
RELATIONSHIP WITH CONTROLLING SHAREHOLDERS

NON-COMPETITION UNDERTAKING

Each of our Controlling Shareholders has confirmed that other than their interest in our Group, none of them is engaged in, or interested in any business which, directly or indirectly, competes or may compete with our business. In accordance with the non-competition undertakings set out in the deed of non-competition dated 30 December 2008, each of our Controlling Shareholders has undertaken to our Company (for itself and on behalf of its subsidiaries) that during the period commencing from the Listing Date and ending on the occurrence of the earliest of (i) the day on which our Shares cease to be listed on the Stock Exchange or other recognized stock exchange; (ii) the day on which the Controlling Shareholders cease to be interested in 30% or more of the entire issued share capital of our Company; or (iii) the day on which the Controlling Shareholders beneficially own or are interested in the entire issued share capital of our Company:

- in relation to Mr. Liu Hongwei, Mr. Sun Jinli, Mr. Xie Wen, Mr. Xiong Shi, Mr. Zhuo Jianming, Mr. Li Huizhong and Ms. Jing Renying only, each of them will not and will procure that none of their respective associates, spouse and children under the age of 18 and persons to whom the Controlling Shareholders provide financial assistance to set up and operate business (the “Controlled Persons”) or, in relation to all the Controlling Shareholders, any companies controlled, whether directly or indirectly, by them (the “Controlled Companies”) will, except through his/its interests in our Company, whether as principal or agent and whether undertaken directly or indirectly through any body corporate, partnership, joint venture or other contractual arrangement and whether for profit or otherwise, participate, acquire or hold any right or interest or otherwise be interested, involved or engaged in or concerned with, directly or indirectly, any business which is in any respect in competition with or similar to or is likely to be in competition with the business of our Group as described in this prospectus including, but not limited to, the design, fabrication and installation of conventional curtain walls and BIPV systems, production and sale of solar power products and any other business from time to time conducted by any member of our Group or in which any member of our Group is engaged or has invested or which our Group has otherwise publicly announced its intention to enter into, engage in or invest in (whether as principal or agent and whether undertaken directly or through any body corporate, partnership, joint venture, or other contractual or other arrangement), within any of the territories where our Group carries and/or will carry on business from time to time (“Restricted Business”).
- if they and/or any of their respective associates, and/or any of the Controlled Persons and/or any of the Controlled Companies is offered or becomes aware of any business opportunity directly or indirectly to engage or become interested in a Restricted Business, he/it:
 - (a) shall promptly notify our Company in writing and refer such business opportunity to our Company for consideration and provide such information as may be reasonably required by our Company in order to make an informed assessment of such business opportunity; and

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- (b) shall not, and procure that his/its associates and/or Controlled Persons and/or Controlled Companies shall not, invest or participate in any such project or business opportunity unless such project or business opportunity shall have been rejected by our Company and the principal terms of which the Controlling Shareholders or his/its associates and/or Controlled Persons and/or Controlled Companies invest or participate are no more favourable than those made available to our Company.

Our Controlling Shareholders further undertake that they will not and will procure that none of their respective associates and/or the Controlled Persons and/or the Controlled Companies shall:

- at any time induce or attempt to induce any director, manager or employee or consultant of any member of our Group to terminate his or her employment or consultancy (as appropriate) with our Group, whether or not such act of that person would constitute a breach of that person's contract of employment or consultancy (as appropriate);
- at any time employ any person who has been a director, manager, employee of or consultant to any member of our Group who is or may be likely to be in possession of any confidential information or trade secrets relating to the Restricted Business; or
- alone or jointly with any other person, or as manager, advisor, consultant, employee or agent for or shareholder in any person, firm or company, in competition with any member of our Group, canvass, or solicit or accept orders from or do business with any person with whom any member of our Group has done business or solicit or persuade any person who has dealt with our Group or is in the process of negotiating with our Group in relation to the Restricted Business to cease to deal with our Group or reduce the amount of business which the person would normally do with our Group or seek to improve their terms of trade with any member of our Group.

Our Controlling Shareholders further undertake, jointly and severally, to indemnify and keep indemnified our Group against any damage, loss or liability suffered by our Group arising out of or in connection with any breach of covenants and undertakings and/or any of the obligations of our Controlling Shareholders under the deed of non-competition, including any costs and expenses incurred as a result of such breach.

The decision-making process in relation to the deed of non-competition will be governed and monitored as follows:

- (a) Our independent non-executive Directors will be responsible for deciding, without attendance by any executive Director (except as invited by our independent non-executive Directors to assist them or provide any relevant information but in no circumstances shall the executive Director(s) participating in such meeting be

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counted towards the quorum or allowed to vote on such meeting), whether or not to take up a new business opportunity referred to us under the terms of the deed of non-competition.

- (b) Our independent non-executive Directors may employ an independent financial advisor as they consider necessary to advise them on the terms of any such new business opportunity or the options.
- (c) Our Controlling Shareholders will undertake to keep us informed of new business opportunities and to provide all information reasonably required by the independent non-executive Directors to assist them in their consideration of any new business opportunity.
- (d) Our independent non-executive Directors will also review, on an annual basis, any decisions in relation to new business opportunities referred to us, and state their views with basis and reasons in our annual report.

In the event that our Company decides not to proceed with any particular projects or business opportunities and that our Controlling Shareholders or his/its Controlled Persons and/or Controlled Companies decides to proceed with such a project or business opportunity, we will announce such decision by way of an announcement setting out therein the basis for us not taking the project or the business opportunity.

INDEPENDENCE FROM CONTROLLING SHAREHOLDERS

Management independence

The Board comprises three executive Directors, two non-executive Directors and three independent non-executive Directors. Our executive Directors, namely Mr. Liu Hongwei, Mr. Sun Jinli and Mr. Xie Wen, are also the Controlling Shareholders. Each of our Directors is aware of his fiduciary duties as a Director which require, among others, that he must act for the benefits and in the best interests of our Company and does not allow any conflict between his duties as a Director and his personal interest.

If there is any potential conflict of interest arising out of any transactions to be entered into between our Group and our Directors or their respective associates, the interested Director shall abstain from voting at the relevant board meetings of our Company in respect of such transactions and shall not be counted in the quorum.

Mr. Liu Hongwei, Mr. Sun Jinli and Mr. Xie Wen are directors of Strong Eagle which is also a corporate Controlling Shareholder. Since Strong Eagle has no business other than holding its shareholding interests in our Company, our Directors do not consider that there is any issue in relation to management independence arising from overlapping of Directors between our Company and Strong Eagle.

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Having considered the above factors as well as the non-competition undertakings made by the Controlling Shareholders in favour of our Company, our Directors are satisfied that they are able to perform their roles in our Company independently and are of the view that they are capable of managing the business of our Company independently after the Listing.

Operational independence

Although the Controlling Shareholders will retain a controlling interest in our Company after the Listing, the board of Directors has full rights to make all decisions on, and to carry out, our own business operations independently. Although Mr. Liu Hongwei, Mr. Sun Jinli and Mr. Xie Wen, being the Controlling Shareholders of our Company, are executive Directors, our Company has our own management team, of which most members are independent of the Controlling Shareholders (save for Mr. Xiong Shi, being our chief engineer, and Mr. Zhuo Jianming, being the deputy general manager of Zhuhai Singyes), have served our Company or its subsidiaries for a substantial period of time and have substantial experience in the industry in which our Company is engaged. Moreover, our Company (through its subsidiaries) holds all relevant licenses necessary to carry on our businesses, and has sufficient capital, equipment and employees to operate our business independently from our Controlling Shareholders.

Our Group has independent access to sources of customers and suppliers. Our Group has also established a set of internal control procedures which facilitate the effective operation of our Group's business. As mentioned in the sub-paragraph headed "Management independence" above, since Strong Eagle has no business other than holding its respective shareholding interests in our Company, the corporate Controlling Shareholders had not shared any common facilities or resources during the Track Record Period and up to the Latest Practicable Date.

Our Directors currently do not expect that following the Listing, there will be any business transactions between our Company and the Controlling Shareholders and their respective associates save for the continuing connected transactions as disclosed in the section headed "Connected Transactions" in this prospectus. Our Company confirms that we will fully comply with Chapter 14A of the Listing Rules if any connected transactions arise in the future.

Financial independence

Our Group has our own financial management system, internal control and accounting systems, accounting and finance department, independent treasury function for cash receipts and payments and the ability to operate independently from our Controlling Shareholders from a financial perspective.

As at 30 June 2008, there were amounts due from our Controlling Shareholders and their associates and the details are set out in Note 33 to the Accountants' Report in Appendix I to this prospectus. Our Directors confirm that the amounts due from our Controlling Shareholders and their associates as at 30 June 2008 have been fully settled as at the Latest Practicable Date.

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Further, as at 31 December 2007, there were guarantees provided by Strong Eagle and the details were set out in Note 33 to the Accountants' Report in Appendix I to this prospectus. Our Directors confirm that the guarantees provided by Strong Eagle as at 31 December 2007 have been released as at the Latest Practicable Date. Our Directors confirm that there will be no guarantee provided to our Group by our Controlling Shareholders and their associates after the Listing.

Our Directors are of the view that our Group is capable of obtaining financing from external sources without reliance on our Controlling Shareholders after the Listing. Therefore, there is no financial dependence on the Controlling Shareholders.

CORPORATE GOVERNANCE MEASURES

Our Company will adopt the following measures to ensure good corporate governance practices and to improve transparency after the Listing:

- (i) the independent non-executive Directors would review, on an annual basis, the compliance with the non-competition undertakings by our Controlling Shareholders, the options, pre-emptive rights or first rights of refusals provided by our Controlling Shareholders on their existing or future competing businesses;
- (ii) our Controlling Shareholders undertake to provide all information necessary for the annual review by our independent non-executive Directors and the enforcement of the non-competition undertakings;
- (iii) our Company will disclose decisions on matters reviewed by our independent non-executive Directors relating to the compliance and enforcement of the non-competition undertakings (e.g. the exercise of options or first right of refusals) in our annual reports; and
- (iv) our Controlling Shareholders will make an annual declaration on their compliance with the non-competition undertakings in the annual report of our Company.