

FURTHER INFORMATION ABOUT OUR COMPANY AND ITS SUBSIDIARIES**Incorporation**

Our Company was incorporated in Bermuda under the Bermuda Companies Act as an exempted company with limited liability on 24 October 2003 under the name “China Singyes Holding Limited”. On 28 May 2008, it changed its name to China Singyes Green Building Engineering Limited (中國興業綠色建築工程有限公司). On 15 August 2008, it further changed its name to China Singyes Solar Technologies Holdings Limited (中國興業太陽能技術控股有限公司).

We have been registered as a non-Hong Kong company under Part XI of the Hong Kong Companies Ordinance on 29 August 2008 and our principal place of business in Hong Kong is at 41/F, Bank of China Tower, 1 Garden Road, Central, Hong Kong.

Mr. Yu Chou Man, Jimmy has been appointed as an agent of our Company for the acceptance of service of process and notices in Hong Kong. The address for service of process for us in Hong Kong is Flat D, 19th Floor, Hong Fook Court, Bedford Gardens, 153 Tin Hau Temple Road, North Point, Hong Kong.

As our Company is incorporated in Bermuda, it operates subject to the Bermuda Companies Act and to its constitution, which comprises the Memorandum of Association and the Bye-laws. A summary of certain provisions of its constitution and relevant aspects of the Bermuda Companies Act is set out in Appendix V to this prospectus.

Changes in share capital

- (a) As at the date of incorporation on 24 October 2003, we had an authorized share capital of US\$12,000 comprising 1,200,000 Shares of US\$0.01 each.
- (b) On 13 November 2003, 1,068,000 Shares were allotted and issued nil-paid to Mr. Liu Hongwei and 132,000 Shares were allotted and issued nil-paid to Mr. Xu Wu.
- (c) On 20 May 2004, the 1,200,000 Shares mentioned in (b) above were credited as fully paid, and Mr. Liu Hongwei transferred 900,000 Shares, 72,000 Shares and 96,000 Shares to Strong Eagle, Raton Race and Mr. Cheng Zhen, respectively.
- (d) On 7 June 2007, we increased our authorized share capital from US\$12,000 divided into 1,200,000 Shares of US\$0.01 each to US\$12,664.96 divided into 1,266,496 Shares of US\$0.01 each. On the same day, 66,496 Shares credited as fully paid were allotted and issued to Cathy Way.
- (e) On 20 August 2007, we increased our authorized share capital from US\$12,664.96 divided into 1,266,496 Shares of US\$0.01 each to US\$14,352.95 divided into 1,435,295 Shares of US\$0.01 each.
- (f) On 23 August 2007, 30,691 Shares, 71,612 Shares and 66,496 Shares credited as fully paid were allotted and issued to New Wave, China Venture and SIIS Investment (No.13), respectively.

- (g) On 23 April 2008, we increased our authorized share capital from US\$14,352.95 divided into 1,435,295 Shares of US\$0.01 each to US\$15,045.02 divided into 1,504,502 Shares of US\$0.01 each.
- (h) On 24 April 2008, 33,642 Shares, 25,952 Shares, 5,767 Shares and 3,846 Shares credited as fully paid were allotted and issued to IP Cathay, Asset & Ashe, Hua VII and VGC I, respectively.
- (i) Pursuant to written resolutions of the Shareholders passed on 19 December 2008, the authorized share capital of our Company was increased from US\$15,045.02 divided into 1,504,502 Shares of US\$0.01 each to US\$12,000,000 divided into 1,200,000,000 Shares of US\$0.01 each by the creation of an additional 1,198,495,498 Shares, such new Shares ranking pari passu in all respects with the then existing Shares.
- (j) Assuming that the Global Offering and the Capitalization Issue become unconditional and the relevant Shares are issued without taking into account any Shares which may be issued upon exercise of any options which may be granted under the Share Option Scheme, the authorized share capital of our Company will be US\$12,000,000 divided into 1,200,000,000 Shares, of which 428,000,000 Shares will be issued fully paid or credited as fully paid, and 772,000,000 Shares will remain unissued.
- (k) Save as aforesaid and as disclosed in the paragraphs headed “Written resolutions of our Shareholders passed on 19 December 2008” and “Reorganisation” below, there has been no alteration in the share capital of our Company since our incorporation.

Written resolutions of our Shareholders passed on 19 December 2008

On 19 December 2008, resolutions of the Shareholders were passed pursuant to which, inter alia:

- (a) the authorized share capital of our Company was increased from US\$15,045.02 divided into 1,504,502 Shares of US\$0.01 each to US\$12,000,000 divided into 1,200,000,000 Shares of US\$0.01 each by the creation of an additional 1,198,495,498 Shares;
- (b) our Company approved and adopted the Bye-laws;
- (c) conditional upon all conditions set out in the section headed “Structure of the Global Offering” in this prospectus:
 - (i) the Global Offering was approved and our Directors were authorised to allot and issue the new Shares pursuant to the Global Offering;
 - (ii) the rules of the Share Option Scheme were conditionally approved and adopted and our Directors were authorised, at their absolute discretion, to grant options to subscribe for Shares under the Share Option Scheme and to allot, issue and deal with Shares issued pursuant thereunder and to take all

such steps as they consider necessary or desirable to implement the Share Option Scheme and to vote on any matter connected therewith notwithstanding that they or any of them may be interested in the same; and

- (iii) conditional on the share premium account of our Company being credited as a result of the Global Offering, our Directors were authorised to capitalise US\$3,664,954.98 standing to the credit of the share premium account of our Company by applying such sum in paying up in full at par 366,495,498 Shares for allotment and issue to the persons whose names appear on the register of members of our Company as at the date of this prospectus (or as they may direct) in proportion (as nearly as possible without involving fractions) to their then existing shareholdings in our Company;
- (d) a general unconditional mandate was given to our Directors to allot, issue and deal with, otherwise than by way of rights issue, issue of Shares upon the exercise of options which may be granted under the Share Option Scheme or similar arrangement, scrip dividend schemes or similar arrangements in accordance with the Bye-laws, or under the Global Offering or the Capitalization Issue, Shares with an aggregate nominal value of not exceeding the sum of 20% of the aggregate nominal value of the share capital of our Company in issue immediately following the completion of the Global Offering and the Capitalization Issue (without taking into account any Shares falling to be issued pursuant to the exercise of any options granted under the Share Option Scheme) until the conclusion of the next annual general meeting of our Company, or the expiration of the period within which the next annual general meeting of our Company is required by the Bye-laws or any applicable laws to be held, or the passing of a resolution by the Shareholders revoking or varying the authority given to our Directors, whichever occurs first;
- (e) a general unconditional mandate (“Repurchase Mandate”) was given to our Directors to exercise all powers for and on behalf of our Company to purchase Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and which is recognised by the SFC and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Listing Rules or of any other stock exchange as amended from time to time with an aggregate nominal amount of not exceeding 10% of the aggregate nominal amount of the share capital of our Company in issue immediately following completion of the Global Offering and the Capitalization Issue (without taking into account any Shares falling to be issued pursuant to the exercise of any options granted under the Share Option Scheme) until the conclusion of the next annual general meeting of our Company, or the expiration of the period within which the next annual general meeting of our Company is required by the Bye-laws or any applicable laws to be held, or the passing of a resolution by our Shareholders revoking or varying the authority given to our Directors, whichever occurs first; and

- (f) the general unconditional mandate referred to in paragraph (d) above be extended by the addition to the aggregate nominal amount of the share capital of our Company which may be allotted or agreed conditionally or unconditionally to be allotted by our Directors pursuant to such unconditional general mandate of an amount representing the aggregate nominal amount of the Shares purchased by our Company pursuant to the Repurchase Mandate provided that such extended amount shall not exceed 10% of the aggregate nominal value of the issued share capital of our Company immediately following completion of the Global Offering and the Capitalisation Issue but excluding any Shares that may be issued pursuant to the exercise of any options granted under the Share Option Scheme.

Reorganisation

The companies comprising our Group underwent the Reorganisation described below in preparation for the listing of our Shares on the Stock Exchange:

- (a) On 18 March 2008, our Company, Hi-Way as assignor, and IP Cathay, Hua VII, and VGC I as assignees entered into an agreement of loan assignment (“Agreement of Loan Assignment”) pursuant to which (a) Hi-Way has agreed to terminate the Hi-Way Secured Note, (b) our Company has agreed to issue three new notes respectively in favour of IP Cathay, Hua VII, and VGC I for the respective principal amounts of US\$388,900 (equivalent to approximately RMB2,708,411), US\$66,650 (equivalent to approximately RMB464,170), and US\$44,450 (equivalent to approximately RMB309,563) (“New Notes”) but otherwise in substantially the same terms as the Hi-Way Secured Note, and (c) IP Cathay, Hua VII and VGC I have agreed to pay the respective sums of US\$684,464 (equivalent to approximately RMB4,766,803), US\$117,304 (equivalent to approximately RMB816,939), and US\$78,232 (equivalent to approximately RMB544,830) to Hi-Way.
- (b) On 21 March 2008, our Company, Cathy Way, Strong Eagle, Raton Race, Cheng Zhen, Xu Wu, SIIS Investment (No.13), New Wave, and China Venture, as transferors; and IP Cathay, Asset & Ashe, Hua VII, and VGC I, as transferees entered into the Share Transfer Agreement, pursuant to which it was agreed that the following transfers would take place at the consideration of approximately US\$118 (equivalent to approximately RMB821.8) per Share:
- 1) Cathy Way would transfer 14,437 Shares to IP Cathay;
 - 2) Strong Eagle would transfer 17,764 Shares to IP Cathay, 58,866 Shares to Asset & Ashe, 13,081 Shares to Hua VII, and 8,721 Shares to VGC I;
 - 3) Raton Race would transfer 7,874 Shares to IP Cathay,
 - 4) Cheng Zhen would transfer 10,499 Shares to IP Cathay,
 - 5) Xu Wu would transfer 7,273 Shares to IP Cathay;

- 6) SIIS Investment (No. 13) would transfer 7,272 Shares to IP Cathay,
 - 7) New Wave would transfer 3,357 Shares to IP Cathay, and
 - 8) China Venture would transfer 7,832 Shares to IP Cathay.
- (c) On 21 March 2008, our Company and the Senior Lenders entered into the Secured Notes Restructuring Agreement, pursuant to which it was agreed that:
- 1) the Note Purchase Agreement be cancelled;
 - 2) the Guarantee be released and discharged;
 - 3) the Share Charges be released;
 - 4) the Secured Notes and New Notes be cancelled;
 - 5) the Senior Lenders' rights in relation the Intercreditor Agreement be waived and released by the Senior Lenders; and
 - 6) IP Cathay be issued with 33,642 Shares at a price of approximately US\$118 (equivalent to approximately RMB821.8) per Share; Asset & Ashe be issued with 25,952 Shares at a price of approximately US\$118 (equivalent to approximately RMB821.8) per Share; Hua VII be issued with 5,767 Shares at a price of approximately US\$118 (equivalent to approximately RMB821.8) per Share; VGC I be issued with 3,846 Shares at a price of approximately US\$118 (equivalent to approximately RMB821.8) per Share.

Change in the share capital of our subsidiaries

The following alterations in the share capital or registered capital of subsidiaries of our Company took place within the two years immediately preceding the date of this prospectus:

(a) *Zhuhai Singyes*

The registered capital of Zhuhai Singyes was increased from US\$2,720,000 to US\$8,000,000 on 17 March 2008, US\$4,500,000 of which has been paid up and the remaining US\$3,500,000 is to be paid up by 7 March 2010.

(b) *Singyes Renewable Energy*

On 11 October 2007, Singyes Renewable Energy was established as a Sino-foreign equity joint venture by Zhuhai Singyes and Innofast Investments. At the time of establishment, Singyes Renewable Energy has a registered capital of US\$2,500,000 (equivalent to approximately RMB17,410,714).

Save as aforesaid and those set out in the section headed Reorganisation above, there has been no change in the share capital or registered capital of subsidiaries of our Company within the two years immediately preceding the date of this prospectus.

Particulars of PRC subsidiaries

Our Group has interests in a number of PRC subsidiaries. Set out below is a summary of the corporate information of these PRC subsidiaries:

(a) *Zhuhai Singyes:*

Date of Establishment:	21 August 1995
Place of Establishment:	Zhuhai, The PRC
Nature:	Sino-foreign equity joint venture
Scope of Business:	design, manufacture and installation of curtain wall work, metal door and window work, steel structure work, furnishment and decoration work; manufacture and sale of high-grade environmental decoration and maintenance materials (without dangerous chemicals) and thin-film PV panels (設計、製造、安裝建築幕牆工程，金屬門窗工程，鋼結構工程，裝飾裝修工程；生產和銷售高檔環保裝飾裝修材料(不含危險化學品)、薄膜光伏板)
Number of Directors:	3
Registered Capital:	US\$8,000,000 (US\$4,500,000 has been paid up, the remaining US\$3,500,000 is to be paid up by 7 March 2010)
Shareholders:	Innofast Investments, 75% equity interest; Liu Hongwei, 21.43% equity interest; and Sun Jinli, 3.57% equity interest
Term of Business Licence:	20 years (21 August 1995 to 21 August 2015)

(b) *Singyes Renewable Energy:*

Date of Establishment:	11 October 2007
Place of Establishment:	Zhuhai, The PRC
Nature:	Sino-foreign equity joint venture
Scope of Business:	research and development of technologies relating to the utilization of solar energy and wind energy and the related technical services (從事太陽能、風能利用技術的研發及其技術服務)
Number of Directors:	3
Registered Capital:	US\$2,500,000 (fully and timely paid up)
Shareholders:	Innofast Investments, 75% interest; Zhuhai Singyes, 25% interest

Term of Business Licence: 20 years (11 October 2007 to 11 October 2027)

Repurchase by our Company of its own securities

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

A. *Regulations of the Listing Rules*

(a) *Shareholders' approval*

The Listing Rules provide that all on-market repurchases of securities by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a specific approval in relation to specific transactions or by a general mandate to our Directors to make such repurchases.

Note: Pursuant to resolutions in writing passed by all our Shareholders on 19 December 2008, a general unconditional mandate (the "Repurchase Mandate") was given to our Directors authorizing them to exercise all powers of our Company to repurchase our Shares on the Stock Exchange or on any other stock exchange on which our Shares may be listed and which is recognized by the SFC and the Stock Exchange for this purpose, of not more than 10% of the aggregate nominal amount of the share capital of our Company in issue and to be issued immediately following the completion of the Global Offering and the Capitalization Issue, such mandate to expire at the conclusion of the next annual general meeting of our Company, or the date by which the next annual general meeting of our Company is required by any applicable laws or the Bye-laws to be held, or the passing of an ordinary resolution by our Shareholders in general meeting revoking or varying the authority given to our Directors, whichever occurs first.

(b) *Source of Funds*

Repurchases must be paid out of funds legally available for such purpose in accordance with our Bye-laws. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

(c) *Trading Restrictions*

The shares proposed to be repurchased by a company must be fully paid up. A maximum of 10% of the aggregate nominal amount of the share capital of our Company in issue following the completion of the Global Offering may be repurchased on the Stock Exchange. A company may not issue or announce a proposed issue of new shares for a period of 30 days immediately following a repurchase (other than an issue of securities pursuant to an exercise of warrants, share options or similar instruments which were outstanding prior to such repurchase) without the prior approval of the Stock Exchange. A company shall not repurchase shares on the Stock Exchange if the purchase price is higher by

5% or more than the average closing market price for the five preceding trading days. The Listing Rules also prohibit a listed company from repurchasing its securities on the Stock Exchange if the repurchase would result in the number of that company's listed securities which are in the hands of the public falling below the relevant prescribed minimum percentage as required by the Listing Rules.

(d) Status of Repurchased Securities

The listing of all repurchased securities will be automatically cancelled upon purchase and the certificates for those securities must be cancelled and destroyed.

(e) Suspension of Repurchase

A company may not repurchase securities at any time after a price sensitive development has occurred or has been the subject of a decision until such time as the price sensitive information is made publicly available. In particular, a company may not repurchase securities on the Stock Exchange, unless the circumstances are exceptional, during the period of one month immediately preceding the earlier of: (i) the date of the board meeting (as such date is first notified to the Stock Exchange) for the approval of our Company's results for any year, half-year, quarterly or any other interim period; and (ii) the deadline for our Company to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period and ending on the date of the results to announcement. In addition, the Stock Exchange reserves the right to prohibit repurchases of securities on the Stock Exchange if a company has committed a breach of the Listing Rules.

(f) Procedural and Reporting Requirements

Repurchases of securities on the Stock Exchange or otherwise must be reported to the Stock Exchange not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the business day following any day on which we make a purchase of shares. In addition, a company's annual report is required to disclose details regarding repurchases of securities made during the year including the number of securities repurchased each month, the repurchase price for each such securities or the higher and lowest price paid for each repurchase where relevant, and the aggregate price paid for such purchases and the reasons of our Directors for making such repurchases. A company shall procure that any broker appointed by our Company to effect the repurchase of securities shall disclose to the Stock Exchange such information with respect to repurchases made on behalf of that company as the Stock Exchange may request.

(g) Connected parties

The Listing Rules prohibit a company from knowingly purchasing securities on the Stock Exchange from a connected person (as defined in the Listing Rules) and a connected person is prohibited from knowingly selling his/her securities to

our Company. No connected persons (as defined in the Listing Rules) of our Company have notified us of a present intention to sell securities to our Company and no such persons have undertaken not to sell any such securities to our Company in the event that the Repurchase Mandate is granted by the shareholders.

B. Exercise of Repurchase Mandate

Exercise in full of the Repurchase Mandate, on the basis of 428,000,000 Shares in issue immediately after the completion of the Global Offering and the Capitalization Issue, could accordingly result in up to 42,800,000 Shares which are fully paid, being repurchased by our Company during the period until (i) the conclusion of the next annual general meeting of our Company; (ii) the expiration of the period within which the next annual general meeting of our Company is required by the Bye-laws or any applicable law to be held; or (iii) the date on which the Repurchase Mandate is revoked or varied by an ordinary resolution of our Shareholders in general meeting, whichever occurs first.

C. Reasons for repurchases

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

D. Funding of repurchases

In repurchasing Shares, our Company may only apply funds legally available for such purpose in accordance with the Memorandum of Association and Bye-laws and the applicable laws and regulations of Bermuda. Pursuant to the Repurchase Mandate, purchases may only be effected out of the capital paid up on the purchase shares or out of the funds of our Company otherwise available for dividend or distribution or out of the proceeds of a fresh issue of shares made for the purpose. Any premium payable on a purchase over the par value of the shares to be purchased must be provided for out of funds of the company otherwise available for dividend or distribution or out of our Company's share premium account before the shares are repurchased.

E. Impact on repurchases

There may be a material adverse impact on the working capital or gearing position of our Company (as compared with the position disclosed in this prospectus) in the event that the Repurchase Mandate is exercised in full. However, our Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the

circumstances, have a material adverse effect on the working capital of our Company or its gearing position which in the opinion of our Directors are from time to time appropriate for our Company.

F. Share repurchases made by our Company

No repurchase of Shares has been made by our Company since its incorporation.

G. General

None of our Directors nor, to the best of their knowledge, having made all reasonable enquiries, any of their respective associates, has any present intention, in the event that the Repurchase Mandate is granted by the shareholders, to sell any Shares to our Company. Our Directors have undertaken to the Stock Exchange to exercise the power of our Company to make repurchases pursuant to the Repurchase Mandate only in accordance with the Listing Rules and the laws of Bermuda.

H. Takeovers Code

If as a result of a repurchase of Shares, a Shareholders' proportionate interest in the voting rights of our Company increases, such increase will be treated as an acquisition for the purpose of the Hong Kong Code on Takeovers and Mergers (the "Takeovers Code"). As a result, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code) depending on the level of increase in the interest of the Shareholder(s), could obtain or consolidate control of our Company and may become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code as a result of a repurchase of Shares made immediately after the listing of the Shares on the Stock Exchange.

Save as aforesaid, our Directors are not aware of any other consequence under the Takeovers Code as a result of a repurchase of Shares made immediately after the listing of the Shares.

FURTHER INFORMATION ABOUT OUR BUSINESS

Summary of material contracts

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

- (1) a composite agreement dated 4 June 2007 between Fortune Ideal, Cathy Way, Liu Hongwei and our Company pursuant to which it was agreed, among others, that Fortune Ideal shall assign all rights and benefits under the Fortune Ideal Loan Agreement to Cathy Way subject to the terms and conditions therein contained;

- (2) a supplemental agreement dated 22 June 2007 between Fortune Ideal, Cathy Way, Liu Hongwei and our Company pursuant to which it was agreed, among other things, that all references to the sum of US\$589,354.00 under the composite agreement dated 4 June 2007 between Fortune Ideal, Cathy Way, Liu Hongwei and our Company as referred in sub-paragraph (1) above shall be deemed to be references to the sum of US\$590,564.00 instead;
- (3) A note purchase agreement dated 5 July 2007 between (1) IP Cathay, Asset & Ashe, Hua VII, VGC I and Hi-Way collectively, as investors, (2) Innofast Investments, (3) Zhuhai Singyes, (4) Liu Hongwei, Sun Jinli, Xie Wen, Strong Eagle as founders, and (5) our Company pursuant to which the investors have agreed to subscribe for secured promissory notes in the aggregate principal amount of US\$8,000,000 (equivalent to approximately RMB55,700,000) issued by our Company;
- (4) an intercreditor agreement dated 5 July 2007 between (1) SIIS Investment (No. 13), Top Prestige and China Venture collectively, as junior lenders, (2) IP Cathay, Asset & Ashe, Hua VII, VGC I, and Hi-Way collectively, as senior lenders, (3) Strong Eagle and (4) our Company pursuant to which, among others, relative priority was provided to the Senior Loans, the SIIS Investment (No. 13) Loan, the Top Prestige Loan, and the China Venture Loan and the respective security documents subject to the terms and conditions therein contained;
- (5) an indemnification agreement dated 5 July 2007 between our Company and Lin Xiaofeng pursuant to which, among others, our Company shall indemnify Lin Xiaofeng for any legal claim by reason of any event or occurrence related to the fact that Lin Xiaofeng is or was a director, officer, employee, agent or fiduciary of our Group against any and all costs and expenses actually and reasonably incurred;
- (6) an indemnification agreement dated 5 July 2007 between our Company and York Chen pursuant to which, among others, our Company shall indemnify York Chen for any legal claim by reason of any event or occurrence related to the fact that York Chen is or was a director, officer, employee, agent or fiduciary of our Group against any and all costs and expenses actually and reasonably incurred;
- (7) a composite document dated 10 August 2007 between Top Prestige, New Wave, Liu Hongwei and our Company pursuant to which Top Prestige assigned all its rights and benefits in respect of the Top Prestige Loan Agreement to New Wave subject to the terms and conditions therein contained;
- (8) an equity transfer agreement dated 15 October 2007 as between Cameste as the transferor and our Company as the transferee pursuant to which it was agreed that Cameste would transfer its 13% interest in Weihai China to our Company, at the consideration of our Company injecting US\$1,300,000 (equivalent to approximately RMB9,050,000) into Weihai China which Cameste was obliged to do so, subject to the terms and conditions therein contained;

- (9) a letter of intent dated 8 January 2008 between Bluestar Glass, Cameste, Zhuhai Singyes and our Company pursuant to which it was agreed that the 20% interests in Weihai China being the subject matter of the share transfer agreement dated 27 May 2005 between Bluestar Glass and Zhuhai Singyes be amended to 7% interests in Weihai China, and that the transfer of 7% interests in Weihai China from Bluestar Glass to Zhuhai Singyes be subject to the conditions contained therein;
- (10) a lease agreement dated 1 January 2008 between Zhuhai Singyes and Singyes Renewable Energy pursuant to which Zhuhai Singyes agreed to lease to Singyes Renewable Energy the property located at Room 201-204, 2nd Floor, No. 8 Hongda Road, Nanping Science and Technology Park, Zhuhai City, Guangdong Province, the PRC for a term commencing from 1 January 2008 and ending on 1 January 2010 at an annual rental of RMB5,376;
- (11) a deed of waiver and cancellation of indemnification agreement dated 18 March 2008 by Lin Xiaofeng in favour of our Company pursuant to which the indemnification agreement dated 5 July 2007 in favour of Lin Xiaofeng was of no further effect and be cancelled;
- (12) an agreement of loan assignment dated 18 March 2008 as between our Company; Hi-Way as the assignor and each of IP Cathay, Hua VII, and VGC I as the assignees, pursuant to which the rights and interests to the promissory note dated 5 July 2007 issued by our Company in favour of Hi-Way for the principal amount of US\$500,000 (equivalent to approximately RMB3,480,000) were terminated and cancelled and that new promissory notes in the aggregate amount of US\$500,000 (equivalent to approximately RMB3,480,000) are issued to IP Cathay, Hua VII and VGC I;
- (13) an ordinary share transfer agreement dated 21 March 2008 entered between our Company; Cathy Way, Strong Eagle, Raton Race, Cheng Zhen, Xu Wu, SIIIS Investment (No.13), New Wave, and China Venture, as transferors; and IP Cathay, Asset & Ashe, Hua VII, and VGC I, as transferees in respect of the transfer of an aggregate of 156,976 Shares at a price per Share of US\$117.76;
- (14) an agreement for (1) cancellation of US\$8 million (equivalent to approximately RMB55.7 million) secured promissory notes issued by our Company, and (2) subscription of ordinary shares in the capital of our Company dated 21 March 2008 between (1) our Company, and (2) IP Cathay, Asset & Ashe, Hua VII, VGC I, and Hi-Way;
- (15) a deed of waiver and cancellation of the note purchase agreement dated 24 April 2008 by each of IP Cathay, Asset & Ashe, Hua VII, VGC I, Hi-Way in favour of our Company, Innofast Investments, Zhuhai Singyes, Liu Hongwei, Sun Jinli, Xie Wen and Strong Eagle, pursuant to which, among others, the note purchase agreement dated 5 July 2007 was of no further effect;

- (16) a deed of cancellation of note dated 24 April 2008 by IP Cathay in favour of our Company pursuant to which the secured promissory notes in the principal amounts of US\$3,500,000 and US\$388,900 issued by our Company in favour of IP Cathay were of no further effect and be cancelled;
- (17) a deed of cancellation of note dated 24 April 2008 by Asset & Ashe in favour of our Company pursuant to which the secured promissory note issued by our Company in favour of Asset & Ashe in the principal amount of US\$3,000,000 was of no further effect and be cancelled;
- (18) a deed of cancellation of note dated 24 April 2008 by Hua VII in favour of our Company pursuant to which the secured promissory notes in the principal amounts of US\$600,000 and US\$66,650 issued by our Company in favour of Hua VII were of no further effect and be cancelled;
- (19) a deed of cancellation of note dated 24 April 2008 by VGC I in favour of our Company pursuant to which the secured promissory notes in the principal amounts of US\$400,000 and US\$44,450 issued by our Company in favour of VGC I were of no further effect and be cancelled;
- (20) a deed of cancellation of note dated 24 April 2008 by Hi-Way in favour of our Company pursuant to which the secured promissory note in the principal amount of US\$0.5 million issued by our Company in favour of Hi-Way should was of no further effect and be cancelled;
- (21) a deed of waiver and release of intercreditor agreement dated 24 April 2008 by IP Cathay, Asset & Ashe, Hua VII, VGC I, and Hi-Way in favour of our Company, SIIS Investment (No. 13), New Wave, China Venture and Strong Eagle, pursuant to which, among others, the intercreditor agreement dated 5 July 2007 was of no further effect and cancelled;
- (22) a deed of waiver and cancellation of indemnification agreement dated 24 April 2008 by York Chen in favour of our Company pursuant to which the indemnification agreement dated 5 July 2007 in favour of York Chen was of no further effect and be cancelled;
- (23) a trademark license agreement dated 20 May 2008 between Zhuhai Singyes and our Company pursuant to which Zhuhai Singyes agreed to grant to our Company and its subsidiaries a non-exclusive right to use the relevant trademark at a consideration of RMB1 for a term of three years;
- (24) a patent license agreement dated 23 May 2008 between Zhuhai Singyes as licensor and our Company as licensee pursuant to which Zhuhai Singyes agreed to grant to our Company and its subsidiaries a non-exclusive right to use the relevant patents at a consideration of RMB1 for a term of three years;

- (25) a patent license agreement dated 23 May 2008 between Zhuhai Singyes as licensor and Innofast Investments as licensee pursuant to which Zhuhai Singyes agreed to grant to Innofast Investments and its subsidiaries a non-exclusive right to use the relevant patents at a consideration of RMB1 for a term of three years;
- (26) a patent license agreement dated 23 May 2008 between Zhuhai Singyes as licensor and Singyes Renewable Energy as licensee pursuant to which Zhuhai Singyes agreed to grant to Singyes Renewable Energy and its subsidiaries a non-exclusive right to use the relevant patents at a consideration of RMB1 for a term of three years;
- (27) an escrow agreement dated 24 May 2008 between our Company, Asset & Ashe and Boughton Peterson Yang Anderson (the “Escrow Agent”) pursuant to which Asset & Ashe agreed to place its Shares with the Escrow Agent during the Lock Up Period (as defined therein) and our Company agreed to pay HK\$10,000 upon the signing of such agreement as the set up fee for the escrow arrangement and in addition the sum of HK\$3,000 for each year during the Lock Up Period (as defined therein) to the Escrow Agent;
- (28) an escrow agreement dated 24 May 2008 between our Company, Hua VII and the Escrow Agent pursuant to which Hua VII agreed to place its Shares with the Escrow Agent during the Lock Up Period (as defined therein) and our Company agreed to pay HK\$10,000 upon the signing of such agreement as the set up fee for the escrow arrangement and in addition the sum of HK\$3,000 for each year during the Lock Up Period (as defined therein) to the Escrow Agent;
- (29) an escrow agreement dated 24 May 2008 between our Company, IP Cathay and the Escrow Agent pursuant to which IP Cathay agreed to place its Shares with the Escrow Agent during the Lock Up Period (as defined therein) and our Company agreed to pay HK\$10,000 upon the signing of such agreement as the set up fee for the escrow arrangement and in addition the sum of HK\$3,000 for each year during the Lock Up Period (as defined therein) to the Escrow Agent;
- (30) an escrow agreement dated 24 May 2008 between our Company, VGC I and the Escrow Agent pursuant to which VGC I agreed to place its Shares in the Escrow Agent during the Lock Up Period (as defined therein) and our Company agreed to pay HK\$10,000 upon the signing of such agreement as the set up fee for the escrow arrangement and in addition to the sum of HK\$3,000 for each year during the Lock Up Period (as defined therein) to the Escrow Agent;
- (31) a termination agreement dated 18 July 2008 between Innofast Investments and Zhuhai Singyes pursuant to which the consultancy agreement dated 1 August 2004 was terminated with immediate effect;
- (32) a deed of indemnity dated 30 December 2008 given by our Controlling Shareholders (“Indemnifiers”) in favor of our Company (for itself and as trustee for its subsidiaries) under which the Indemnifiers have given certain indemnities


in favour of our Group containing, among other things, the indemnities referred to in the sub-paragraph headed “Deed of Indemnity” under the paragraph headed “Other information” in this Appendix;

- (33) a deed of non-competition dated 30 December 2008, details of which are set out in the paragraph headed “Non-Competition Undertakings” in the section headed “Relationship with Controlling Shareholders” in this prospectus; and
- (34) Hong Kong Public Offer Underwriting Agreement dated 30 December 2008.



Intellectual property

(a) Trademarks

- (i) As at the Latest Practicable Date, we were the registered owner of the following trademarks:

Trademark	Place of registration	Class	Registration number	Expiry date
	PRC	37	3230068	6 April 2014

- (ii) As at the Latest Practicable Date, we had applied for registration of the following trademarks:

Trademark	Place of registration	Class	Application number	Date of application
	Hong Kong	7,9,37,40 and 42	301116684	15 May 2008
	Hong Kong	7,9,37,40 and 42	301180133	13 August 2008

(b) Patents

- (i) As at the Latest Practicable Date, we were the registered owner of the following patents:

Patent	Place of registration	Patent number	Expiry date
(1) Detachable vacuum glass with electric blinds (可拆卸式電動內簾中空玻璃幕牆)	The PRC	ZL200520053801.0	24 January 2015
(2) Intelligent internal ventilation curtain wall (內循環智能呼吸幕牆)	The PRC	ZL200520058226.3	17 May 2015
(3) Modular double-layer curtain wall (組件式雙層幕牆)	The PRC	ZL200520058228.2	17 May 2015
(4) Compound assemble window frame connector (組合式組框連角器)	The PRC	ZL200520066132.0	26 October 2015
(5) a-Si BIPV (非晶硅光伏建築一體化)	The PRC	ZL200720049079.2	7 March 2017

	Patent	Place of registration	Patent number	Expiry date
(6)	Solar integrated grid power generation system (太陽能並網發電系統)	The PRC	ZL200720047808.0	25 January 2017

(ii) As at the Latest Practicable Date, we applied for registration of the following patents:

	Patent	Territory	Applicant	Application number	Application date
(1)	Single-panel heat insulation materials (單橋隔熱型材)	The PRC	Zhuhai Singyes	200520058227.8	17 May 2005
(2)	Ventilation aluminum transom curtain wall (橫梁通風玻璃幕牆) (Note 1)	The PRC	Zhuhai Singyes	200820045549.2	27 March 2008
(3)	High performance torsion-resistance system for stick curtain wall (框架幕牆用高效抗扭連接系統)	The PRC	Zhuhai Singyes	200820045547.3	27 March 2008
(4)	Single cable support stainless clamping curtain system (單索無孔點承玻璃幕牆系統) (Note 2)	The PRC	Zhuhai Singyes	200820045551.X	27 March 2008
(5)	BIPV frame support system (BIPV幕牆龍骨支撐體系) (Note 3)	The PRC	Zhuhai Singyes	200820045548.8	27 March 2008
(6)	Vertical overlapped aluminum alloy roof system intergrate with PV system (既有直立鎖邊屋面板便捷式光伏支撐系統)	The PRC	Zhuhai Singyes	200820045550.5	27 March 2008
(7)	A-Si solar charger and inverter facilities (非晶硅太陽能控制逆變一體機)	The PRC	Zhuhai Singyes	200820045810.9	1 April 2008
(8)	Heat pump boiler and photovoltaic complementation system (熱泵鍋爐與太陽能發電互補系統)	The PRC	Zhuhai Singyes	200820203063.7	10 November 2008
(9)	Photovoltaic itinerant inspection system (太陽能發電站電池板巡檢系統)	The PRC	Zhuhai Singyes	200820203064.1	10 November 2008

Note 1: Notice of approval has already been issued on 10 October 2008, pending issuance of the certificate of registration.

Note 2: Notice of approval has already been issued on 28 November 2008, pending issuance of the certificate of registration.

Note 3: Notice of approval has already been issued on 24 October 2008, pending issuance of the certificate of registration.

(c) Domain names

As at the Latest Practicable Date, we were the registered owner of the following domain names:

Domain name	Registrant	Date of registration	Date of expiration
zhsye.com	Zhuhai Singyes	3 December 2001	3 December 2011
syesolar.com	Singyes Renewable Energy	19 September 2007	19 September 2010

Our Subsidiaries

As at the Latest Practicable Date, the following companies comprised our Group:

Name of company	Place and date of incorporation/ establishment	Issued and fully paid share capital/ registered capital	Attributable equity interest of our Group	Principal activity
Innofast Investments	8 August 2001 Hong Kong	HK\$2.00 (fully paid up)	100%	Investment-holding company
Zhuhai Singyes	21 August 1995 The PRC	US\$8,000,000 (US\$4,500,000 has been paid up, the remaining US\$3,500,000 is to be paid up by 7 March 2010)	75% <i>(Note 1)</i>	design, manufacture and installation of curtain wall work, metal door and window work, steel structure work, furnishment and decoration work; manufacture and sale of high-grade environmental decoration and maintenance materials (without dangerous chemicals) and thin-film PV panels
Singyes Renewable Energy	11 October 2007 The PRC	US\$2,500,000 (fully paid up)	100% <i>(Note 2)</i>	research and development of technologies relating to the utilization of solar energy and wind energy and the related technical services

Note 1: Pursuant to the articles of associations of Zhuhai Singyes, the after-tax profits of Zhuhai Singyes, after making provisions for the mandatory funds as required under PRC law and subject to the approval by its board of directors, shall be distributed to its three shareholders as follows: (1) Mr. Liu Hongwei and Mr. Sun Jinli shall together be entitled to an annual fixed profit distribution in the amount of RMB100,000; and (2) the remaining profits shall be enjoyed by Innofast Investments.

Note 2: Singyes Renewable Energy is held by Innofast Investments and Zhuhai Singyes as to 75% and 25% respectively.

SHARE OPTION SCHEME**Summary of terms**

The following is a summary of the principal terms of the Share Option Scheme conditionally approved and adopted by the written resolutions of all the shareholders of our Company passed on 19 December 2008. Our Directors confirm that the terms of the Share Option Scheme comply with the requirements under Chapter 17 of the Listing Rules.

(a) Purpose

The purpose of the Share Option Scheme is to provide incentive or reward to Eligible Persons (as defined in paragraph (b) below) for their contribution to, and continuing efforts to promote the interests of, our Group and for such other purposes as the Board may approve from time to time.

(b) Who may join

The Board may, at its discretion, offer eligible persons (being any Directors or employees (whether full time or part time), consultant or advisors of our Group who in the sole discretion of the Board has contributed or will contribute to our Group) (the “Eligible Persons”) who the Board may in its absolute discretion select to subscribe for such number of Shares as the Board may determine at a subscription price determined in accordance with paragraph (e) below.

(c) Maximum number of Shares

The maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme(s) of our Company must not in aggregate exceed 10.0% of the Shares in issue, being 42,800,000 Shares as at the Listing Date. Options lapsed in accordance with the terms of such share option scheme(s) will not be counted for the purpose of the 10.0% limit. Subject to the issue of a circular by our Company and the approval of the Shareholders in general meeting and/or such other requirements prescribed under the Listing Rules from time to time, the Board may: (i) refresh this limit at any time up to 10.0% of the Shares in issue as at the date of the approval of the limit as refreshed by the Shareholders in general meeting (options previously granted under any share option schemes of our Company (including those outstanding, cancelled or lapsed in accordance with the relevant scheme rules or exercised options) shall not be counted for the purpose of calculating the limit as refreshed); and (ii) grant options beyond the 10.0% limit to Eligible Persons specifically identified by the Board whereupon our Company shall send a circular to the Shareholders containing, amongst others, a generic description of the specified participants who may be granted such options, the number and terms of the options to be granted and the purpose of granting options to the specified participants with an explanation as to how the options serve such purpose. Notwithstanding the foregoing, the Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of our Company at any time shall not in aggregate exceed

30.0% of the total number of Shares in issue from time to time. No options shall be granted under any scheme(s) of our Company or any of its subsidiaries if this will result in the 30.0% limit being exceeded.

(d) Maximum number of options to any one individual

The total number of Shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option scheme(s) of our Company (including exercised, cancelled and outstanding options) to each Eligible Person in any 12-month period up to the date of grant shall not exceed 1.0% of the Shares in issue as at the date of grant. Any further grant of options in excess of this 1.0% limit shall be subject to the issue of a circular by our Company and the approval of the Shareholders in general meeting with such Eligible Persons and his associate (as defined in the Listing Rules) abstaining from voting and the number and terms (including the subscription price) of such options being fixed before such general meeting and other requirements prescribed under the Listing Rules from time to time.

(e) Price of Shares

The subscription price for a Share in respect of any particular option granted under the Share Option Scheme (which shall be payable upon exercise of the option) shall be such price as the Board shall determine, save that such price must not be less than the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of offer to grant option, which must be a business day; (ii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of offer to grant option (provided that the new issue price shall be used as the closing price for any business day falling within the period before the listing of the Shares where our Company has been listed for less than five business days as at the date of offer to grant option); and (iii) the nominal value of a Share. A consideration of RMB1.00 is payable on acceptance of an offer of the grant of an option.

(f) Granting options to connected persons

Any grant of options to a Director, chief executive or Substantial Shareholder of our Company or any of their respective associates is required to be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options). If our Company proposes to grant options to a substantial shareholder (as defined in the Listing Rules) or an independent non-executive Director of our Company or their respective associates which will result in the number and value of Shares issued and to be issued upon exercise of all options granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of the offer of such grant: (i) representing in aggregate over 0.1% of the Shares in issue on the date of the offer; and (ii) having an aggregate value in excess of HK\$5 million, based on the closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange at the date of each offer, such further grant of options will be subject to the issue of a circular by our Company in accordance with the relevant provisions of the Listing Rules and the approval of the Shareholders in general

meeting on a poll at which all connected persons (as defined in the Listing Rules) of our Company shall abstain from voting in favour at such meeting, and such other requirements prescribed under the Listing Rules from time to time.

(g) Restrictions on the time of grant of options

An offer to grant option may not be made after a price-sensitive event has occurred or a price sensitive matter has been the subject of a decision until such price-sensitive information has been announced pursuant to the requirements of the Listing Rules. In particular, no options may be offered to be granted during the period commencing one month immediately preceding the earlier of (i) the date of the Board meeting (as such date is first notified by our Company to the Stock Exchange in accordance with the Listing Rules) for the approval of our Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and (ii) the deadline for our Company to publish an announcement of its results for any year or half year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules) and ending on the date of actual publication of the results announcement. The period which no option may be granted will cover any period of delay in the publication of results announcement.

(h) Rights are personal to grantee

An option is personal to the grantee and shall not be assignable nor transferable, and the grantee may not in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any option.

(i) Time of exercise of option

There is no general requirement that an option must be held for any minimum period before it can be exercised but the Board is empowered to impose at its discretion any such minimum period at the time of grant of any particular option. The Board is currently unable to determine such minimum period. The date of grant of any particular option is the date on which the offer relating to such option is duly accepted by the grantee in accordance with the Share Option Scheme. An option may be exercised according to the terms of the Share Option Scheme and the offer in whole or in part by the grantee (or his personal representatives) before its expiry by giving notice in writing to our Company stating that the option is to be exercised and the number of Shares in respect of which it is exercised provided that the number of Shares shall be equal to the size of a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof. Such notice must be accompanied by a remittance for the full amount of the subscription price for the Shares in respect of which the notice is given. The period during which an option may be exercised will be determined by the Board at its absolute discretion, save that no option may be exercised more than 10 years from the date of grant. No option may be granted more than 10 years after the date of approval of the Share Option Scheme. Subject to earlier termination by our Company in general meeting, the Share Option Scheme shall be valid and effective for a period of 10 years from the date of adoption of the Share Option Scheme by Shareholders by resolution at a general meeting.

(j) Performance target

The Board may from time to time require a particular grantee to achieve certain performance targets specified at the time of grant before any option granted under the Share Option Scheme can be exercised. There are no specific performance targets stipulated under the terms of the Share Option Scheme and the Board is currently unable to determine such restriction on the exercise of the options granted under the Share Option Scheme.

(k) Rights on ceasing to be an Eligible Person

In the event of the grantee ceasing to be an Eligible Person for any reason other than ceasing (1) by reason of summary dismissal for misconduct or other breach of the terms of his employment or other contract constituting him an Eligible Person, or appears either to be unable to pay or to have no reasonable prospect of being able to pay his debts or has become insolvent or has made any arrangements or composition with his creditors generally or on which he has been convicted of any criminal offence involving his integrity or honesty or (2) by death, the option may be exercised within one month after the date of such cessation, which cessation date shall be (i) if he is an employee of our Company or any subsidiary, his last actual working day with our Company or any subsidiary whether salary is paid in lieu of notice or not; or (ii) if he is not an employee of our Company or any subsidiary, the date on which the relationship constituting him an Eligible Person ceases.

(l) Rights on death

In the event that the grantee of an outstanding option dies before exercising the option in full or at all, the option may be exercised up to the entitlement of such grantee or, if appropriate, in the circumstances described in (n), (o) and (q), an election made by his personal representatives within twelve months after the date of his death.

(m) Lapse of option on misconduct, bankruptcy or dismissal etc.

If a grantee ceases to be an Eligible Person by reason of summary dismissal for misconduct or other breach of the terms of his employment or other contract constituting him an Eligible Person, or appears either to be unable to pay or to have no reasonable prospect of being able to pay his debts or has become insolvent or has made any arrangements or composition with his creditors generally or on which he has been convicted of any criminal offence involving his integrity or honesty, the right to exercise the option (to the extent not already exercised) shall terminate immediately.

(n) Rights on general offer by way of a take-over

If a general offer by way of a take-over is made to all the Shareholders (or all such Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) and such offer becomes or is declared unconditional, our Company shall forthwith notify all the grantees and any grantee (or his personal representatives) may by notice in writing to our Company within 21 days after such offer becoming or being declared unconditional exercise the option to its full extent or to the extent specified in such notice.

(o) Rights on general offer by way of a scheme of arrangement

If a general offer by way of a scheme of arrangement is made to all the Shareholders and the scheme has been approved by the necessary number of Shareholders at the requisite meetings, our Company shall forthwith notify the grantees and any grantee (or his personal representatives) may thereafter (but before such time as shall be notified by our Company) by notice in writing to our Company exercise the option to its full extent or to the extent specified in such notice.

(p) Rights on a compromise or arrangement

If a compromise or arrangement between our Company and its Shareholders or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of our Company or its amalgamation with any other company or companies, our Company shall give notice thereof to the grantee (together with a notice of the existence of the provisions of this paragraph) on the same date or soon after it dispatches the notice to each member or creditor of our Company summoning the meeting to consider such a compromise or arrangement, and thereupon the grantee (or his personal representatives) may forthwith and until the expiry of the period commencing with such date and ending with the earlier of 2 months thereafter and the date on which such compromise or arrangement is sanctioned by the court of competent jurisdiction, exercise any of his options whether in full or in part, but the exercise of an option as aforesaid shall be conditional upon such compromise or arrangement being sanctioned by the court of competent jurisdiction and becoming effective. Upon such compromise or arrangement becoming effective, all options shall lapse except insofar as previously exercised under the Share Option Scheme. Our Company may require the grantee (or his personal representatives) to transfer or otherwise deal with the Shares issued as a result of the exercise of options in these circumstances so as to place the grantee in the same position as nearly as would have been the case had such Shares been subject to such compromise or arrangement.

(q) Rights on winding-up

In the event a notice is given by our Company to its Shareholders to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up our Company other than for the purpose of a reconstruction, amalgamation or scheme of arrangement, our Company shall on the same date as or soon after it dispatches such notice to each member of our Company give notice thereof to all grantees (together with a notice of the existence of the provisions of this paragraph) and thereupon, each grantee (or his personal representatives) shall be entitled to exercise all or any of his options at any time not later than four business days prior to the proposed general meeting of our Company by giving notice in writing to our Company, accompanied by a remittance for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given whereupon our Company shall as soon as possible and, in any event, no later than one business day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the grantee credited as fully paid.

(r) Lapse of the options

The right to exercise an option (to the extent not already exercised) shall terminate immediately upon the earliest of:

- (i) the expiry of the option period;
- (ii) the expiry of any of the periods referred to in paragraph (k), (l) or (n);
- (iii) subject to the scheme of arrangement becoming effective, the expiry of the period referred to in paragraph (o);
- (iv) subject to the compromise or arrangement referred to in paragraph (p);
- (v) the date on which the grantee ceases to be an Eligible Person by reason of summary dismissal for misconduct or other breach of the terms of his employment or other contract constituting him an Eligible Person, or appears either to be unable to pay or to have no reasonable prospect of being able to pay his debts or has become insolvent or has made any arrangements or composition with his creditors generally or on which he has been convicted of any criminal offence involving his integrity or honesty;
- (vi) subject to paragraph (q), the date of the commencement of the voluntary winding-up of our Company;
- (vii) the date on which the grantee commits a breach of paragraph (h);
- (viii) the date on which the option is cancelled by the Board as provided in paragraph (v); or
- (ix) the non-fulfillment of any condition referred to in paragraph (x) on or before the date specified therein.

Our Company shall owe no liability to any grantee for the lapse of any option under this paragraph (r).

(s) Ranking of Shares

The Shares to be allotted and issued upon the exercise of an option shall be subject to our Company's Memorandum of Association, Bye-laws and the laws of Bermuda for the time being in force and shall rank *pari passu* in all respects with the fully-paid Shares in issue of our Company as at the date of allotment and will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of allotment other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefore shall be on or before the date of allotment and issue.

(t) Effect of alterations to share capital

In the event of any alteration to the capital structure of our Company arising from capitalisation of profits or reserves, rights issue, consolidation, redenomination, subdivision or reduction of the share capital of our Company in accordance with the legal requirements or requirements of the Stock Exchange other than any alteration in the capital structure of our Company as a result of an issue of Shares as consideration in a transaction to which our Company is a party, adjustment (if any) shall be made to (a) the number or nominal amount of Shares subject to the option so far as unexercised; and/or (b) the subscription price for the Shares subject to the option so far as unexercised; and/or (c) the Shares to which the option relates; and/or (d) any combination thereof as the auditors or the independent financial advisors to our Company (acting as expert not arbitrator) shall at the request of our Company certify in writing to the Board either generally or as regards any particular grantee that the adjustments are in compliance with Rules 17.03(13) of the Listing Rules and the notes thereto. Any such adjustments must give a grantee the same proportion of the equity capital of our Company as to which that grantee was previously entitled, and any adjustments so made shall be in compliance with the Listing Rules and such applicable guidance and/or interpretation of the Listing Rules from time to time issued by the Stock Exchange (including, without limitation, the “Supplemental Guidance on Main Board Listing Rule 17.03(13) and the Notice immediately after the Rule” attached to the letter of the Stock Exchange dated 5 September 2005 to all issuers relating to share option scheme), but no such alterations shall be made the effect of which would be to enable a Share to be issued at less than its nominal value. The capacity of the auditors or the independent financial advisors to our Company in this paragraph is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on our Company and the grantees. The costs of the auditors or the independent financial advisors to our Company shall be borne by our Company. Notice of such adjustment shall be given to the grantees by our Company.

(u) Alteration of Share Option Scheme

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

- (i) the definitions of “Eligible Person” and “grantee” in the Share Option Scheme; and
- (ii) the provisions relating to the matters set out in Rule 17.03 of the Listing Rules,

shall not be altered to the advantage of grantees except with the prior approval of the Shareholders in general meeting (with participants and their respective associates abstained

from voting). No such alterations shall operate to affect adversely the terms of issue of any option granted or agreed to be granted prior to such alterations except with the consent or sanction in writing of such majority of the grantees as would be required of the Shareholders under the Bye-laws for the time being of our Company for a variation of the rights attached to the Shares. Any change to the authority of the Board in relation to any alterations to the terms of the Share Option Scheme must be approved by the Shareholders in general meeting. Any alterations to the provisions of the Share Option Scheme which are of a material nature or any change to the terms of options granted must be approved by the Shareholders in general meeting except where the alterations take effect automatically under the existing provisions of the Share Option Scheme. Any amended terms of the Share Option Scheme or the options must comply with Chapter 17 of the Listing Rules.

(v) Cancellation of options

The Board may cancel an option granted but not exercised with the approval of the grantee of such option. No options may be granted to an Eligible Person in place of his cancelled options unless there are available unissued options (excluding the cancelled options) within the limit set out in paragraph (c) above from time to time.

(w) Termination of the Share Option Scheme

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

(x) Conditions of the Share Option Scheme

The Share Option Scheme is conditional upon:

- (i) the Listing Committee granting approval of the listing of, and permission to deal in, any Shares which may fall to be allotted and issued pursuant to the exercise of any such options;
- (ii) the passing of the resolutions by the Shareholders to approve and adopt the Share Option Scheme and to authorise the Board to grant options under the Share Option Scheme and to allot and issue Shares pursuant to the exercise of any options; and
- (iii) the commencement of dealings in the Shares on the Stock Exchange.

(y) Disclosure in annual and interim reports

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

(z) Present status of the Share Option Scheme

As at the date of this prospectus, no option has been granted or agreed to be granted under the Share Option Scheme. Application has been made to the Listing Committee of the Stock Exchange for the listing of and permission to deal in the Shares to be issued pursuant to the exercise of options which may be granted under the Share Option Scheme representing 10.0% of the Shares in issue on the Listing Date, the number of Shares covered by the application is 42,800,000 Shares.

FURTHER INFORMATION ABOUT OUR DIRECTORS, SENIOR MANAGEMENT AND STAFF

Disclosure of interests

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

Immediately following completion of the Global Offering and the Capitalization Issue, the interests and short positions of our Directors and chief executives of our Company in the shares, underlying shares and debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO) which, once the Shares are listed, will have to be notified to our Company and the Stock Exchange under Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under the SFO) or pursuant to the Model Code for Securities Transactions by Directors of Listed Companies in the Listing Rules, or will be required pursuant to section 352 of the SFO to be entered in the register referred to therein, will be as follows:

Name	Company/name of associated corporation	Capacity	Type of Interest	Number of Shares	Approximate % of shareholding
Mr. Liu Hongwei	Company	Interest of a controlled corporation ¹	Long	196,062,899	45.81%
Mr. Liu Hongwei	Zhuhai Singyes	Beneficial interest	Long	N/A	21.43%
		Interest of a controlled corporation ²	Long	N/A	75.00%

Name	Company/name of associated corporation	Capacity	Type of Interest	Number of Shares	Approximate % of shareholding
Mr. Sun Jinli	Zhuhai Singyes	Beneficial interest	Long	N/A	3.57%

Note:

1. These 196,062,899 Shares are held by Strong Eagle whose share capital is 53% owned by Mr. Liu Hongwei. Mr. Liu Hongwei is deemed to be interested in these Shares by virtue of the SFO.
2. Mr. Liu Hongwei controls more than one-third of the voting power at general meetings of Strong Eagle which in turn holds 45.81% of our Company's Shares. By virtue of the SFO, Mr. Liu Hongwei is deemed to be interested in the 75% interest in Zhuhai Singyes indirectly held by our Company.

(ii) Notifiable interests and short positions in Shares under the SFO and the substantial shareholders

Save as disclosed above and in the section headed "Substantial Shareholders" in this prospectus, our Directors or chief executives of our Company are not aware of any other person, not being a Director or chief executive of our Company, who has an interest or short position in the Shares and underlying shares of our Company which, once the Shares are listed, would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who is, 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 other member of our Group.

Particulars of service contracts

Each of the executive Directors has entered into a service contract with our Company for an initial term of three years commencing from the Listing Date. Each of these service contracts may be terminated by either party thereto giving to the other not less than three months' prior notice in writing.

Each of the non-executive Directors is appointed for an initial term of three year commencing from the Listing Date. Each of these appointments may be terminated by either party thereto giving to the other not less than two months' prior notice in writing.

Each of the independent non-executive Directors is appointed for an initial term of three years commencing from the Listing Date. Each of these appointments may be terminated by either party thereto giving to the other not less than two months' prior notice in writing.

Save as disclosed above, none of our Directors has entered into any service contracts with any member of our Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation other than statutory compensation).

Directors' remuneration

The aggregate amount of salaries, other allowances and benefits in kind paid by our Company and subsidiaries to our Directors for the year ended 31 December 2007 was approximately RMB320,000.

Save as disclosed, no other emoluments have been paid or are payable, in respect of the year ended 31 December 2007 by our Company and subsidiaries to our Directors.

Under the arrangements currently in force, our Company estimates that the aggregate remuneration and benefits in kind (excluding discretionary bonus, if any) payable by our Company to our Directors for the year ending 31 December 2008 is estimated to be RMB842,208.

Personal guarantees

None of our Directors has provided any personal guarantee in favor of any banks for banking facilities granted to any member of our Group.

Agency fees or commissions

Save as disclosed in this prospectus, within two (2) years preceding the date of this prospectus, no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any share or loan capital of our Company or any of its subsidiaries.

Disclaimers

Save as disclosed in this prospectus:

- (a) our Directors are not aware of any person (not being a Director or chief executive of our Company) who will, immediately after completion of the Global Offering and the Capitalization Issue, have an interest or a short position in Shares or underlying Shares which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who will, directly or indirectly, be interested in 10.0% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of our Company;
- (b) none of our Directors nor the chief executives of our Company has any interest or short position in any of our Shares, underlying Shares or debentures or any shares of our Company, or underlying shares or debentures of any associated corporation within the meaning of Part XV of the SFO, which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he will be taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which will be

required to be notified to us and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, in each case once the Shares are listed;

- (c) none of our Directors nor any of the parties listed in the section headed “Other Information – Consents of experts” of this Appendix is interested in the promotion of our Company, or in any assets which have been, within the two years immediately preceding the date of this prospectus, acquired or disposed of by or leased to us or any of our subsidiaries, or are proposed to be acquired or disposed of by or leased to us or any of our subsidiaries;
- (d) none of our Directors nor any of the parties listed in the section headed “Other Information – Consents of experts” of this Appendix is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to our business;
- (e) save in connection with the Underwriting Agreements, none of the parties listed in the section headed “Other Information – Consents of experts” of this Appendix:
 - i. is interested legally or beneficially in any securities of any member of our Group; or
 - ii. has any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities of any member of our Group;
- (f) none of our Directors or their associates has any interest in any of our five largest customers;
- (g) none of our Directors or their associates has any interest in any of our five largest suppliers;
- (h) none of the equity and debt securities of our Company is listed or dealt with in any other stock exchange nor is any listing or permission to deal being or proposed to be sought; and
- (i) our Company has no outstanding convertible debt securities.

OTHER INFORMATION**Deed of Indemnity**

Our Controlling Shareholders have entered into a deed of indemnity with and in favour of our Group (being a material contract referred to in the sub-section headed “Further information about our business” in this Appendix) to provide indemnities in respect of, among other things:

- (a) estate duty which might be payable by any member of our Group, by reason of any laws of the applicable jurisdictions to any member of our Group; and taxation resulting from income, profits or gains earned, accrued or received on or before the date on which the Global Offering becomes unconditional (the “Fulfilment Date”), save in the following circumstances:
 - (i) to the extent that full provision has been made for such taxation in the audited combined accounts of our Group for the Track Record Period, as set out in Appendix 1 to this prospectus;
 - (ii) to the extent that the taxation falls on any of the members of our Group in respect of their current accounting periods or any accounting period commencing on or after the Fulfilment Date;
 - (iii) to the extent that provision or reserve made for taxation in the audited accounts of the members of our Group or any of them for the Track Record Period are finally established to be an over-provision or an excessive reserve provided that the amount established to be the excessive portion of the over-provision or the excessive reserve shall only be applied to reduce the Controlling Shareholders’ liability in respect of taxation up to 30 June 2008;
or
 - (iv) to the extent that such taxation arises or is increased by any change in the law or an increase in rates of taxation after the Fulfilment Date with retrospective effect;
- (b) any penalties, claims, actions, payments, demands, proceedings, judgements, settlement payments, losses, liabilities, damages, costs, charges, fees, expenses or fines which our Group may suffer or incur, directly or indirectly, as a result of or in connection with any failure or delay in tax filing in respect of the taxable income derived by any members of our Group on or before the Fulfilment Date;
- (c) any claims, actions, demands, proceedings, judgements, losses, liabilities, damages, costs, charges, fees, expenses or fines which our Group may suffer or incur, directly or indirectly, as a result of or in connection with any non-compliance with the applicable laws, rules and regulations including without limitation any non-compliance with the laws, rules and regulations in respect of housing provident funds for its employees by any members of our Group on or before the Fulfilment Date;

- (d) any claims, actions, demands, proceedings, judgements, losses, liabilities, damages, costs, charges, fees, expenses and fines which our Group may suffer or incur as a result of directly or indirectly or in connection with any loss in respect of the title defects of property numbered 2 in Appendix IV to this prospectus; and
- (e) any claims, actions, demands, proceedings, judgements, losses, liabilities, damages, costs, charges, fees, expenses and fines which our Group may suffer or incur as a result of directly or indirectly or in connection with any loss in respect of the legality of the tenancy agreements and non-registration of tenancy agreements for properties numbered 4, 5, 6, 7, 8 and 9 in Appendix IV to this prospectus.

The Directors have been advised that no material liability for estate duty is likely to fall on any member of our Group.

Material litigations

As of the Latest Practicable Date, no member of our Group was engaged in any litigation, claim or arbitration of material importance and no litigation, claim or arbitration of material importance is known to our Directors to be pending or threatened against any member of our Group.

Sponsor

The Sponsor has made an application on behalf of our Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares in issue and to be issued as set out in this prospectus.

Preliminary expenses

There were no preliminary expenses of our Company.

The aggregate commissions and fees, together with listing fees, legal and other professional fees and printing and other expenses relating to the Global Offering and the SFC transaction levy and Stock Exchange trading fee, which are estimated to be approximately HK\$33.2 million in aggregate (based on an Offer Price of HK\$1.10 being the mid-point of the indicative Offer Price range between HK\$1.00 and HK\$1.20 and), will be payable by our Company under the Global Offering.

Promoter

There is no promoter of our Company.

Qualification of experts

The qualifications of the experts who have given opinion or advice in this prospectus are as follows:

Name	Qualification
ICEA	a licensed corporation under transitional arrangement to conduct type 1 (dealing in securities) and type 6 (advising on corporate finance) of the regulated activities under the SFO, acting as Sponsor of the Global Offering
Grandall Legal Group (Shanghai)	PRC legal advisors
Ernst & Young	Certified Public Accountants
Conyers Dill & Pearman	Bermuda legal counsel
Jones Lang LaSalle Sallmanns Limited	Professional property surveyors and valuers

Consents of experts

Each of ICEA, Grandall Legal Group, Ernst & Young, Conyers Dill & Pearman and Jones Lang LaSalle Sallmanns Limited has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion of its report and/or letter and/or valuation certificate and/or legal opinion and/or the reference to its name included in the form and context in which they are respectively included.

Binding effect

This prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of sections 44A and 44B of the Companies Ordinance as far as applicable.

Miscellaneous

- (a) Save as disclosed in this prospectus:
- i. within the two years preceding the date of this prospectus, no share or loan capital of our Company or any of its subsidiaries has been issued or agreed to be issued fully or partly paid either for cash or for a consideration other than cash;
 - ii. within the two years preceding the date of this prospectus, no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any share or loan capital of our Company or any of its subsidiaries;

- iii. within the two years preceding the date of this prospectus, no share or loan capital of our Company or any of its subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
 - iv. no founder, management shares or deferred shares of our Company or any of its subsidiaries have been issued or agreed to be issued; and
 - v. there has been no material adverse change in the financial position or prospects of our Group since 30 June 2008 (being the date to which the latest audited consolidated financial statements of our Group were made up).
- (b) All necessary arrangements have been made to enable the Shares to be admitted into CCASS.
- (c) The principal register of members of our Company will be maintained in Bermuda and a branch register of members of our Company will be maintained in Hong Kong. Unless our Directors otherwise agree, all transfers and other documents of title of Shares must be lodged for registration with, and registered by, our Company's Hong Kong branch share registrar and transfer office.

Bilingual prospectus

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