887	6.9
Other Public Shareholders (Note 3)										
Mr. Shie	59,643,027	30.6	178,929,081	30.6	178,929,081	10.2	178,929,080	3.1	763,311,850	13.2
Mr. Tsoi	—	—	—	—	—	—	2,043,296,394	35.0	2,043,296,394	35.0
Total	194,599,656	100.0	583,798,968	100.0	1,751,396,908	100.0	5,837,989,695	100.0	5,837,989,695	100.0

Note 1 : NKT Holdings Sdn. Bhd is jointly owned by Mr. Ng Kok Tai and Md. Siew Ai Lian.

Note 2 : The completion of the Open Offer, the Subscription and the Acquisition will take place simultaneously. Shareholders and public investors should note that the above changes in shareholding structure are for illustration purpose only. The Subscribers and the Underwriter would not hold more than 30% of the total issued share capital of the Company in any circumstance.

Note 3 : Assuming Jinwu places down an aggregate of 584,382,770 New Shares. As disclosed in the paragraph headed “Placing down to restore public float” above, in order to restore the public float of the Company upon completion of the Capital Reorganisation, the Open Offer, the Subscription and the Acquisition, Jinwu will place (i) 584,382,770 New Shares on a fully-underwritten basis; and (ii) up to 370,311,944 New Shares on a best effort basis to the Placing Agent pursuant to the Placing Agreement.

Following completion of the Placing (assuming all Shareholders subscribed for the Offer Shares and assuming Jinwu places down an aggregate of 584,382,770 New Shares), not less than 1,751,396,907 New Shares (representing approximately 30.0% of the issued share capital of the Company immediately after the completion of the Open Offer, the Subscription, the Acquisition and the Placing) will be held in the hands of the public Shareholders, which shall include the Subscribers, the exiting Controlling Shareholders and other public Shareholders.

Note 4 : These New Shares represent Offer Shares subscribed by the Underwriters, the sub-underwriter(s), and/or subscribers procured by any of them (assuming none of the existing shareholders subscribed for the Offer Shares). As confirmed by the Underwriter, none of the subscribers of the untaken Offer Shares will become a substantial shareholder (as defined in the Listing Rules) of the Company. Such Subscriber, together with parties acting in concert with it, shall not be holding 10% or more of the issued share capital of the Company upon Completion.

LETTER FROM THE BOARD

Shareholders and public investors should note that the above changes in shareholding structure of the Company are for illustration purpose only and the actual change in the shareholding structure of the Company upon completion of the Open Offer are subject to various factors including, among other things, the results of acceptance of the Open Offer.

REASONS FOR THE OPEN OFFER AND USE OF PROCEEDS

The Open Offer forms part of the Resumption Proposal which will, among other things, comprise: (i) the Capital Reorganisation; (ii) the Creditors Schemes; (iii) the Open Offer; (iv) the Subscription; (v) the Disposal; and (vi) the acquisition by the Company from the Vendors the entire issued share capital of the Target Company, which upon completion of the restructuring of the Target Group, will hold interest in certain property development projects in Quanzhou, Fujian Province and Yangzhou, Jiangsu Province.

The consideration of the Acquisition is approximately HK\$817.0 million and was arrived at after arm's length negotiations between the parties to the Acquisition Agreement.

The consideration of the Acquisition shall be satisfied by the allotment and issue of the Consideration Shares at the consideration price of HK\$0.20 each upon completion of the Acquisition.

An application will be made by the Company to the Stock Exchange for the listing of, and the permission to deal in the Consideration Shares.

It is expected that the proposed Directors as set out in the section headed "Particulars of Directors" in Appendix IV to this Prospectus will be appointed upon completion of the Acquisition and each of the proposed Directors will enter into a service contract or letter of appointment with the Company, which will set out the remuneration and benefits payable to each of them.

The total gross proceeds from the Open Offer amounts to approximately HK\$50.6 million, and the net proceeds from the Open Offer amounts to approximately HK\$49.0 million. Part of the net proceeds from the Open Offer amounting to approximately HK\$14 million and the Subscription amounting to approximately HK\$148 million will be paid into the Creditors Schemes and, after deducting the professional fees and expenses amounting to approximately HK\$35 million, the balance, if any, shall be retained as the working capital of the Company after the Completion.

EQUITY FUND RAISING EXERCISE OF THE COMPANY IN THE PAST TWELVE MONTHS

The Company has not conducted any equity fund raising activities in the past twelve months before 22 August 2014, being the date of publication of the first announcement of the Company in relation to the Open Offer.

LETTER FROM THE BOARD

INFORMATION OF THE GROUP

The Company is an investment holding company. The Company, through its subsidiaries, is principally engaged in the trading and distribution of mobile phones and related accessories.

WARNING OF THE RISKS IN ASSOCIATION WITH THE OPEN OFFER

The Open Offer is conditional upon, inter alia, the fulfillment of the conditions set out under the paragraph “Conditions of the Underwriting Agreement” above in this Prospectus. In particular, the Open Offer is conditional upon the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof as set out in the paragraph headed “Termination of Underwriting Agreement” in this Prospectus. Therefore, the Open Offer may or may not proceed.

The release of this Prospectus does not mean that listing of the Offer Shares will be approved by the Stock Exchange.

CONTINUED SUSPENSION OF TRADING IN THE NEW SHARES

Trading in the Shares on the Stock Exchange has been suspended since 27 November 2009.

Until satisfaction of all the conditions of Resumption set by the Stock Exchange, trading in the New Shares will continue to be suspended. The release of this Prospectus and/or the Prospectus Documents does not indicate that the New Shares will resume trading. Shareholders should note that the New Shares may be delisted by the Stock Exchange in the event that the Company fails to satisfy all the conditions of Resumption within the time stipulated by the Stock Exchange.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information of the Group set out in the appendices to this Prospectus.

By order of the Board
First Mobile Group Holdings Limited
Ng Kok Hong
Executive Chairman

1. SUMMARY OF FINANCIAL INFORMATION OF THE GROUP

Financial information of the Group for each of the three years ended 31 December 2013, 2014 and 2015 was disclosed on (i) the annual report of the Company for the year ended 31 December 2015; (ii) the annual report of the Company for the year ended 31 December 2014; (iii) the annual report of the Company for the year ended 31 December 2013; and (iv) the interim results announcement of the Company for the six months ended 30 June 2016, all of which were published on both the Stock Exchange's website at <http://www.hkexnews.hk> and the Company's website at <http://www.firstmobile.com.hk>.

Hyperlinks to the annual reports and interim results announcement of the Company are set out below:

Annual report of the Company for the year ended 31 December 2015

<http://www.hkexnews.hk/listedco/listconews/SEHK/2016/0927/LTN20160927552.pdf>

Annual report of the Company for the year ended 31 December 2014

<http://www.hkexnews.hk/listedco/listconews/SEHK/2016/0927/LTN20160927501.pdf>

Annual report of the Company for the year ended 31 December 2013

<http://www.hkexnews.hk/listedco/listconews/SEHK/2016/0927/LTN20160927467.pdf>

Interim results announcement of the Company for the six months ended 30 June 2016

<http://www.hkexnews.hk/listedco/listconews/SEHK/2016/0831/LTN20160831514.pdf>

2. INDEBTEDNESS

Statement of Indebtedness

At the close of business on 31 August 2016, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this Prospectus, the indebtedness of the Group is analysed as follows:

<i>Unsecured and unguaranteed:</i>	<i>HK\$'000</i>
Accruals and other payables	897,668
Trade and bills payables	22,267
Financial guarantee liabilities	<u>165,251</u>
	<u>1,085,186</u>
<i>Secured and guaranteed:</i>	
Interest payables included in accruals and other payables	288,092
Trade and bills payables	396,699
Bank borrowings	433,103
Convertible loans	<u>33,000</u>
	<u>1,150,894</u>
Total borrowings	<u>2,236,080</u>

As at the close of business on 31 August 2016, certain interest payables, trade and bills payables and bank borrowings of the Group were secured by certain corporate guarantees granted by the Company. The convertible loans were secured by (i) the share charges over a total of 68.5% of the entire issued shares of the Company held by major shareholders; (ii) the personal guarantees given by certain directors of the Group; (iii) the share charges over the entire issued share capital of a direct wholly-owned subsidiary of the Company; and (iv) the fixed and floating charge over the assets of a direct wholly-owned subsidiary of the Company.

Operating lease commitments

As lessee

As at the close of business on 31 August 2016, the Group had the following operating lease commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	<i>HK\$'000</i>
<i>Within one year</i>	<u><u>7</u></u>

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities and normal trade and other payables in the ordinary course of business at the close of business on 31 August 2016, the Group did not have any debt securities, any other outstanding loan capital, any other borrowings or indebtedness in the nature of borrowings including bank overdrafts and any liabilities under acceptance (other than normal trade bills) or other similar indebtedness, acceptance credits, debentures, mortgages, charges, finance lease or hire purchase commitments, guarantees or other material contingent liabilities.

The Directors has confirmed that there has been no material change in the position of indebtedness and contingent liabilities of the Group since 31 August 2016 up to the Latest Practicable Date.

Amount referred to in this indebtedness statement denominated in currencies other than HK\$ have been transferred into HK\$ at the relevant rates of exchange prevailing at the close of business on 31 August 2016.

3. WORKING CAPITAL

The Directors, after due and careful enquiry, are of the opinion that following Completion and after taking into account the financial resources available to the Enlarged Group, including internally generated funds and the available banking facilities, the Enlarged Group has sufficient working capital for its present requirements for at least the next 12 months from the date of this Prospectus, in the absence of unforeseeable circumstances.

4. MATERIAL ADVERSE CHANGES

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2015, being the date to which the latest published audited consolidated financial statements of the Company were made up.

5. FINANCIAL AND TRADING PROSPECT

As mentioned above, trading in the Shares on the Stock Exchange was suspended since 27 November 2009.

Subject to completion of the transactions contemplated under the Proposed Restructuring and trading in the New Shares being resumed, it is expected that the financial position of the Company will be regularised.

Upon completion of the Acquisition, the Group will have a sufficient level of operation on the basis that the Target Group will continue to (i) sell the property units of the Binjiang International Project that approximately 19,368 sq.m. of its total saleable gross floor area was available for sale as at 30 September 2015; (ii) develop and sell the property units of The Cullinan Bay Project that its various phases or stages are expected to commence pre-sale or delivery in the next four years; and (iii) actively identify potential land parcels suitable for its property development projects and expand its land reserves, which will promote the sustainable growth of the Target Group and thereby enabling the Group to have a sufficient level of operation upon completion of the Acquisition. Meanwhile, the proceeds from the Open Offer will improve the financial and liquidity position of the Group based on the financial effect of the Proposed Restructuring, details of which are set out in the Circular.

For illustrative purposes only, set out below are the unaudited pro forma consolidated statements of financial position of the Group and Enlarged Group; the unaudited pro forma adjusted consolidated net tangible assets of the Enlarged Group, as at 30 June 2016, after completion of the Proposed Restructuring, as if the Proposed Restructuring had taken place on 30 June 2016. Although reasonable care has been exercised in preparing the unaudited pro forma financial information, Shareholders who read the information should bear in mind that it is inherently subject to adjustments and, because of its hypothetical nature, may not give a true picture of the financial position of the Group following the Proposed Restructuring.

UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP

INTRODUCTION

The accompanying unaudited pro forma financial information has been prepared to illustrate the effects of the Open Offer which is inter-conditional, among others, with (i) the Proposed Capital Reorganisation, (ii) the Subscription and the Working Facility Capitalisation, (iii) the Creditors Schemes, (iv) the Acquisition of the entire equity interest in China General (HK) Company Limited (the “Target Company”) and its subsidiaries (hereinafter collectively referred to as the “Target Group”) and (v) the Disposal (collectively the “Proposed Restructuring”).

The unaudited pro forma consolidated statement of financial position of the Enlarged Group and the unaudited pro forma consolidated net tangible assets attributable to the owners of the Enlarged Group as at 30 June 2016 have been prepared based on (1) the unaudited condensed consolidated statement of financial position of the Group as at 30 June 2016 as extracted from the interim results announcement of the Company for the six months ended 30 June 2016 on which an interim results announcement has been published, and (2) the audited consolidated statement of financial position of the Target Group as at 31 October 2015, which has been published in the Company’s Circular dated 29 February 2016, and adjusted in accordance with the pro forma adjustments described in the notes thereto, as if the Proposed Restructuring had been completed on 30 June 2016.

The unaudited pro forma financial information has been prepared based on a number of assumptions, estimates, uncertainties and currently available information, and is provided for illustrative purposes only. The unaudited pro forma financial information does not purport to predict the future financial position of the Enlarged Group. Accordingly, as a result of its hypothetical nature, it may not give a true picture of the financial position of the Enlarged Group that would have been attained had the Proposed Restructuring actually occurred on the date indicated herein. Furthermore, the unaudited pro forma financial information of the Enlarged Group does not purport to predict the Enlarged Group’s future financial position.

APPENDIX II	UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP
--------------------	--

A. UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE GROUP AS AT 30 JUNE 2016

	The Group	HK\$'000	HK\$'000	HK\$'000	HK\$'000	Pro forma adjustments				The Retained Group	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Note 1)	(Note 2)	(Note 3)	(Note 4)	(Note 5)	(Note 6)	(Note 7)	(Note 8(a))	(Note 8(b))	(Note 9)	HK\$'000
Current assets											
Prepayments, deposits and other receivables	72							(72)			—
Amounts due from Scheme Subsidiaries	—							4,945	(4,945)		—
Cash and bank balances	<u>102</u>				49,078	147,978		(17)	(162,000)	(35,141)	<u>—</u>
	<u>174</u>										<u>—</u>
Current liabilities											
Trade and bills payables	417,617							(410,230)			7,387
Accruals and other payables	1,193,306	5,240						(1,132,376)		(6,681)	59,489
Bank borrowings	410,796							(410,796)			—
Amounts due to Scheme Subsidiaries	—							66,324	(1,539)		64,785
Current tax liabilities	1,320							—			1,320
Financial guarantee liabilities	168,293							(168,293)			—
Convertible loans	<u>33,000</u>							(33,000)			<u>—</u>
	<u>2,224,332</u>										<u>132,981</u>
Net current liabilities	<u>(2,224,158)</u>										<u>(132,981)</u>
NET LIABILITIES	<u>(2,224,158)</u>										<u>(132,981)</u>
Capital and reserves											
Issued shares	194,600		(193,627)		1,946	4,774	1,065				8,758
Share premium	127,539			(127,539)	48,650	143,204	34,544				226,398
Reserves	(2,544,765)	(5,240)	193,627	127,539	(1,518)		(2,609)	2,060,227	(2,060,227)	(28,460)	(366,605)
								1,894,821			
Equity attributable to owners of the Company	(2,222,626)										(131,449)
Non-controlling interests	<u>(1,532)</u>										<u>(1,532)</u>
TOTAL EQUITY	<u>(2,224,158)</u>										<u>(132,981)</u>

APPENDIX II
**UNAUDITED PRO FORMA FINANCIAL INFORMATION
OF THE ENLARGED GROUP**
**B. UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL
POSITION OF THE ENLARGED GROUP AS AT 30 JUNE 2016**

	The Retained Group HK\$'000	The Target Group RMB'000 (Note 10)	The Target Group HK\$'000 (Note 10)	Sub-total HK\$'000	HK\$'000 (Note 11(a))	Pro forma adjustments HK\$'000 (Note 11(b)) (Note 12)		HK\$'000 (Note 13)	The Enlarged Group HK\$'000
Non-current assets									
Property, plant and equipment	—	745	909	909					909
Investment properties	—	119,100	145,370	145,370					145,370
Deferred tax assets	—	6,663	8,133	8,133					8,133
	—	126,508	154,412	154,412					154,412
Current assets									
Inventories	—	732,576	894,160	894,160					894,160
Trade and other receivables	—	31,502	38,450	38,450					38,450
Prepayments, deposits and other receivables	—	—	—	—					—
Prepaid land appreciation tax	—	3,409	4,161	4,161					4,161
Restricted and pledged bank deposits	—	31,470	38,411	38,411					38,411
Time deposits, bank balances and cash	—	110,782	135,217	135,217					135,217
	—	909,739	1,110,399	1,110,399					1,110,399
Current liabilities									
Trade payables and bills payables	7,387	5,484	6,694	14,081			(7,387)		6,694
Accruals and other payables	59,489	113,013	137,940	197,429			(9,285)	(50,204)	137,940
Pre-sales proceeds received on sales of properties	—	135,817	165,774	165,774					165,774
Amount due to related parties	—	55,626	67,895	67,895					67,895
Amounts due to Scheme Subsidiaries	64,785	—	—	64,785			(64,785)		—
Secured bank borrowings	—	10,000	12,206	12,206					12,206
Income tax payable	1,320	13,004	15,872	17,192			(1,320)		15,872
	132,981	332,944	406,381	539,362					406,381
Net current (liabilities)/assets	(132,981)	576,795	704,018	571,037					704,018
Total assets less current liabilities	(132,981)	703,303	858,430	725,449					858,430
Non-current liabilities									
Secured bank borrowings	—	165,000	201,394	201,394					201,394
Deferred tax liabilities	—	16,418	20,039	20,039					20,039
	—	181,418	221,433	221,433					221,433
NET (LIABILITIES)/ASSETS	(132,981)	521,885	636,997	504,016					636,997
Capital and reserves									
Share capital/paid-up capital	8,758	389,190	475,033	483,791	(8,758)	(445,843)			29,190
Share premium	226,398	—	—	226,398	(226,398)				—
Special reserves	—	—	—	—				50,204	50,204
Reserves	(366,605)	123,548	150,799	(215,806)	(115,123)	445,843	81,245		546,438
					350,279				
Equity attributable owners of the Company	(131,449)	512,738	625,832	494,383					625,832
Non-controlling interests	(1,532)	9,147	11,165	9,633			1,532		11,165
TOTAL EQUITY	(132,981)	521,885	636,997	504,016					636,997

APPENDIX II	UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP
--------------------	--

C. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE ENLARGED GROUP

The statement of unaudited pro forma adjusted consolidated net tangible assets of the Enlarged Group prepared in accordance with Paragraph 13 of Appendix 1B and Paragraph 29 of Chapter 4 of the Listing Rules is set out below to illustrate the effects of the Proposed Restructuring on the consolidated net tangible assets of the Enlarged Group as if the Proposed Restructuring had taken place on 30 June 2016.

The statement of unaudited pro forma adjusted consolidated net tangible assets of the Group has been prepared for illustrative purposes only, based on the judgements and assumptions of the Directors, and because of its hypothetical nature, may not give a true picture of the financial position of the Group following the Proposed Restructuring.

The following statement of unaudited pro forma adjusted consolidated net tangible assets of the Group is based on the unaudited consolidated net tangible assets of the Enlarged Group as at 30 June 2016, adjusted as described below:

	Unaudited consolidated net tangible liabilities of the Group	Unaudited consolidated net tangible liabilities of the Group per share	Unaudited pro forma adjusted consolidated net tangible assets of the Enlarged Group	Unaudited pro forma adjusted consolidated net tangible assets of the Enlarged Group per share
	<i>HK\$'000</i>	<i>HK\$</i>	<i>HK\$'000</i>	<i>HK\$</i>
	<i>Note 1</i>	<i>Note 2</i>	<i>Note 3</i>	<i>Note 4</i>
Consolidated net tangible (liabilities)/assets attributable to the Company	(2,222,626)	(1.14)	625,832	0.11

Notes:

- (1) The unaudited consolidated net tangible liabilities of the Group as at 30 June 2016 is based on the amount of unaudited consolidated net tangible liabilities attributable to the owners of the Company as at 30 June 2016, which is extracted from the unaudited condensed consolidated statement of financial position of the Group as at 30 June 2016.
- (2) The number of shares used for the calculation of the unaudited consolidated net tangible liabilities of the Group per share is 1,945,996,565, being the number of shares in issue as at 30 June 2016.
- (3) The unaudited pro forma adjusted consolidated net tangible assets of the Group as at 30 June 2016 is based on the amount of the unaudited pro forma adjusted consolidated net tangible assets of the Enlarged Group as at 30 June 2016, which is extracted from the unaudited pro forma consolidated statement of financial position of the Enlarged Group of approximately HK\$625,832,000.
- (4) The number of shares used for the calculation of the unaudited pro forma adjusted consolidated net tangible assets of the Enlarged Group per share is 5,837,989,695 after completion of the Proposed Restructuring as at 30 June 2016 as described in the note 11(b).
- (5) Apart from the above, no adjustments have been made to the unaudited pro forma statement of adjusted consolidated net tangible assets to reflect any trading results or other transactions of the Enlarged Group entered into subsequent to 30 June 2016, where applicable.

D. NOTES TO THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP

- (1) For the preparation of unaudited pro forma consolidated statement of financial position, the amounts are extracted from the unaudited condensed consolidated statement of financial position of the Group for the six months ended 30 June 2016, on which an interim results announcement has been published on 31 August 2016.
- (2) The adjustment represents the estimated professional fees and expenses of approximately HK\$5,240,000 to be additionally incurred by the Company relating to the Acquisition, the Open Offer and the Subscription as if it had been taken place on 30 June 2016.
- (3) The adjustment represents the effect of the proposed Capital Reduction where the nominal value of each issued existing Share will be reduced from HK\$0.10 to HK\$0.0005 and the issued share capital of the Company will be cancelled to the extent of HK\$0.0995 of each existing Share in issue.
- (4) The adjustment represents the effect of the proposed Share Premium Cancellation upon the Capital Reduction, where the entire amount standing to the credit of the share premium of the Company will be cancelled. There is a Share Consolidation whereby every 10 existing issued shares of HK\$0.0005 each will be consolidated into 1 New Share of HK\$0.005 each.
- (5) The adjustment represents the estimated net proceeds from the Open Offer on the basis of 2 Offer Shares for every 1 New Share held on the Record Date and a total of 389,199,312 Offer Shares will be allotted and issued by the Company at the Offer Price of HK\$0.13 for each Offer Share, after deduction of 3% share issue related expenses payable by the Company.
- (6) The adjustment reflects the contribution by Jinwu Limited, one of the Subscribers, subject to fulfillment of the conditions precedent, to subscribe for 954,694,714 Subscription Shares (Jinwu) at the Subscription Price of approximately HK\$0.155 per Subscription Share.
- (7) The adjustment reflects (i) the conversion of the FA Option and the TB Option with the total carrying amount of HK\$33,000,000 to subscribe for 212,903,226 New Shares (collectively as “FA & TB Subscription Shares”) at the conversion price of approximately HK\$0.155 per New Share and (ii) the transfer of equity component of the FA Option and TB Option of approximately HK\$2,609,000 to share premium.

APPENDIX II	UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP
--------------------	--

- (8) (a) Based on the proposed Creditor Schemes, the entire interests in the Scheme Subsidiaries will be transferred to the Newco or the Administrators or their nominee(s). The adjustment reflects the exclusion of the assets and liabilities of the Scheme Subsidiaries and compromise of certain indebtedness of the Company in accordance with the proposed Creditor Schemes, assuming that the Proposed Restructuring had been taken place on 30 June 2016:

30 June 2016 *HK\$'000*

Net liabilities of Scheme Subsidiaries transferred and compromise of certain indebtedness of the Company	<u>2,060,227</u>
---	------------------

- (b) According to the proposed Creditor Schemes, (i) the balances between the Company and Scheme Subsidiaries as at the effective date will be transferred to the Newco or the Administrators or their nominee(s) and (ii) any balances due from the Scheme Subsidiaries by Disposed Group as at the effective date will be transferred to the Newco or the Administrators or their nominee(s). Out of the gross proceeds from Open Offer and issuance of Subscription Shares, HK\$162,000,000 of which will be made available to the Newco or the Administrators or their nominee(s). The information below shows the related financial impact as if the above transfer had been taken place on 30 June 2016:

30 June 2016 *HK\$'000*

Net liabilities of Scheme Subsidiaries transferred and compromise of certain indebtedness of the Company	2,060,227
(i) Amounts due to Scheme Subsidiaries by the Company transferred	1,539
(ii) Amounts due from Scheme Subsidiaries by Disposed Group transferred	(4,945)
Amount in settlement of debt restructuring	<u>(162,000)</u>
 Estimated unaudited gain on debt restructuring	 <u>1,894,821</u>

This adjustment is not expected to have continuing effect on the Enlarged Group's consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows.

- (9) The adjustments are reflecting (i) the payment of professional fees and other expenses incurred for the restructuring of the Group and (ii) the payment of the accrued interests derived from the convertible loans.

(10) The balances have been extracted from the accountants' report on the Target Group as set out in Appendix I to the Company's Circular dated 29 February 2016. The balances extracted from the consolidated statement of financial position of the Target Group at 31 October 2015 were translated to Hong Kong dollars at the exchange rate of RMB1 to HK\$1.22.

(11) The adjustments represent the followings:

- (a) As if the Acquisition had been taken place on 30 June 2016, the Company shall acquire the entire equity interests in the Target Group. The consideration for the Acquisition is satisfied by the Company issuing and allotting 4,086,592,788 Consideration Shares (with the nominal value of HK\$0.005 each) to the Vendors at an Consideration Price of HK\$0.20 per Consideration Share, totaling HK\$817,318,557. Consequently, the Vendors would hold 70% equity interest in the Company on 30 June 2016.

In this case, the Vendor is to obtain the listing status of the Company which is a non-operating public shell company for the purpose of the Acquisition. According to HKFRS 3 "Business Combinations", it clarifies that this transaction is not considered a business combination, because the Company, in itself as a shell accounting acquiree, does not meet the definition of a business. Instead, this should be accounted for in the Enlarged Group's financial statements as a continuation of the financial statements of the Target Group (legal acquiree), together with a deemed issue of equity, equivalent to the shares held by former shareholders of the Company, and a re-capitalisation of the equity of the Target Group.

This deemed issue of equity is, in effect, an equity-settled share-based payment transaction whereby the Target Group has received the net assets/liabilities of the Company, together with its listing status. Under Hong Kong Financial Reporting Standard 2 "Share-based Payment", the Target Group should measure the equity-settled share-based payments indirectly by reference to the fair value of the equity instruments issued as there is no goods or services received by the Target Group from this transaction. The increase in equity by the Target Group should be measured by reference to the fair value of the equity that are deemed to have been issued, i.e. 1,751,396,909 (Note 11(b)) shares of the Company multiplied by HK\$0.20, equivalent to approximately HK\$350,279,000 in exchange for the net liabilities and listing status of the Group.

APPENDIX II	UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP
--------------------	--

However, as the listing status does not qualify for recognition as an intangible asset, it is expensed in consolidated profit or losses deemed listing expenses (“Deemed listing expenses”). The net accounting for the deemed share-based payment transaction and elimination of net liabilities of the Group is:

Assuming that the Acquisition had been taken place on 30 June 2016	<i>HK\$’000</i>
Deemed issued equity	350,279
Net liabilities of the Group	132,981
Non-controlling interests	<u>(1,532)</u>
Listing expenses charged to profit or loss	481,728
Elimination of the Group’s share capital and reserves after Pro forma Adjustments	<u>(366,605)</u>
Pro forma adjustment subtotal of reserve	<u><u>115,123</u></u>

- (b) According to the paragraph B21 of HKFRS 3, the issued share capital is adjusted to reflect the legal capital of the accounting acquiree (legal parent — the Company). It is represented by the movements in the pro forma issued share capital of the Enlarged Group as follows:

	<i>Notes</i>	Number of ordinary shares issued	Nominal value <i>HK\$’000</i>
At 30 June 2016		1,945,996,565	194,600
Capital Reduction and Share Consolidation	(3) & (4)	(1,751,396,910)	(193,627)
Issuance of shares upon Open Offer	(5)	389,199,312	1,946
Issuance of Subscription Shares (Jinwu)	(6)	954,694,714	4,774
Issuance of FA & TB Subscription Shares	(7)	<u>212,903,226</u>	<u>1,065</u>
	(11(a))	1,751,396,907	8,758
Issuance and allotment of Consideration Shares	(11(a))	<u>4,086,592,788</u>	<u>20,432</u>
The pro forma issued share capital of the Enlarged Group*		<u><u>5,837,989,695</u></u>	<u><u>29,190</u></u>

APPENDIX II	UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP
--------------------	--

* Reconciliation of the pro forma issued share capital of the Enlarged Group resulted from the issuance and allotment of Consideration Shares:

	Nominal value <i>HK\$'000</i>
Per above	29,190
Elimination of share capital of the Target Group	<u>(475,033)</u>
Pro forma adjustment 11(b)	<u><u>(445,843)</u></u>

(12) The adjustment reflects the exclusion of the assets and liabilities of the Disposed Group and the balances between the Disposed Group and the Scheme Subsidiaries for the purpose of the Disposal, assuming that the Disposal had been taken place on 30 June 2016.

30 June 2016	<i>HK\$'000</i>
Estimated net liabilities of the Disposed Group	17,992
Net amounts due to Scheme Subsidiaries by the Disposed Group transferred	64,785
Non-controlling interests	<u>(1,532)</u>
Estimated unaudited gain on deconsolidation of Disposed Group	<u><u>81,245</u></u>

Subject to completion of the Acquisition, the Company has to dispose of the Disposed Group to some or all of the Existing Controlling Shareholders or their nominee(s), at consideration to be determined based on net carrying amounts of the assets and liabilities of the Disposed Group. This adjustment represents the exclusion of assets and liabilities of the Disposed Group and the balances between the Disposed Group and the Scheme Subsidiaries, assuming that the Disposal had been taken place on 30 June 2016.

Since the net carrying amounts of the assets and liabilities of the Disposed Group as at the date of completion of the Disposal may be different from the amounts used in the preparation of the unaudited pro forma financial information presented above, the actual gains or losses arising from the Disposal may be different from the estimated amount as presented in this note.

(13) The adjustment represents the capitalisation of amounts due to the Vendors included in the accruals and other payables of the Company as contribution to the special reserves after the Acquisition.

(14) Apart from the above, no adjustments have been made to the unaudited pro forma consolidated statement of financial position, unaudited pro forma consolidated statement of profit or loss and other comprehensive income and unaudited pro forma consolidated statement of cash flows to reflect any trading results or other transactions of the Enlarged Group entered into subsequent to 30 June 2016 where applicable.

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE
ENLARGED GROUP**



The Board of Directors
First Mobile Group Holdings Limited

Dear Sirs,

We have completed our assurance engagement to report on the compilation of pro forma financial information of First Mobile Group Holdings Limited (the “Company”) and its subsidiaries (hereinafter collectively referred to as the “Group”) by the directors of the Company for illustrative purposes only. The pro forma financial information consists of the unaudited pro forma consolidated statement of financial position and the unaudited pro forma adjusted consolidated net tangible assets attributable to the owners of the Company as at 30 June 2016 and related notes as set out on pages II-2 to II-9 of the Prospectus issued by the Company. The applicable criteria on the basis of which the directors of the Company have compiled the pro forma financial information are described on page II-1 of the Prospectus.

The pro forma financial information has been compiled by the directors of the Company to illustrate the impact of “Proposed Restructuring” which comprises (i) the Proposed Capital Reorganisation, (ii) the Proposed Open Offer, (iii) the Subscription and the Working Facility Capitalisation, (iv) the Creditors Schemes, (v) the Acquisition of the entire equity interest in China General (HK) Company Limited (the “Target Company” and its subsidiaries (hereinafter collectively referred to as the “Target Group”) and (vi) the Disposal on the Group’s financial position and net tangible assets attributable to the owners of the Company as at 30 June 2016 as if the Proposed Restructuring had been taken place at 30 June 2016. As part of this process, information about the Group’s financial position has been extracted by the directors from the Group’s unaudited condensed interim consolidated financial information for the six months ended 30 June 2016 as included in the interim results announcement for the six months ended 30 June 2016, on which an interim results announcement has been published. Information about the Target Group’s financial position as at 31 October 2015 has been published in the Company’s Circular dated 29 February 2016.

Directors' Responsibilities for the Pro Forma Financial Information

The directors are responsible for compiling the pro forma financial information in accordance with paragraph 13 of Appendix 1B and paragraph 29 of Chapter 4 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" ("AG 7") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Our Independence and Quality Control

We have complied with the independence and other ethical requirement of the Code of Ethics for Professional Accountants issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Hong Kong Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion, as required by paragraph 29(7) of Chapter 4 of the Listing Rules, on the pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements ("HKSAE") 3420, "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus", issued by the HKICPA. This standard requires that the reporting accountant plan and perform procedures to obtain reasonable assurance about whether the directors have compiled the pro forma financial information in accordance with paragraph 29 of Chapter 4 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

APPENDIX II	UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP
--------------------	--

The purpose of pro forma financial information included in an investment circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Proposed Restructuring as at 30 June 2016 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We make no comments regarding the reasonableness of the amount of net proceeds from the Open Offer, the application of those net proceeds, or whether such use will actually take place as described under "Reasons for the Open Offer and use of proceeds" set out on page 31 of the Prospectus.

Opinion

In our opinion:

- (a) the pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the pro forma financial information as disclosed pursuant to paragraph 29(1) of Chapter 4 of the Listing Rules.

Yours faithfully,
ZHONGHUI ANDA CPA Limited
Certified Public Accountants
Pang Hon Chung
Practicing Certificate Number P05988

Hong Kong, 30 September 2016

Appleby, the Company's legal adviser on Cayman Islands law, has sent to the Company a letter of advice which summarises certain aspects of the Cayman Islands company law. This letter, together with a copy of the Cayman Companies Law, is available for inspection as referred to in the paragraph headed "Documents available for inspection" in Appendix IV. Any person wishing to have a detailed summary of Cayman Islands company law or advice on the differences between it and the laws of any jurisdiction with which he is more familiar is recommended to seek independent legal advice.

SUMMARY OF THE CONSTITUTION OF THE COMPANY AND CAYMAN ISLANDS COMPANIES LAW

Set out below is a summary of certain provisions of the Amended and Restated Memorandum of Association ("**Memorandum**") and the Amended and Restated Articles of Association ("**Articles**").

1. MEMORANDUM OF ASSOCIATION

- (a) The Memorandum provides, inter alia, that the liability of members of the Company is limited and that the objects for which the Company is established are unrestricted (and therefore include acting as an investment company), and that the Company shall have and be capable of exercising any and all of the powers at any time or from time to time exercisable by a natural person or body corporate whether as principal, agent, contractor or otherwise and since the Company is an exempted company that the Company will not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of the Company carried on outside the Cayman Islands.
- (b) By special resolution the Company may alter the Memorandum with respect to any objects, powers or other matters specified therein.

2. ARTICLES OF ASSOCIATION

The Articles were adopted on 18 April 2016. The following is a summary of certain provisions of the Articles:

(a) Shares

(i) *Classes of shares*

The share capital of the Company consists of ordinary shares.

(ii) *Share certificates*

Every person whose name is entered as a member in the register of members shall be entitled to receive a certificate for his shares. No shares shall be issued to bearer.

Every certificate for shares, warrants or debentures or representing any other form of securities of the Company shall be issued under the seal of the Company, and shall be signed autographically by one Director and the Secretary, or by 2 Directors, or by some other person(s) appointed by the Board for the purpose. As regards any certificates for shares or debentures or other securities of the Company, the Board may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature other than autographic or may be printed thereon as specified in such resolution or that such certificates need not be signed by any person. Every share certificate issued shall specify the number and class of shares in respect of which it is issued and the amount paid thereon and may otherwise be in such form as the Board may from time to time prescribe. A share certificate shall relate to only one class of shares, and where the capital of the Company includes shares with different voting rights, the designation of each class of shares, other than those which carry the general right to vote at general meetings, must include the words “restricted voting” or “limited voting” or “non-voting” or some other appropriate designation which is commensurate with the rights attaching to the relevant class of shares. The Company shall not be bound to register more than 4 persons as joint holders of any share.

(b) Directors

(i) Power to allot and issue shares and warrants

Subject to the provisions of the Cayman Companies Law, the Memorandum and Articles and without prejudice to any special rights conferred on the holders of any shares or class of shares, any share may be issued with or have attached thereto such rights, or such restrictions, whether with regard to dividend, voting, return of capital, or otherwise, as the Company may by ordinary resolution determine (or, in the absence of any such determination or so far as the same may not make specific provision, as the Board may determine). Any share may be issued on terms that upon the happening of a specified event or upon a given date and either at the option of the Company or the holder thereof, they are liable to be redeemed.

The Board may issue warrants to subscribe for any class of shares or other securities of the Company on such terms as it may from time to time determine.

Where warrants are issued to bearer, no certificate thereof shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original certificate thereof has been destroyed and the Company has received an indemnity in such form as the Board shall think fit with regard to the issue of any such replacement certificate.

Subject to the provisions of the Cayman Companies Law, the Articles and, where applicable, the rules of any stock exchange of the Relevant Territory (as defined in the Articles) and without prejudice to any special rights or restrictions for the time being attached to any shares or any class of shares, all unissued shares in the Company shall be at the disposal of the Board, which may offer, allot, grant

options over or otherwise dispose of them to such persons, at such times, for such consideration and on such terms and conditions as it in its absolute discretion thinks fit, but so that no shares shall be issued at a discount.

Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such allotment, offer, option or shares to members or others whose registered addresses are in any particular territory or territories where, in the absence of a registration statement or other special formalities, this is or may, in the opinion of the Board, be unlawful or impracticable. However, no member affected as a result of the foregoing shall be, or be deemed to be, a separate class of members for any purpose whatsoever.

(ii) Power to dispose of the assets of the Company or any subsidiary

While there are no specific provisions in the Articles relating to the disposal of the assets of the Company or any of its subsidiaries, the Board may exercise all powers and do all acts and things which may be exercised or done or approved by the Company and which are not required by the Articles or the Cayman Companies Law to be exercised or done by the Company in general meeting, but if such power or act is regulated by the Company in general meeting, such regulation shall not invalidate any prior act of the Board which would have been valid if such regulation had not been made.

(iii) Compensation or payments for loss of office

Payments to any present Director or past Director of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the Director is contractually or statutorily entitled) must be approved by the Company in general meeting.

(iv) Loans and provision of security for loans to Directors

There are provisions in the Articles prohibiting the making of loans to Directors and their associates which are equivalent to provisions of Hong Kong law prevailing at the time of adoption of the Articles.

The Company shall not directly or indirectly make a loan to a Director or a director of any holding company of the Company or any of their respective associates, enter into any guarantee or provide any security in connection with a loan made by any person to a Director or a director of any holding company of the Company or any of their respective associates, or if any one or more of the Directors hold (jointly or severally or directly or indirectly) a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with a loan made by any person to that other company.

(v) *Disclosure of interest in contracts with the Company or with any of its subsidiaries*

With the exception of the office of auditor of the Company, a Director may hold any other office or place of profit with the Company in conjunction with his office of Director for such period and, upon such terms as the Board may determine, and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or otherwise) in addition to any remuneration provided for by or pursuant to any other Articles. A Director may be or become a director or other officer or member of any other company in which the Company may be interested, and shall not be liable to account to the Company or the members for any remuneration or other benefits received by him as a director, officer or member of such other company. The Board may also cause the voting power conferred by the shares in any other company held or owned by the Company to be exercised in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors or officers of such other company.

No Director or intended Director shall be disqualified by his office from contracting with the Company, either as vendor, purchaser or otherwise, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office or the fiduciary relationship thereby established. A Director who is, in any way, materially interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the earliest meeting of the Board at which he may practically do so.

There is no power to freeze or otherwise impair any of the rights attaching to any Share by reason that the person or persons who are interested directly or indirectly therein have failed to disclose their interests to the Company.

A Director shall not vote (nor shall he be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or other proposal in which he or his associate(s) is/are materially interested, and if he shall do so his vote shall not be counted nor shall he be counted in the quorum for that resolution, but this prohibition shall not apply to any of the following matters namely:

- (aa) the giving of any security or indemnity to the Director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries;

- (bb) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has/have himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (cc) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- (dd) any proposal or arrangement concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to Directors, his associate(s) and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director, or his associate(s), as such any privilege or advantage not generally accorded to the employees to which such scheme or fund relates; or
- (ee) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.

(vi) *Remuneration*

The Directors shall be entitled to receive, as ordinary remuneration for their services, such sums as shall from time to time be determined by the Board, or the Company in general meeting, as the case may be, such sum (unless otherwise directed by the resolution by which it is determined) to be divided amongst the Directors in such proportions and in such manner as they may agree or failing agreement, equally, except that in such event any Director holding office for only a portion of the period in respect of which the remuneration is payable shall only rank in such division in proportion to the time during such period for which he has held office. The Directors shall also be entitled to be repaid all travelling, hotel and other expenses reasonably incurred by them in attending any Board meetings, committee meetings or general meetings or otherwise in connection with the discharge of their duties as Directors. Such remuneration shall be in addition to any other remuneration to which a Director who holds any salaried employment or office in the Company may be entitled by reason of such employment or office.

Any Director who, at the request of the Company performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such special or extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to or in substitution for any ordinary remuneration

as a Director. An executive Director appointed to be a managing director, joint managing director, deputy managing director or other executive officer shall receive such remuneration (whether by way of salary, commission or participation in profits or otherwise or by all or any of those modes) and such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may from time to time decide. Such remuneration shall be in addition to his ordinary remuneration as a Director.

The Board may establish, either on its own or jointly in concurrence or agreement with other companies (being subsidiaries of the Company or with which the Company is associated in business), or may make contributions out of the Company's monies to, such schemes or funds for providing pensions, sickness or compassionate allowances, life assurance or other benefits for employees (which expression as used in this and the following paragraph shall include any Director or former Director who may hold or have held any executive office or any office of profit with the Company or any of its subsidiaries) and former employees of the Company and their dependents or any class or classes of such persons.

In addition, the Board may also pay, enter into agreements to pay or make grants of revocable or irrevocable, whether or not subject to any terms or conditions, pensions or other benefits to employees and former employees and their dependents, or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or former employees or their dependents are or may become entitled under any such scheme or fund as mentioned above. Such pension or benefit may, if deemed desirable by the Board, be granted to an employee either before and in anticipation of, or upon or at any time after, his actual retirement.

(vii) Appointment, retirement and removal

At any time or from time to time, the Board shall have the power to appoint any person as a Director either to fill a casual vacancy on the Board or as an additional Director to the existing Board subject to any maximum number of Directors, if any, as may be determined by the members in general meeting. Any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

At each annual general meeting, one third of the Directors for the time being will retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. However, if the number of Directors is not a multiple of three, then the number nearest to but not less than one third shall be the number of retiring Directors. The Directors who shall retire in each year will be those who have been longest in the office since their last

re-election or appointment but as between persons who become or were last re-elected Directors on the same day those to retire will (unless they otherwise agree among themselves) be determined by lot.

No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the head office or at the registration office. The period for lodgment of such notices will commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such meeting and the minimum length of the period during which such notices to the Company may be given must be at least 7 days.

A Director is not required to hold any shares in the Company by way of qualification nor is there any specified upper or lower age limit for Directors either for accession to the Board or retirement therefrom.

A Director may be removed by an ordinary resolution of the Company before the expiration of his term of office (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and the Company) and the Company may by ordinary resolution appoint another in his place. The number of Directors shall not be less than two.

In addition to the foregoing, the office of a Director shall be vacated:

- (aa) if he resigns his office by notice in writing delivered to the Company at the registered office or head office of the Company for the time being or tendered at a meeting of the Board;
- (bb) if he dies or becomes of unsound mind as determined pursuant to an order made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and the Board resolves that his office be vacated;
- (cc) if, without special leave, he is absent from meetings of the Board for six (6) consecutive months, and the Board resolves that his office is vacated;
- (dd) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;
- (ee) if he is prohibited from being a director by law;
- (ff) if he ceases to be a director by virtue of any provision of law or is removed from office pursuant to the Articles;

(gg) if he has been validly required by the stock exchange of the Relevant Territory (as defined in the Articles) to cease to be a Director and the relevant time period for application for review of or appeal against such requirement has lapsed and no application for review or appeal has been filed or is underway against such requirement; or

(hh) if he is removed from office by notice in writing served upon him signed by not less than three-fourths in number (or, if that is not a round number, the nearest lower round number) of the Directors (including himself) then in office.

From time to time the Board may appoint one or more of its body to be managing director, joint managing director, or deputy managing director or to hold any other employment or executive office with the Company for such period and upon such terms as the Board may determine and the Board may revoke or terminate any of such appointments. The Board may also delegate any of its powers to committees consisting of such Director or Directors and other person(s) as the Board thinks fit, and from time to time it may also revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes, but every committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed upon it by the Board.

(viii) Borrowing powers

Pursuant to the Articles, the Board may exercise all the powers of the Company to raise or borrow money, to mortgage or charge all or any part of the undertaking, property and uncalled capital of the Company and, subject to the Cayman Companies Law, to issue debentures, debenture stock, bonds and other securities of the Company, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party. The provisions summarised above, in common with the Articles of Association in general, may be varied with the sanction of a special resolution of the Company.

(ix) Register of Directors and officers

Pursuant to the Cayman Companies Law, the Company is required to maintain at its registered office a register of directors, alternate directors and officers which is not available for inspection by the public. A copy of such register must be filed with the Registrar of Companies in the Cayman Islands and any change must be notified to the Registrar within 60 days of any change in such directors or officers, including a change of the name of such directors or officers.

(x) Proceedings of the Board

Subject to the Articles, the Board may meet anywhere in the world for the despatch of business and may adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

A resolution in writing signed by all the Directors (or their respective alternate Directors) shall be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors (or their respective alternate Directors) and for this purpose a facsimile signature of a Director (or its alternate Director) shall be treated as valid.

Notwithstanding the foregoing, a resolution in writing shall not be passed in lieu of a meeting of the Board for the purposes of considering any matter or business in which a substantial member of the Company or a Director has a conflict of interest and the Board has determined such conflict of interest to be material.

(c) Alterations to the constitutional documents

To the extent that the same is permissible under Cayman Islands law and subject to the Articles, the Memorandum and Articles of the Company may only be altered or amended, and the name of the Company may only be changed by the Company by special resolution.

(d) Variation of rights of existing shares or classes of shares

Subject to the Cayman Companies Law, if at any time the share capital of the Company is divided into different classes of shares, all or any of the special rights attached to any class of shares may (unless otherwise provided for by the terms of issue of the shares of that class) be varied, modified or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of the Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum (other than at an adjourned meeting) shall be not less than two persons together holding (or in the case of a shareholder being a corporation, by its duly authorised representative) or representing by proxy not less than one-third in nominal value of the issued shares of that class. Every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him.

Any special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to the terms of issue of such shares, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

(e) Alteration of capital

The Company may, by an ordinary resolution of its members, (a) increase its share capital by the creation of new shares of such amount as it thinks expedient; (b) consolidate or divide all or any of its share capital into shares of larger or smaller amount than its existing shares; (c) divide its unissued shares into several classes and attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions; (d) subdivide its shares or any of them into shares of an amount smaller than that fixed by the Memorandum; (e) cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled; (f) make provision for the allotment and issue of shares which do not carry any voting rights; (g) change the currency of denomination of its share capital; and (h) reduce its share premium account in any manner authorised and subject to any conditions prescribed by law.

Reduction of share capital — subject to the Cayman Companies Law and to confirmation by the court, a company limited by shares may, if so authorised by its Articles of Association, by special resolution, reduce its share capital in any way.

(f) Special resolution — majority required

In accordance with the Articles, a special resolution of the Company must be passed by a majority of not less than three-fourths of the votes cast by such members as, being entitled so to do, vote in person or by proxy or, in the case of members which are corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which not less than 21 clear days' notice, specifying the intention to propose the resolution as a special resolution, has been duly given. However, except in the case of an annual general meeting, if it is so agreed by a majority in number of the members having a right to attend and vote at such meeting, being a majority together holding not less than 95% in nominal value of the shares giving that right and, in the case of an annual general meeting, if so agreed by all members entitled to attend and vote thereat, a resolution may be proposed and passed as a special resolution at a meeting of which less than 21 clear days' notice has been given.

Under Cayman Companies Law, a copy of any special resolution must be forwarded to the Registrar of Companies in the Cayman Islands within 15 days of being passed.

An "ordinary resolution", by contrast, is defined in the Articles to mean a resolution passed by a simple majority of the votes of such members of the Company as, being entitled to do so, vote in person or, in the case of members which are corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which not less than 14 clear days' notice has been given and held in accordance with the Articles. A resolution in writing signed by or on behalf of all members shall be treated as an ordinary resolution duly passed at a general meeting of the Company duly convened and held, and where relevant as a special resolution so passed.

Such resolution may be contained in one document or in several documents in like form each signed by one or more of the members and for this purpose a facsimile signature of a member shall be treated as valid.

(g) Voting rights

Subject to any special rights, restrictions or privileges as to voting for the time being attached to any class or classes of shares by or in accordance with the Articles, at any general meeting on a poll, every member who is present in person or by proxy or being a corporation, is present by its duly authorised representative shall have one vote, and on a poll every member present in person or by proxy or, in the case of a member being a corporation, by its duly authorised representative shall have one vote for every share which is fully paid or credited as fully paid registered in his name in the register of members of the Company but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purpose as paid up on the share. A member entitled to more than one vote need not use all his votes or cast all the votes he does use in the same way.

At any general meeting a resolution put to the vote of the meeting is to be decided by way of a poll save that the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case every member present in person (or being a corporation, is present by a duly authorised representative), or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a member which is a Clearing House or its nominee(s), each such proxy shall have one vote on a show of hands.

Should a Clearing House or its nominee(s), be a member of the Company, such person or persons may be authorised as it thinks fit to act as its representative(s) at any meeting of the Company or at any meeting of any class of members of the Company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. A person authorised in accordance with this provision shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the Clearing House or its nominee(s), as if such person were an individual member including, where a show of hands is allowed, the right to vote individually on a show of hands.

Where the Company has knowledge that any member is, under the Listing Rules, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

(h) Annual general meetings

The Company must hold an annual general meeting each year. Such meeting must be held not more than 15 months after the holding of the last preceding annual general meeting, or such longer period as may be authorised by the Stock Exchange at such time and place as may be determined by the Board.

(i) Accounts and audit

The Board shall cause proper books of account to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipt and expenditure take place, and of the assets and liabilities of the Company and of all other matters required by the Cayman Companies Law necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions.

The books of accounts of the Company shall be kept at the head office of the Company or at such other place or places as the Board decides and shall always be open to inspection by any Director. No member (other than a Director) shall have any right to inspect any account or book or document of the Company except as conferred by the Cayman Companies Law or ordered by a court of competent jurisdiction or authorised by the Board or the Company in general meeting.

The Board shall from time to time cause to be prepared and laid before the Company at its annual general meeting balance sheets and profit and loss accounts (including every document required by law to be annexed thereto), together with a copy of the Directors' report and a copy of the auditors' report not less than 21 days before the date of the annual general meeting. Copies of these documents shall be sent to every person entitled to receive notices of general meetings of the Company under the provisions of the Articles together with the notice of annual general meeting, not less than 21 days before the date of the meeting.

Subject to the rules of the stock exchange of the Relevant Territory (as defined in the Articles), the Company may send summarised financial statements to shareholders who has, in accordance with the rules of the stock exchange of the Relevant Territory (as defined in the Articles), consented and elected to receive summarised financial statements instead of the full financial statements. The summarised financial statements must be accompanied by any other documents as may be required under the rules of the stock exchange of the Relevant Territory (as defined in the Articles), and must be sent to the shareholders not less than 21 days before the general meeting to those shareholders that have consented and elected to receive the summarised financial statements.

The Company shall appoint auditor(s) to hold office until the conclusion of the next annual general meeting on such terms and with such duties as may be agreed with the Board. The auditors' remuneration shall be fixed by the Company in general meeting or by the Board if authority is so delegated by the members.

The auditors shall audit the financial statements of the Company in accordance with generally accepted accounting principles of Hong Kong, the International Accounting Standards or such other standards as may be permitted by the Stock Exchange.

(j) Notices of meetings and business to be conducted thereat

An annual general meeting and any extraordinary general meeting at which it is proposed to pass a special resolution must be called by at least 21 days' notice in writing, and any other extraordinary general meeting shall be called by at least 14 days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and must specify the time, place and agenda of the meeting, and particulars of the resolution(s) to be considered at that meeting, and, in the case of special business, the general nature of that business.

Except where otherwise expressly stated, any notice or document (including a share certificate) to be given or issued under the Articles shall be in writing, and may be served by the Company on any member either personally or by sending it through the post in a prepaid envelope or wrapper addressed to such member at his registered address as appearing in the Company's register of members or by leaving it at such registered address as aforesaid or (in the case of a notice) by advertisement in the newspapers. Any member whose registered address is outside Hong Kong may notify the Company in writing of an address in Hong Kong which for the purpose of service of notice shall be deemed to be his registered address. Where the registered address of the member is outside Hong Kong, notice, if given through the post, shall be sent by prepaid airmail letter where available. Subject to the Cayman Companies Law and the Listing Rules, a notice or document may be served or delivered by the Company to any member by electronic means to such address as may from time to time be authorised by the member concerned or by publishing it on a website and notifying the member concerned that it has been so published.

Although a meeting of the Company may be called by shorter notice than as specified above, such meeting may be deemed to have been duly called if it is so agreed:

- (i) in the case of a meeting called as an annual general meeting, by all members of the Company entitled to attend and vote thereat; and
- (ii) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95% in nominal value of the issued shares giving that right.

All business transacted at an extraordinary general meeting shall be deemed special business and all business shall also be deemed special business where it is transacted at an annual general meeting with the exception of the following, which shall be deemed ordinary business:

- (aa) the declaration and sanctioning of dividends;

- (bb) the consideration and adoption of the accounts and balance sheet and the reports of the directors and the auditors;
- (cc) the election of Directors in place of those retiring;
- (dd) the appointment of auditors;
- (ee) the fixing of the remuneration of the Directors and of the auditors;
- (ff) the granting of any mandate or authority to the Board to offer, allot, grant options over, or otherwise dispose of the unissued shares of the Company representing not more than 20% in nominal value of its existing issued share capital (or such other percentage as may from time to time be specified in the rules of the Stock Exchange) and the number of any securities repurchased by the Company since the granting of such mandate; and
- (gg) the granting of any mandate or authority to the Board to repurchase securities in the Company.

(k) Transfer of shares

Subject to the Cayman Companies Law, all transfers of shares shall be effected by an instrument of transfer in the usual or common form or in such other form as the Board may approve provided always that it shall be in such form prescribed by the Stock Exchange and may be under hand or, if the transferor or transferee is a Clearing House or its nominee(s), under hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time.

Execution of the instrument of transfer shall be by or on behalf of the transferor and the transferee provided that the Board may dispense with the execution of the instrument of transfer by the transferor or transferee or accept mechanically executed transfers in any case in which it in its discretion thinks fit to do so, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members of the Company in respect thereof.

The Board may, in its absolute discretion, at any time and from time to time remove any share on the principal register to any branch register or any share on any branch register to the principal register or any other branch register.

Unless the Board otherwise agrees, no shares on the principal register shall be removed to any branch register nor shall shares on any branch register be removed to the principal register or any other branch register. All removals and other documents of title shall be lodged for registration and registered, in the case of shares on any branch register, at the relevant registration office and, in the case of shares on the principal register, at the place at which the principal register is located.

The Board may, in its absolute discretion, decline to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve or any share issued under any share option scheme upon which a restriction on transfer imposed thereby still subsists, and it may also refuse to register any transfer of any share to more than four joint holders or any transfer of any share (not being a fully paid up share) on which the Company has a lien.

The Board may decline to recognise any instrument of transfer unless a fee of such maximum sum as the Stock Exchange may determine to be payable or such lesser sum as the Board may from time to time require is paid to the Company in respect thereof, the instrument of transfer is properly stamped (if applicable), is in respect of only one class of share and is lodged at the relevant registration office or the place at which the principal register is located accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do).

The register of members may, subject to the Listing Rules (as defined in the Articles), be closed at such time or for such period not exceeding in the whole 30 days in each year as the Board may determine.

Fully paid shares shall be free from any restriction with respect to the right of the holder thereof to transfer such shares (except when permitted by the Stock Exchange) and shall also be free from all liens.

(l) Power of the Company to purchase its own shares

The Company is empowered by the Cayman Companies Law and the Articles to purchase its own shares subject to certain restrictions and the Board may only exercise this power on behalf of the Company subject to any applicable requirement imposed from time to time by the Articles, code, rules or regulations issued from time to time by the Stock Exchange and/or the Securities and Futures Commission of Hong Kong.

Where the Company purchases for redemption a redeemable Share, purchases not made through the market or by tender shall be limited to a maximum price, and if purchases are by tender, tenders shall be available to all members alike.

(m) Power of any subsidiary of the Company to own shares in the Company

There are no provisions in the Articles relating to the ownership of shares in the Company by a subsidiary.

(n) Dividends and other methods of distribution

The Company in general meeting may declare dividends in any currency to be paid to the members but no dividend shall be declared in excess of the amount recommended by the Board.

Except in so far as the rights attaching to, or the terms of issue of, any share may otherwise provide:

- (i) all dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid, although no amount paid up on a share in advance of calls shall for this purpose be treated as paid up on the share; and
- (ii) all dividends shall be apportioned and paid pro rata in accordance with the amount paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. The Board may deduct from any dividend or other monies payable to any member all sums of money (if any) presently payable by him to the Company on account of calls, instalments or otherwise.

Where the Board or the Company in general meeting has resolved that a dividend should be paid or declared on the share capital of the Company, the Board may resolve:

- (aa) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the members entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment; or
- (bb) that the members entitled to such dividend will be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit.

Upon the recommendation of the Board, the Company may by ordinary resolution in respect of any one particular dividend of the Company determine that it may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to members to elect to receive such dividend in cash in lieu of such allotment.

Any dividend, bonus or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address, but in the case of joint holders, shall be addressed to the holder whose name stands first in the register of members of the Company in respect of the shares at his address as appearing in the register, or addressed to such person and at such address as the holder or joint holders may in writing so direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent and shall be sent at the holder's or joint holders' risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company. Any one of two or more joint holders may give effectual receipts for any dividends or other monies payable or property distributable in respect of the shares held by such joint holders.

Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind.

The Board may, if it thinks fit, receive from any member willing to advance the same, and either in money or money's worth, all or any part of the money uncalled and unpaid or instalments payable upon any shares held by him, and in respect of all or any of the monies so advanced may pay interest at such rate (if any) not exceeding 20% per annum, as the Board may decide, but a payment in advance of a call shall not entitle the member to receive any dividend or to exercise any other rights or privileges as a member in respect of the share or the due portion of the shares upon which payment has been advanced by such member before it is called up.

All dividends, bonuses or other distributions unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends, bonuses or other distributions unclaimed for six years after having been declared may be forfeited by the Board and, upon such forfeiture, shall revert to the Company.

No dividend or other monies payable by the Company on or in respect of any share shall bear interest against the Company.

The Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants remain uncashed on two consecutive occasions or after the first occasion on which such a cheque or warrant is returned undelivered.

(o) Proxies

Any member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a member of the Company and shall be entitled to exercise the same powers on behalf of a member who is an individual and for whom he acts as proxy as such member could exercise. In addition, a proxy shall be entitled to exercise the same powers on behalf of a member which is a corporation and for which he acts as proxy as such member could exercise if it were an individual member. On a poll or, where allowed, on a show of hands, votes may be given either personally (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy.

The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised. Every instrument of proxy, whether for a specified meeting or otherwise, shall be in such form as the Board may from time to time approve, provided that it shall not preclude the use of the two-way form. Any form issued to a member for use by him for appointing a proxy to attend and vote at an extraordinary general meeting or at an annual general meeting at which any business is to be transacted shall be such as to enable the member, according to

his intentions, to instruct the proxy to vote in favour of or against (or, in default of instructions, to exercise his discretion in respect of) each resolution dealing with any such business.

(p) Calls on shares and forfeiture of shares

The Board may from time to time make such calls as it may think fit upon the members in respect of any monies unpaid on the shares held by them respectively (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times. A call may be made payable either in one sum or by instalments. If the sum payable in respect of any call or instalment is not paid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest on the same at such rate not exceeding 20% per annum as the Board shall fix from the day appointed for the payment thereof to the time of actual payment, but the Board may waive payment of such interest wholly or in part. The Board may, if it thinks fit, receive from any member willing to advance the same, either in money or money's worth, all or any part of the money uncalled and unpaid or instalments payable upon any shares held by him, and in respect of all or any of the monies so advanced the Company may pay interest at such rate (if any) not exceeding 20% per annum as the Board may decide.

If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve not less than 14 days' notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment. The notice will name a further day (not earlier than the expiration of 14 days from the date of the notice) on or before which the payment required by the notice is to be made, and it shall also name the place where payment is to be made. The notice shall also state that, in the event of non-payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited.

If the requirements of any such notice are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture will include all dividends and bonuses declared in respect of the forfeited share and not actually paid before the forfeiture.

A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, nevertheless, remain liable to pay to the Company all monies which, at the date of forfeiture, were payable by him to the Company in respect of the shares together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until payment at such rate not exceeding 20% per annum as the Board may prescribe.

(q) Inspection of corporate records

Members of the Company have no general right under the Cayman Companies Law to inspect or obtain copies of the register of members or corporate records of the Company. However, the members of the Company will have such rights as may be set forth in the Articles. The Articles provide that for so long as any part of the share capital of the Company is listed on the Stock Exchange, any member may inspect any register of members of the Company maintained in Hong Kong (except when the register of member is closed) without charge and require the provision to him of copies or extracts thereof in all respects as if the Company were incorporated under and were subject to the Hong Kong Companies Ordinance.

An exempted company may, subject to the provisions of its articles of association, maintain its principal register of members and any branch registers at such locations, whether within or outside the Cayman Islands, as its directors may, from time to time, think fit.

(r) Quorum for meetings and separate class meetings

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, and continues to be present until the conclusion of the meeting.

The quorum for a general meeting shall be two members present in person (or in the case of a member being a corporation, by its duly authorised representative) or by proxy and entitled to vote. In respect of a separate class meeting (other than an adjourned meeting) convened to sanction the modification of class rights the necessary quorum shall be two persons holding or representing by proxy not less than one-third in nominal value of the issued shares of that class.

(s) Rights of minorities in relation to fraud or oppression

There are no provisions in the Articles concerning the rights of minority members in relation to fraud or oppression. However, certain remedies may be available to members of the Company under Cayman Islands law, as summarised in paragraph 3(f) of this Appendix.

(t) Procedures on liquidation

A resolution that the Company be wound up by the court or be wound up voluntarily shall be a special resolution.

Subject to any special rights, privileges or restrictions as to the distribution of available surplus assets on liquidation for the time being attached to any class or classes of shares:

- (i) if the Company shall be wound up and the assets available for distribution amongst the members of the Company shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, then the excess shall be distributed *pari passu* amongst such members in proportion to the amount paid up on the shares held by them respectively; and
- (ii) if the Company shall be wound up and the assets available for distribution amongst the members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up, on the shares held by them respectively.

In the event that the Company is wound up (whether the liquidation is voluntary or compelled by the court) the liquidator may, with the sanction of a special resolution and any other sanction required by the Cayman Companies Law divide among the members in specie or kind the whole or any part of the assets of the Company whether the assets shall consist of property of one kind or shall consist of properties of different kinds and the liquidator may, for such purpose, set such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members and the members within each class. The liquidator may, with the like sanction, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator shall think fit, but so that no member shall be compelled to accept any shares or other property upon which there is a liability.

(u) Untraceable members

The Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants remain uncashed on two consecutive occasions or after the first occasion on which such a cheque or warrant is returned undelivered.

In accordance with the Articles, the Company is entitled to sell any of the shares of a member who is untraceable if:

- (i) all cheques or warrants, being not less than three in total number, for any sum payable in cash to the holder of such shares have remained uncashed for a period of 12 years;
- (ii) upon the expiry of the 12 years and 3 months period (being the 3 months notice period referred to in sub-paragraph (iii)), the Company has not during that time received any indication of the existence of the member; and

(iii) the Company has caused an advertisement to be published in accordance with the rules of the stock exchange of the Relevant Territory (as defined in the Articles) giving notice of its intention to sell such shares and a period of three months has elapsed since such advertisement and the stock exchange of the Relevant Territory (as defined in the Articles) has been notified of such intention. The net proceeds of any such sale shall belong to the Company and upon receipt by the Company of such net proceeds, it shall become indebted to the former member of the Company for an amount equal to such net proceeds.

(v) Subscription rights reserve

Pursuant to the Articles, provided that it is not prohibited by and is otherwise in compliance with the Cayman Companies Law, if warrants to subscribe for shares have been issued by the Company and the Company does any act or engages in any transaction which would result in the subscription price of such warrants being reduced below the par value of the shares to be issued on the exercise of such warrants, a subscription rights reserve shall be established and applied in paying up the difference between the subscription price and the par value of such shares.

3. CAYMAN ISLANDS COMPANY LAW

The Company was incorporated in the Cayman Islands as an exempted company on 5 May 2000 subject to the Cayman Companies Law. Certain provisions of Cayman Islands company law are set out below but this section does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of the Cayman Companies Law and taxation, which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar.

(a) Company operations

As an exempted company, the Company must conduct its operations mainly outside the Cayman Islands. Moreover, the Company is required to file an annual return each year with the Registrar of Companies of the Cayman Islands and pay a fee which is based on the amount of its authorised share capital.

(b) Share capital

In accordance with the Cayman Companies Law, a Cayman Islands company may issue ordinary, preference or redeemable shares or any combination thereof. The Cayman Companies Law provides that where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount or value of the premiums on those shares shall be transferred to an account, to be called the “share premium account”. At the option of a company, these provisions may not apply to premiums on shares of that company allotted pursuant to any arrangements in consideration of the acquisition or cancellation of shares in any other company and issued at a premium. The Cayman Companies Law provides that the share premium account may be applied by the company

subject to the provisions, if any, of its memorandum and articles of association, in such manner as the company may from time to time determine including, but without limitation, the following:

- (i) paying distributions or dividends to members;
- (ii) paying up unissued shares of the company to be issued to members as fully paid bonus shares;
- (iii) any manner provided in section 37 of the Cayman Companies Law;
- (iv) writing-off the preliminary expenses of the company; and
- (v) writing-off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company.

Notwithstanding the foregoing, the Cayman Companies Law provides that no distribution or dividend may be paid to members out of the share premium account unless, immediately following the date on which the distribution or dividend is proposed to be paid, the company will be able to pay its debts as they fall due in the ordinary course of business.

It is further provided by the Cayman Companies Law that, subject to confirmation by the court, a company limited by shares or a company limited by guarantee and having a share capital may, if authorised to do so by its articles of association, by special resolution reduce its share capital in any way.

The Articles include certain protections for holders of special classes of shares, requiring their consent to be obtained before their rights may be varied. The consent of the specified proportions of the holders of the issued shares of that class or the sanction of a resolution passed at a separate meeting of the holders of those shares is required.

(c) Financial assistance to purchase shares of a company or its holding company

There are no statutory prohibitions in the Cayman Islands on the granting of financial assistance by a company to another person for the purchase of, or subscription for, its own, its holding company's or a subsidiary's shares. Therefore, a company may provide financial assistance provided the directors of the company when proposing to grant such financial assistance discharge their duties of care and acting in good faith, for a proper purpose and in the interests of the company. Such assistance should be on an arm's-length basis.

(d) Purchase of shares and warrants by a company and its subsidiaries

A company limited by shares or a company limited by guarantee and having a share capital may, if so authorised by its articles of association, issue shares which are to be redeemed or are liable to be redeemed at the option of the company or a member and, for

the avoidance of doubt, it shall be lawful for the rights attaching to any shares to be varied, subject to the provisions of the company's articles of association, so as to provide that such shares are to be or are liable to be so redeemed. In addition, such a company may, if authorised to do so by its articles of association, purchase its own shares, including any redeemable shares. Nonetheless, if the articles of association do not authorise the manner and terms of purchase, a company cannot purchase any of its own shares without the manner and terms of purchase first being authorised by an ordinary resolution of the company. A company may not redeem or purchase its shares unless they are fully paid. Furthermore, a company may not redeem or purchase any of its shares if, as a result of the redemption or purchase, there would no longer be any issued shares of the company other than shares held as treasury shares. In addition, a payment out of capital by a company for the redemption or purchase of its own shares is not lawful unless immediately following the date on which the payment is proposed to be made, the company shall be able to pay its debts as they fall due in the ordinary course of business.

Under Section 37A(1) of the Cayman Companies Law, shares that have been purchased or redeemed by a company or surrendered to the company shall not be treated as cancelled but shall be classified as treasury shares if (a) the memorandum and articles of association of the company do not prohibit it from holding treasury shares; (b) the relevant provisions of the memorandum and articles of association (if any) are complied with; and (c) the company is authorised in accordance with the company's articles of association or by a resolution of the directors to hold such shares in the name of the company as treasury shares prior to the purchase, redemption or surrender of such shares. Shares held by a company pursuant to section 37A(1) of the Companies Law shall continue to be classified as treasury shares until such shares are either cancelled or transferred pursuant to the Cayman Companies Law.

A Cayman Islands company may be able to purchase its own warrants subject to and in accordance with the terms and conditions of the relevant warrant instrument or certificate. Thus there is no requirement under Cayman Islands law that a company's memorandum or articles of association contain a specific provision enabling such purchases. The directors of a company may under the general power contained in its memorandum of association be able to buy and sell and deal in personal property of all kinds.

Under Cayman Islands law, a subsidiary may hold shares in its holding company and, in certain circumstances, may acquire such shares.

(e) Dividends and distributions

With the exception of sections 34 and 37A(7) of the Cayman Companies Law, there are no statutory provisions relating to the payment of dividends. Based upon English case law which is likely to be persuasive in the Cayman Islands, dividends may be paid only out of profits. In addition, section 34 of the Cayman Companies Law permits, subject to a solvency test and the provisions, if any, of the company's memorandum and articles of association, the payment of dividends and distributions out of the share premium account

(see sub-paragraph 2(n) of this Appendix for further details). Section 37A(7)(c) of the Cayman Companies Law provides that for so long as a company holds treasury shares, no dividend may be declared or paid, and no other distribution (whether in cash or otherwise) of the company's assets (including any distribution of assets to members on a winding up) may be made to the company, in respect of a treasury share.

(f) Protection of minorities and shareholders' suits

It can be expected that the Cayman Islands courts will ordinarily follow English case law precedents (particularly the rule in the case of *Foss v. Harbottle* and the exceptions thereto) which permit a minority member to commence a representative action against or derivative actions in the name of the company to challenge:

- (i) an act which is ultra vires the company or illegal;
- (ii) an act which constitutes a fraud against the minority and the wrongdoers are themselves in control of the company; and
- (iii) an irregularity in the passing of a resolution the passage of which requires a qualified (or special) majority which has not been obtained.

Where a company (not being a bank) is one which has a share capital divided into shares, the court may, on the application of members thereof holding not less than one-fifth of the shares of the company in issue, appoint an inspector to examine the affairs of the company and, at the direction of the court, to report thereon.

Moreover, any member of a company may petition the court which may make a winding up order if the court is of the opinion that it is just and equitable that the company should be wound up.

In general, claims against a company by its members must be based on the general laws of contract or tort applicable in the Cayman Islands or be based on potential violation of their individual rights as members as established by a company's memorandum and articles of association.

(g) Disposal of assets

There are no specific restrictions in the Cayman Companies Law on the power of directors to dispose of assets of a company, although it specifically requires that every officer of a company, which includes a director, managing director and secretary, in exercising his powers and discharging his duties must do so honestly and in good faith with a view to the best interest of the company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

(h) Accounting and auditing requirements

Section 59 of the Cayman Companies Law provides that a company shall cause proper records of accounts to be kept with respect to (i) all sums of money received and expended by the company and the matters with respect to which the receipt and expenditure takes place; (ii) all sales and purchases of goods by the company and (iii) the assets and liabilities of the company.

Section 59 of the Cayman Companies Law further states that proper books of account shall not be deemed to be kept if there are not kept such books as are necessary to give a true and fair view of the state of the company's affairs and to explain its transactions.

If the Company keeps its books of account at any place other than at its registered office or at any other place within the Cayman Islands, it shall, upon service of an order or notice by the Tax Information Authority pursuant to the Tax Information Authority Law (2013 Revision) of the Cayman Islands, make available, in electronic form or any other medium, at its registered office copies of its books of account, or any part or parts thereof, as are specified in such order or notice.

(i) Exchange control

There are no exchange control regulations or currency restrictions in effect in the Cayman Islands.

(j) Taxation

Pursuant to section 6 of the Tax Concessions Law (2011 Revision) of the Cayman Islands, the Company may obtain an undertaking from the Governor-in-Cabinet:

- (i) that no law which is enacted in the Cayman Islands imposing any tax to be levied on profits or income or gains or appreciation shall apply to the Company or its operations; and
- (ii) in addition, that no tax be levied on profits, income gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable by the Company:
 - (aa) on or in respect of the shares, debentures or other obligations of the Company; or
 - (bb) by way of withholding in whole or in part of any relevant payment as defined in section 6(3) of the Tax Concessions Law (2011 Revision).

The Cayman Islands currently levy no taxes on individuals or corporations based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to the Company levied by the Government of the Cayman Islands save certain stamp duties which may be applicable, from time to time, on certain instruments.

(k) Stamp duty on transfers

There is no stamp duty payable in the Cayman Islands on transfers of shares of Cayman Islands companies save for those which hold interests in land in the Cayman Islands.

(l) Loans to directors

The Cayman Companies Law contains no express provision prohibiting the making of loans by a company to any of its directors. However, the Articles provide for the prohibition of such loans under specific circumstances.

(m) Inspection of corporate records

The members of the company have no general right under the Cayman Companies Law to inspect or obtain copies of the register of members or corporate records of the company. They will, however, have such rights as may be set out in the company's articles of association.

(n) Register of members

A Cayman Islands exempted company may maintain its principal register of members and any branch registers in any country or territory, whether within or outside the Cayman Islands, as the company may determine from time to time. The Cayman Companies Law contains no requirement for an exempted company to make any returns of members to the Registrar of Companies in the Cayman Islands. The names and addresses of the members are, accordingly, not a matter of public record and are not available for public inspection. However, an exempted company shall make available at its registered office, in electronic form or any other medium, such register of members, including any branch register of member, as may be required of it upon service of an order or notice by the Tax Information Authority pursuant to the Tax Information Authority Law (2013 Revision) of the Cayman Islands.

(o) Winding up

A Cayman Islands company may be wound up either by (i) an order of the court; (ii) voluntarily by its members; or (iii) under the supervision of the court.

The court has authority to order winding up in a number of specified circumstances including where, in the opinion of the court, it is just and equitable that such company be so wound up.

A voluntary winding up of a company occurs where the Company so resolves by special resolution that it be wound up voluntarily, or, where the company in general meeting resolves that it be wound up voluntarily because it is unable to pay its debt as they fall due; or, in the case of a limited duration company, when the period fixed for the duration of the company by its memorandum or articles expires, or where the event occurs on the occurrence of which the memorandum or articles provides that the company is to be wound up. In the case of a voluntary winding up, such company is obliged to cease to carry on its business from the commencement of its winding up except so far as it may be beneficial for its winding up. Upon appointment of a voluntary liquidator, all the powers of the directors cease, except so far as the company in general meeting or the liquidator sanctions their continuance.

In the case of a members' voluntary winding up of a company, one or more liquidators shall be appointed for the purpose of winding up the affairs of the company and distributing its assets.

As soon as the affairs of a company are fully wound up, the liquidator must make a report and an account of the winding up, showing how the winding up has been conducted and the property of the company has been disposed of, and thereupon call a general meeting of the company for the purposes of laying before it the account and giving an explanation thereof.

When a resolution has been passed by a company to wind up voluntarily, the liquidator or any contributory or creditor may apply to the court for an order for the continuation of the winding up under the supervision of the court, on the grounds that (i) the company is or is likely to become insolvent; or (ii) the supervision of the court will facilitate a more effective, economic or expeditious liquidation of the company in the interests of the contributories and creditors. A supervision order shall take effect for all purposes as if it was an order that the company be wound up by the court except that a commenced voluntary winding up and the prior actions of the voluntary liquidator shall be valid and binding upon the company and its official liquidator.

For the purpose of conducting the proceedings in winding up a company and assisting the court, there may be appointed one or more persons to be called an official liquidator or official liquidators; and the court may appoint to such office such person or persons, either provisionally or otherwise, as it thinks fit, and if more than one persons are appointed to such office, the court shall declare whether any act required or authorised to be done by the official liquidator is to be done by all or any one or more of such persons. The court may also determine whether any and what security is to be given by an official liquidator on his appointment; if no official liquidator is appointed, or during any vacancy in such office, all the property of the company shall be in the custody of the court.

(p) Reconstructions

Reconstructions and amalgamations are governed by specific statutory provisions under the Cayman Companies Law whereby such arrangements may be approved by a majority in number representing 75% in value of members or creditors, depending on the circumstances, as are present at a meeting called for such purpose and thereafter sanctioned by the courts. Whilst a dissenting member would have the right to express to the court his view that the transaction for which approval is being sought would not provide the members with a fair value for their shares, nonetheless the courts are unlikely to disapprove the transaction on that ground alone in the absence of evidence of fraud or bad faith on behalf of management and if the transaction were approved and consummated the dissenting member would have no rights comparable to the appraisal rights (i.e. the right to receive payment in cash for the judicially determined value of their shares) ordinarily available, for example, to dissenting members of a United States corporation.

(q) Take-overs

Where an offer is made by a company for the shares of another company and, within four months of the offer, the holders of not less than 90% of the shares which are the subject of the offer accept, the offeror may at any time within two months after the expiration of the said four months, by notice require the dissenting members to transfer their shares on the terms of the offer. A dissenting member may apply to the court of the Cayman Islands within one month of the notice objecting to the transfer. The burden is on the dissenting member to show that the court should exercise its discretion, which it will be unlikely to do unless there is evidence of fraud or bad faith or collusion as between the offeror and the holders of the shares who have accepted the offer as a means of unfairly forcing out minority members.

(r) Indemnification

Cayman Islands law does not limit the extent to which a company's articles of association may provide for indemnification of officers and directors, save to the extent any such provision may be held by the court to be contrary to public policy, for example, where a provision purports to provide indemnification against the consequences of committing a crime.

1. RESPONSIBILITY STATEMENT

This Prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this Prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Prospectus misleading.

2. SHARE CAPITAL

The authorised and issued share capital of the Company as (i) at the Latest Practicable Date; and (ii) immediately following (a) the Open Offer; (b) the Subscription; and (c) the issue of the Consideration Shares will be as follows:

(i) As at the Latest Practicable Date

Authorised share capital

New Shares

HK\$

100,000,000,000 New Shares of HK\$0.005 each

500,000,000.00

Issued and paid-up share capital

194,599,656 New Shares of HK\$0.005 each

972,998.28

(ii) Immediately following (a) the Open Offer; (b) the Subscription; and (c) the issue and allotment of the Consideration Shares

Authorised share capital

<i>New Shares</i>	<i>HK\$</i>
<u>100,000,000,000</u> New Shares of HK\$0.005 each	<u>500,000,000.00</u>

Issued and paid-up share capital

194,599,656	New Shares of HK\$0.005 each as at the Latest Practicable Date	972,998.28
389,199,312	New Shares of HK\$0.005 each to be allotted and issued under the Open Offer to the Qualifying Shareholders on the basis of two (2) Offer Shares for every one (1) New Share held on the Record Date or, to the Underwriter pursuant to the Underwriting Agreement	1,945,996.56
1,167,597,940	New Shares of HK\$0.005 each to be allotted and issued to the Subscribers under the Subscription Agreements	5,837,989.70
4,086,592,788	New Shares of HK\$0.005 each to be allotted and issued to the Vendors under the Acquisition Agreement	20,432,963.94
<u>5,837,989,696</u>		<u>29,189,948.48</u>

All of the New Shares, including the New Shares to be allotted and issued under the Open Offer, the Subscription Shares to be allotted and issued to the Subscribers, and the Consideration Shares to be allotted and issued to the Vendors, will rank *pari passu* in all aspects, including all rights as to dividend, voting and interest in capital, among themselves and with all other shares of the Company in issue on the date of issue.

Save for the New FA Option (entitling First Apex to subscribe for 129,032,258 New Shares) and the New TB Option (entitling Time Boomer to subscribe for 83,870,968 New Shares), the Company had no share options, warrants, derivatives or other securities convertible into or exchangeable for the New Shares outstanding or is proposed to be issued for cash or otherwise and no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any such capital.

Upon Resumption, the New Shares will be listed and traded on the Main Board of the Stock Exchange. None of the equity or debt securities of the Company is listed or dealt in any other stock exchange and listing or permission to deal in the New Shares or loan capital of the Company is not being, or proposed to be, sought on any other stock exchange.

As at the Latest Practicable Date, there was no arrangement under which future dividends are waived or agreed to be waived.

Save as disclosed above, as at the Latest Practicable Date, no share or loan capital of the Company or any member of the Group had been put under option or agreed conditionally or unconditionally to be put under option and no warrant or conversion right affecting the New Shares had been issued or granted or agreed conditionally, or unconditionally to be issued or granted, except for the Offer Shares.

3. DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the 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 were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which was otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as contained in Appendix 10 to the Listing Rules, were as follows:

Name of Director	Name of corporation	Capacity	Interest in New Shares	Approximate % of interest in the corporation as at the Latest Practicable Date
Mr. Ng Kok Hong	the Company	Beneficial owner	60,585,501 (Note 1)	31.1%
Mr. Ng Kok Tai	the Company	Interest of controlled corporation	59,676,639 (Note 2)	30.7%
Mr. Ng Kok Yang	the Company	Beneficial owner	14,694,489	7.6%

Notes:

- (1) These New Shares represent (i) 59,676,639 New Shares held by Mr. Ng Kok Hong; and (ii) 908,862 New Shares held by Ms. Tan Sook Kiang, the spouse of Mr. Ng Kok Hong. Mr. Ng Kok Hong is deemed by virtue of the SFO to be interested in 60,585,501 New Shares.
- (2) These New Shares are held by NKT Holdings Sdn. Bhd., a company incorporated in Malaysia, which is owned as to 50% by Mr. Ng Kok Tai and as to 50% by Md. Siew Ai Lian, the spouse of Mr. Ng Kok Tai. Mr. Ng Kok Tai is deemed by virtue of the SFO to be interested in these New Shares.

Save for those disclosed above, as at the Latest Practicable Date, none of the Directors or the chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code, or required to be disclosed by the Takeovers Code.

4. INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at the Latest Practicable Date, the following persons (other than the Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or who were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

Name of substantial shareholder	Long/short position	Capacity	Number of New Shares interested	Approximate % of the Company's issued share capital as at the Latest Practicable Date (Note 9)
Ms. Tan Sook Kiang	Long	Interest of Spouse	60,585,501 (Note 1)	31.1%
NKT Holdings Sdn. Bhd.	Long	Beneficial owner	59,676,639	30.7%
Md. Siew Ai Lian	Long	Interest of controlled corporation	59,676,639 (Note 2)	30.7%
Mr. Shie	Long	Interest of controlled corporation	2,043,296,394 (Note 3)	1,050.0%
Fame Build	Long	Beneficial owner	2,043,296,394	1,050.0%

Name of substantial shareholder	Long/short position	Capacity	Number of New Shares interested	Approximate % of the Company's issued share capital as at the Latest Practicable Date (Note 9)
Mr. Tsoi	Long	Interest of controlled corporation	2,043,296,394 (Note 4)	1,050.0%
Talent Connect	Long	Beneficial owner	2,043,296,394	1,050.0%
Jinwu	Long	Beneficial owner	954,694,714 (Note 5)	490.6%
First Apex	Long	Beneficial owner	129,032,258 (Note 6)	66.3%
Daxin Investment Fund	Long	Interest of controlled corporation	954,694,714 (Note 7)	490.6%
Greater China Capital Limited	Long	Investment manager	954,694,714 (Note 7)	490.6%
Mr. Benjamin Kumar Sharma	Long	Interest of controlled corporation	129,032,258 (Note 8)	66.3%

Notes:

- (1) These New Shares represent (i) 908,862 New Shares held by Ms. Tan Sook Kiang; and (ii) 59,676,639 New Shares held by Mr. Ng Kok Hong, the spouse of Md. Tan Sook Kiang. Md. Tan Sook Kiang is deemed by virtue of the SFO to be interested in 60,585,501 New Shares.
- (2) These New Shares are held by NKT Holdings Sdn. Bhd., a company incorporated in Malaysia, which is owned as to 50% by Mr. Ng Kok Tai and as to 50% by Md. Siew Ai Lian, the spouse of Mr. Ng Kok Tai. Md. Siew Ai Lian is deemed by virtue of the SFO to be interested in these New Shares.
- (3) These New Shares represent 50% of the Consideration Shares to be allotted and issued to Mr. Shie upon completion of the Acquisition Agreement, which will be held by Fame Build, a company incorporated in the British Virgin Islands and wholly-owned by Mr. Shie. Mr. Shie is deemed by virtue of the SFO to be interested in these New Shares.
- (4) These New Shares represent 50% of the Consideration Shares to be allotted and issued to Mr. Tsoi upon completion of the Acquisition Agreement, which will be held by Talent Connect, a company incorporated in the British Virgin Islands and wholly-owned by Mr. Tsoi. Mr. Tsoi is deemed by virtue of the SFO to be interested in these New Shares.

- (5) These New Shares represent the Subscription Shares to be allotted and issued to Jinwu pursuant to the relevant Subscription Agreements, without taking into account (i) 584,382,770 Placing Shares to be placed on a fully-underwritten basis; and (ii) up to a total of 370,311,944 Placing Shares to be placed on a best effort basis by Jinwu, pursuant to the Placing Agreement.
- (6) These New Shares represent the Subscription Shares to be allotted and issued to First Apex pursuant to the relevant Subscription Agreements.
- (7) Pursuant to the relevant Subscription Agreements, 954,694,714 New Shares will be allotted and issued to Jinwu, which is owned by Daxin Investment Fund and managed by Greater China Capital Limited as investment manager. Daxin Investment Fund and Greater China Capital Limited are deemed by virtue of the SFO to be interested in the said 954,694,714 New Shares held by Jinwu.
- (8) Pursuant to the relevant Subscription Agreements, 129,032,258 New Shares will be allotted and issued to First Apex, which is wholly and beneficially owned by Mr. Benjamin Kumar Sharma. Mr. Benjamin Kumar Sharma is deemed by virtue of the SFO to be interested in the said 129,032,258 New Shares held by First Apex.
- (9) 194,599,656 New Shares are issued as at the Latest Practicable Date.

Save as disclosed above, the Directors and chief executive of the Company are not aware, as at the Latest Practicable Date, of any person (who are not Directors and chief executive of the Company) who had an interest (or long position) or short position in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company.

5. DIRECTORS' SERVICE CONTRACTS

Each of the existing executive Directors, namely Mr. Ng Kok Hong, Mr. Ng Kok Tai and Mr. Ng Kok Yang has entered into a service agreement with the Company under which they act as executive Directors for an initial term of three years commencing from 1 January 2001 and shall continue thereafter until terminated by either party giving to the other not less than six months' notice in writing.

The existing executive Directors are entitled to a discretionary bonus calculated as a percentage of the audited consolidated profit of the Group attributable to owners of the Company. The percentage shall be determined by the Board but in any case the aggregate amount payable in each financial year to all the executive Directors shall not exceed 10% of such profit.

As at the Latest Practicable Date, none of the Directors had entered into any service contract or letter of appointment with the Company, or any of its subsidiaries or associated companies (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

As at the Latest Practicable Date, none of the proposed Directors had entered into any service contract or letter of appointment with the Company, or any of its subsidiaries or associated companies. The Company intends to enter into a service contract with each of the

proposed executive Directors and a letter of appointment with each of the proposed independent non-executive Directors, each for an initial term of three years, commencing from their respective appointment dates which will set out the remuneration of each of the proposed Directors. The remuneration of the proposed Directors will be varied as the proposed Directors are currently not entitled to receive any remuneration from the Target Company. Under the current arrangements, the aggregate annual remunerations (including fees, salaries, allowances and benefits in kind and retirement benefit scheme contributions) estimated to be payable to the proposed Directors after their appointments are approximately HK\$3,634,000.

6. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors, the proposed Directors and their respective close associates were considered to have an interest in any business apart from the business of the Enlarged Group, which competes or is likely to compete, either directly or indirectly, with the business of the Enlarged Group.

7. OTHER INTERESTS OF THE DIRECTORS

As at the Latest Practicable Date,

- (a) none of the Directors, proposed Directors or the experts whose statements have been included in this Prospectus had any interest, either direct or indirect, in any assets which have, since 31 December 2015 (being the date to which the latest published audited consolidated accounts of the Group were made up), been acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group; and
- (b) none of the Directors was materially interested in any contract or arrangement subsisting and which is significant in relation to the business of the Group.

8. MATERIAL CONTRACTS

The following contracts (being contracts not entered into in the ordinary course of business of the Group) have been entered into by the members of the Group after the date of two years immediately preceding the date of this Prospectus, and up to the Latest Practicable Date, and are or may be material:

- (a) the Acquisition Agreement;
- (b) the FA Loan Agreement;
- (c) the FA Option Agreement;
- (d) the termination deed entered into between the Company and First Apex dated 27 October 2014 to terminate the FA Option Agreement;
- (e) the New FA Option Agreement;
- (f) the TB Loan Agreement;

- (g) the TB Option Agreement;
- (h) the Amended TB Option Agreement;
- (i) the Disposal Agreement;
- (j) the Original Subscription Agreement;
- (k) the Amended Subscription Agreement;
- (l) the Deed of Non-Competition;
- (m) the Underwriting Agreement; and
- (n) the Deed of Indemnity.

Save as disclosed above, as at the Latest Practicable Date, no contract (not being contracts entered into in the ordinary course of the business carried on by the Enlarged Group) has been entered into by the Enlarged Group within the two years prior to the Latest Practicable Date and are or maybe material.

9. EXPERTS AND CONSENTS

The following are the qualifications of the experts whose statements have been included in this Prospectus:

Name	Qualification
ZHONGHUI ANDA CPA Limited (“ Anda ”)	Certified Public Accountants
Appleby	Cayman Islands attorneys-at-law

Anda has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion herein of its report, and references to its name and its report in the form and context in which they appear. Appleby has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion in this Prospectus its letter of advice summarised certain aspect of the Cayman Islands company law dated 30 September 2016 which is made by Appleby for incorporation in this Prospectus, and references to its name.

As at the Latest Practicable Date, each of Anda and Appleby did not have any shareholding, directly or indirectly, in any member of the Group or any right or option, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for any securities in any member of the Group.

As at the Latest Practicable Date, each of Anda and Appleby did not have any direct or indirect interest in any assets which have been acquired or disposed of by or leased to any member of the Group or were proposed to be acquired or disposed of by or leased to any members of the Group since 31 December 2015, being the date to which the latest published audited consolidated financial statements of the Company were made up.

10. LITIGATION

Save as disclosed below, as at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

On 19 July 2013, a statutory demand under Section 218 of the Companies Act, 1965 dated 15 July 2013 (the “**Statutory Demand**”) was served on First Mobile Group Sdn. Bhd. (“**FMGSB**”), a wholly-owned subsidiary of the Company by Messrs. Surend Mokhzani & Partners, the legal representative of Metroport Logistics (Malaysia) Sdn. Bhd., the plaintiff, for a judgment sum of approximately Malaysian Ringgit 1,376,000 granted by Shah Alam High Court in Malaysia on 31 July 2012. FMGSB is required to settle the aforesaid amount within 21 days from the date of service of the Statutory Demand, failing which, winding-up proceedings may be commenced against FMGSB. At the adjourned hearing of the Winding-up Petition on 5 February 2014, the Shah Alam High Court in Malaysia ordered, among other things, that FMGSB be wound up and that the Official Receiver of Malaysia be appointed as the provisional liquidator of FMGSB. As at the Latest Practicable Date, the winding-up proceedings against FMGSB are still in process.

11. CORPORATE INFORMATION

Registered office	P.O. Box 10008 Willow House Cricket Square Grand Cayman KY1-1001
Head office and principal place of Business in Hong Kong	Workshop 6, Level 1 Wah Yiu Industrial Centre 30–32 Au Pui Wan Street Fotan, Shatin New Territories Hong Kong
Auditor	ZHONGHUI ANDA CPA Limited Certified Public Accountants Unit 701, 7/F Citicorp Centre 18 Whitfield Road Causeway Bay Hong Kong

Legal Advisers	<i>as to Hong Kong Law</i> Troutman Sanders 34/F., Two Exchange Square 8 Connaught Place Central Hong Kong
	<i>as to Cayman Islands Law</i> Appleby 2206–19 Jardine House 1 Connaught Place Central Hong Kong
Principal Bankers	Public Bank Public Bank Centre 120 Des Voeux Road Central Hong Kong
Hong Kong Branch Registrar and transfer office	Tricor Abacus Limited Level 22, Hopewell Centre 183 Queen's Road East Hong Kong
Principal share registrars and transfer office	Appleby Trust (Cayman) Ltd. PO Box 1350, Clifton House 75 Fort Street Grand Cayman KY1-1108
Company secretary (upon Completion of the Acquisition)	Mr. Wong Kin Tak (ACCA, HKICPA) Flat B, 23/F, Block 5 Scenic View 63 Fung Shing Street Ngau Chi Wan Kowloon Hong Kong

Authorised representatives
(Upon Resumption)

Mr. Lee Lit Mo Johnny
Flat B, 6/F, Block 10
Provident Centre
39 Wharf Road
North Point
Hong Kong

Mr. Wong Kin Tak
Flat B, 23/F, Block 5
Scenic View
63 Fung Shing Street
Ngau Chi Wan
Kowloon
Hong Kong

12. PARTICULARS OF DIRECTORS

Particulars of the existing Directors and proposed Directors:

Name	Address	Length of service
Existing executive Directors		
Mr. Ng Kok Hong	No. 72 Boulevard Du Palais The Beverly Hills, Tai Po New Territories Hong Kong	16 years and 4 months
Mr. Ng Kok Tai	7B-01-01 Bungaraya Condominium Persiaran Golf Saujana Subang 40150 Shah Alam, Selangor Malaysia	16 years and 4 months
Mr. Ng Kok Yang	Duplex Flat B, 12/F & 13/F, Block 16 Villa Rhapsody, Symphony Bay 533 Sai Sha Road New Territories Hong Kong	16 years and 4 months
Proposed executive Directors		
Mr. Shie Tak Chung	Block B7, Springfield Gardens 5-9 Shouson Hill Road West Hong Kong	N/A
Mr. Tsoi Kin Sze	Flat A, 35/F, Tower 3 Grand Promenade 38 Tai Hong Street Hong Kong	N/A
Mr. Wu Zhisong	Room 1009, 2/F 38 Fuhui Road Shishi City Fujian Province PRC	N/A

Name	Address	Length of service
Mr. Lee Lit Mo	Flat B, 6/F, Block 10 Provident Centre 39 Wharf Road North Point Hong Kong	N/A
Proposed independent non-executive Directors		
Mr. Ma Sai Yam	Flat D, 51/F., Tower 2 The Victoria Towers Tsim Sha Tsui, Kowloon Hong Kong	N/A
Mr. Zhang Senquan	Room 101, No. 50 Lane 100, Shunyi Road Putuo District Shanghai PRC	N/A
Mr. Wang Yiming	Room 803, Block A 138 Xiaoxue Road Siming District Xiamen, Fujian Province PRC	N/A

Existing executive Directors

Mr. NG Kok Hong, aged 53, Executive Chairman of the Group. Mr. Ng is involved in the strategic planning and operation of the Group. Since he co-founded the business with Mr. Ng Kok Tai in 1989 to distribute mobile phones in Malaysia, Mr. Ng Kok Hong has been actively involved in the mobile phone industry. Mr. Ng has successfully grown the Group's business to cover most major markets in the Asia Pacific region. Mr. Ng has contributed significantly to the strategic relationship between the Group and various renowned mobile handset manufacturers.

Mr. NG Kok Tai, aged 56, Executive Deputy Chairman of the Group. He is also the President and Executive Director of First Mobile Group Sdn. Bhd., and a Director of First Telecom International Limited. He began his career in the Malaysian financial sector in 1981. In 1989, he and Mr. Ng Kok Hong ventured into the mobile phone industry and became one of the top mobile phone dealers in Kuala Lumpur. He is the elder brother of Mr. Ng Kok Hong and Mr. Ng Kok Yang.

Mr. NG Kok Yang, aged 49, Chief Executive Officer of the Group. Having obtained his law degree from the University of London, he read for the Bar at Lincoln's Inn and was admitted to the Bar of England and Wales in 1991. Upon his return to Malaysia, he was admitted to the rolls as an Advocate and Solicitor of Malaysia. From 1992 to 1996, Mr. Ng Kok Yang practiced law in Malaysia. In 1996, he joined First Telecom International Limited and shared in Mr. Ng Kok Hong's vision of a global mobile phone distribution network. Since then, his contribution has been invaluable to the growth of the Group, including establishing a strong supply network worldwide as well as a solid and extensive distribution channel in Asia Pacific. He is the younger brother of Mr. Ng Kok Hong and Mr. Ng Kok Tai.

Proposed executive Directors

Mr. Shie Tak Chung (佘德聰先生) (“**Mr. Shie**”), aged 59, is proposed to be appointed as an executive Director and Chairman of the Board immediately following completion of the Acquisition. Mr. Shie has been a director of China General and Hui An China General since 2005. Mr. Shie has about 10 years of management experience in the real estate industry in the PRC. Mr. Shie is one of the two ultimate shareholders of Fujian Jiande Group Company Limited (福建建德集團有限公司). Mr. Shie obtained a bachelor's degree majoring in International Economics and Trade from Xiamen University in January 2014 through online course. He is the brother-in-law of Mr. Lee Lit Mo Johnny.

Mr. Shie is solely and beneficially interested in Fame Build which will hold 35% of the enlarged issued share capital of the Company upon completion of the Acquisition. Thus, Mr. Shie will be one of the Controlling Shareholders upon completion of the Acquisition.

Mr. Tsoi Kin Sze (蔡建四先生) (“**Mr. Tsoi**”), aged 45, is proposed to be appointed as an executive Director and chief executive officer of the Company immediately following completion of the Acquisition. Mr. Tsoi has been a director of China General and the chairman and legal representative of Hui An China General since 2005. Mr. Tsoi has about 10 years of management experience in the real estate industry in the PRC. Mr. Tsoi is one of the two ultimate shareholders of Fujian Jiande (Holdings) Limited (福建建德集團有限公司). Mr. Tsoi is solely and beneficially interested in Talent Connect which will hold 35% of the enlarged issued share capital of the Company upon completion of the Acquisition. Thus, Mr. Tsoi will be one of the Controlling Shareholders upon completion of the Acquisition.

Mr. Wu Zhisong (吳志松先生) (“**Mr. Wu**”), aged 47, is proposed to be appointed as an executive Director immediately following completion of the Acquisition. Mr. Wu has been an executive director, the legal representative and general manager of Houde Enterprise since 20 August 2014. Mr. Wu has been the financial controller of Fujian Jiande Group Company Limited (福建建德集團有限公司) since December 2011. Mr. Wu obtained a bachelor's degree majoring in applied chemistry from Huaqiao University (華僑大學) in July 1990. Mr. Wu has become a qualified intermediate economist in taxation of the PRC since December 1995 and has become a qualified intermediate accountant of the PRC since December 1999.

Mr. Lee Lit Mo Johnny (李烈武先生) (“**Mr. Lee**”), aged 44, is proposed to be appointed as an executive Director immediately following completion of the Acquisition. Mr. Lee has more than 10 years of experience in financial industry. Mr. Lee was an executive director of Juda International Holdings Limited, the shares of which are listed on the Stock Exchange (stock code: 1329), from August 2010 to December 2013. He was an associate director of direct investment division of CCB International Asset Management Limited from March 2006 to August 2008. Mr. Lee graduated from McGill University in Montreal, Canada with a bachelor’s degree in Commerce majoring in Finance and Management Information Systems in June 1995. He is the brother-in-law of Mr. Shie.

Proposed independent non-executive Directors

Mr. Ma Sai Yam (馬世欽先生) (“**Mr. Ma**”), aged 52, is proposed to be appointed as an independent non-executive Director immediately following completion of the Acquisition. Mr. Ma will be the chairman of the compliance and remuneration committees and a member of the audit and nomination committees.

Mr. Ma is a practicing solicitor in Hong Kong and has accumulated over 17 years of experience in the legal field. He was admitted to practice law as a solicitor in Hong Kong in September 1997 and has been a member of The Law Society of Hong Kong since. Mr. Ma has been a partner and a practicing solicitor of Ma Tang & Co., since March 2002. His experience in corporate governance and management of listed companies include his current appointments as an independent non-executive director and a member of the audit, nomination and remuneration committees of Golden Power Group Holdings Limited, the shares of which are listed on GEM the Stock Exchange (stock code: 8038), with effect from May 2015.

Mr. Ma graduated from the University of London in the United Kingdom as an external student in August 1991 with a Bachelor’s science degree in Economics. He subsequently obtained a Postgraduate Certificate in Laws from The University of Hong Kong in June 1995 and a master degree in laws from Renmin University of China in the PRC in January 2012.

Mr. Zhang Senquan (張森泉先生) (“**Mr. Zhang**”), aged 39, is proposed to be appointed as an independent non-executive Director immediately following completion of the Acquisition. Mr. Zhang will be the chairman of the audit committee and a member of the compliance, nomination and remuneration committees.

Mr. Zhang is a member of Hong Kong Institute of Certified Public Accountants, China Institute of Certified Public Accountants and American Institute of Certified Public Accountants. Mr. Zhang has been working as the head of China business development department of Southwest Securities (HK) Capital Limited, a subsidiary of Southwest Securities International Securities Limited, the shares of which are listed on the Stock Exchange (stock code: 812) since February 2016. Mr. Zhang is currently (i) an independent director of Topchoice Medical Investment Co. Inc. (通策醫療投資股份有限公司), the shares of which are listed on the Shanghai Stock Exchange (stock code: 600763), with effect from December 2014 and (ii) an independent non-executive director

of Casablanca Group Limited, the shares of which are listed on the Stock Exchange (stock code: 2223), with effect from April 2015. From May 2014 to June 2015, Mr. Zhang served as the joint company secretary and chief financial officer of Huazhong In-Vehicle Holdings Company Limited, the shares of which are listed on the Stock Exchange (stock code: 6830). From March 2013 to April 2014, Mr. Zhang served as head of the Strategic Development Department of Goodbaby International Holdings Limited, the shares of which are listed on the Stock Exchange (stock code: 1086). He has more than 10 years of professional experience in accounting and auditing, and worked at Ernst & Young, KPMG and Deloitte Touche Tohmatsu serving several positions from audit staff to audit partner from 1999 to 2012. Mr. Zhang received his bachelor's degree from Fudan University in China in 1999.

Mr. Wang Yiming (王藝明先生) (“Mr. Wang”), aged 38, is proposed to be appointed as an independent non-executive Director immediately following completion of the Acquisition. Mr. Wang will be a member of the audit committee.

Mr. Wang became a professor of the School of Economics of Xiamen University (廈門大學經濟學院) in August 2009 and an associate professor in August 2006. He served as a tutor of doctoral students from September 2010, a tutor of master's degree students from September 2005 and a lecturer from August 2004 in the School of Economics of Xiamen University. From January 2006 to June 2006, he was a visiting scholar of the Department of Economics of the University of California, San Diego. Mr. Wang graduated from Xiamen University with a bachelor's degree in Economics in 1998, a master's degree in Economics in 2001 and a doctor's degree in Economics in 2004.

13. MISCELLANEOUS

- (a) As at the Latest Practicable Date, there was no restriction affecting the remittance of profit or repatriation of capital of the Company into Hong Kong from outside Hong Kong.
- (b) In the event of inconsistency, the English texts of this Prospectus shall prevail over the Chinese texts thereof.

14. EXPENSES

The expenses in connection with the Open Offer, including financial advisory fees, underwriting commission, printing, registration, translation, legal and accountancy charges are estimated to be approximately HK\$1.6 million, which are payable by the Company.

15. LEGAL EFFECT

The Prospectus Documents and all acceptances of any offer or application contained in such documents are governed by and shall be construed in accordance with the laws of Hong Kong. When an acceptance or application is made in pursuance of any such documents, the relevant document(s) shall have the effect of rendering all persons concerned bound by the

provisions (other than the penal provisions) of Sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong).

16. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

A copy of each of the Prospectus Documents, having attached thereto the written consent referred to in the sub-section headed “Experts and consents” in this Appendix, have been registered by the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong).

17. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours (i.e. from 9:30 a.m. to 6:00 p.m. on Monday to Friday) at the principal place of business of the Company in Hong Kong at Workshop 6, Level 1, Wah Yiu Industrial Centre 30-32 Au Pui Wan Street Fotan, Shatin, New Territories, Hong Kong on any weekday other than public holidays, up to and including the Latest Time for Acceptance:

- (a) the memorandum and articles of association of the Company;
- (b) the annual reports of the Company for the three financial years ended 31 December 2013, 2014 and 2015 and the interim results announcement of the Company for the six months ended 30 June 2016;
- (c) the written letters of consent referred to in the sub-section headed “Experts and consents” in this Appendix;
- (d) the report from Anda on the unaudited pro forma financial information of the Group as set out in Appendix II to this Prospectus;
- (e) the material contracts disclosed in the sub-section headed “Material contracts” in this Appendix;
- (f) the letter summarising certain aspects of the Companies Law prepared by Appleby, the text of which is set out in Appendix III to this Prospectus and a copy of the Companies Law;
- (g) the Circular; and
- (h) the Prospectus Documents.