

A. FURTHER INFORMATION ABOUT OUR COMPANY

1. Incorporation

Our Company was incorporated in the Cayman Islands under the Cayman Companies Law as an exempted company with limited liability on 11 December 2007. We have been registered in Hong Kong under Part XI of the Companies Ordinance as a non-Hong Kong company and our principal place of business in Hong Kong is at Suite B, 12/F, Ritz Plaza, 122 Austin Road, Tsimshatsui, Kowloon, Hong Kong. In compliance with the requirements of the Companies Ordinance, Mr. Shum Sui On has been appointed as our agent for the acceptance of service of process and any notice required to be served on our Company in Hong Kong. The address for service of process on the Company in Hong Kong is the same as its registered place of business in Hong Kong set out above.

As we were incorporated in the Cayman Islands, our corporate structure, our Memorandum and Articles of Association are subject to the relevant laws of the Cayman Islands. A summary of the relevant provisions of our Memorandum and Articles of Association and certain aspects of Cayman Companies Law are set out in Appendix IV to this prospectus.

2. Changes in share capital of our Company

The following sets out the changes in our Company's issued share capital since the date of its incorporation:

- (a) as of the date of the incorporation of the Company, the authorized share capital of the Company was US\$50,000 divided into 50,000 shares of par value of US\$1.0 each. One share was subscribed by Codan Trust Company (Cayman) Limited which was subsequently transferred to Fortune Station;
- (b) By resolutions in writing of Fortune Station, our sole Shareholder, passed on 10 December 2008, (i) the authorized share capital of the Company was increased to HK\$1,000 divided into 10,000 Shares; (ii) the Company issued 10,000 Shares of HK\$0.1 each to Fortune Station; (iii) following the issue as per sub-paragraph (ii) above, the Company repurchased one share of US\$1.0 each in the share capital of the Company; and (iv) the authorized but unissued share capital of the Company was diminished by the cancellation of all unissued shares;
- (c) By resolutions in writing of Fortune Station, our sole Shareholder, passed on 20 May 2009, the authorized share capital of our Company was increased from 10,000 to 10,000,000,000 by creation of 9,999,990,000 new Shares ranking pari passu in all respects with the then existing issued Shares;
- (d) Conditional on the share premium account of the Company being credited as a result of the Global Offering, the Directors were authorized to capitalize an amount of HK\$209,999,000 from the amount standing to the credit of the share premium account of the Company and that the said sum be applied in paying up in full at par 2,099,990,000 Shares, such Shares to be allotted and issued, credited as fully paid at par to Fortune Station;
- (e) Immediately upon completion of the Global Offering and Capitalization Issue (assuming the Over-allotment Option and no options granted under the Pre-IPO Share Option Scheme and Share Option Scheme are exercised), 2,800,000,000 Shares will be issued fully paid or credited as fully paid;
- (f) In the event that the Over-allotment Option is exercised in full, 2,905,000,000 Shares will be issued fully paid or credited as fully paid.

Save as disclosed in this prospectus, there has been no alteration in our Company's share capital since its incorporation.

3. Changes in share capital or registered capital of our subsidiaries

Our subsidiaries are listed in the accountants' report set out in Appendix I to this prospectus as well as the section headed "Our Subsidiaries" in this Appendix. The following alterations in the share or registered capital of our subsidiaries had taken place within the two years immediately preceding the date of this prospectus:

(a) Maxford Investments

Maxford Investments was incorporated under the laws of BVI with limited liability on 11 April 2007 and is authorized to issue 50,000 no par shares. One share was subscribed by our Company at a consideration of US\$1.0.

(b) Forever Giants

Forever Giants was incorporated under the laws of the BVI with limited liability on 8 August 2008 with an authorized share capital of US\$50,000 divided into 50,000 shares of US\$1.0 each. One share was subscribed by our Company.

(c) Bawang Hong Kong

Bawang Hong Kong was incorporated under the laws of Hong Kong with limited liability on 31 October 2007 with an authorized share capital of HK\$10,000 divided into 10,000 shares of HK\$1.0 each. One share was subscribed by Bawang Bermuda. On 28 December 2007, Maxford Investments acquired one share in Bawang Hong Kong from Bawang Bermuda for a consideration of HK\$1.0.

(d) Bawang Trading

Bawang Trading was incorporated under the laws of Hong Kong with limited liability on 24 January 2008 with an authorized share capital of HK\$10,000 divided into 10,000 shares of HK\$1.0 each. One share was subscribed by Maxford Investments.

(e) Lucky Rich

Lucky Rich was incorporated under the laws of BVI with limited liability on 2 January 2008 and is authorized to issue 50,000 no par value shares. 5,100 shares and 4,900 shares were subscribed by Mr. Chen and Ms. Wan, respectively, at a consideration of US\$10,000. On 5 November 2008, Mr. Chen and Ms. Wan transferred all their shares in Lucky Rich to Maxford Investments.

(f) Bawang Investments

Bawang Investments was incorporated under the laws of Hong Kong with limited liability on 24 January 2008 with an authorized share capital of HK\$10,000 divided into 10,000 shares of HK\$1.0 each. One share was subscribed by Lucky Rich.

(g) Bawang Guangzhou

Bawang Guangzhou was established under the laws of the PRC as a wholly foreign owned enterprise on 13 April 2005 with an initial registered capital of US\$12.5 million. The entire registered capital of Bawang Guangzhou was held by Bawang Bermuda. On 20 December 2007, Bawang Bermuda and Bawang Hong Kong entered into an equity transfer agreement, pursuant to which Bawang Bermuda transferred its entire equity interest in Bawang Guangzhou to Bawang Hong Kong for a consideration of US\$12.5 million.

4. Resolutions of our Shareholder passed on 20 May 2009

Written resolutions were passed by Fortune Station, our sole Shareholder, on 20 May 2009 pursuant to which, among other matters:

- (a) our Company approved and adopted the Articles of Association;
- (b) the authorized share capital of our Company was increased from 10,000 to 10,000,000,000 by the creation of 9,999,990,000 new Shares ranking pari passu in all respects with the then existing issued Shares;
- (c) conditional on (i) the Listing Committee granting approval for the listing of, and permission to deal in, the Shares in issue and to be issued pursuant to the Capitalization Issue, the Offer Shares as mentioned in this prospectus (including any Shares that may be issued pursuant to the exercise of the Over-allotment Option, subject only to allotment) and any Shares which may be issued pursuant to the exercise of options which may be granted, under the Pre-IPO Share Option Scheme and Share Option Scheme; (ii) the execution and delivery of the International Underwriting Agreement on or around the Price Determination Date; and (iii) the obligations of the Underwriters under each of the Hong Kong Underwriting Agreement and the International Underwriting Agreement having become unconditional and not having been terminated in accordance with the terms of the respective underwriting agreements,
 - the Global Offering of 700,000,000 new Shares and conditional on the share premium account of the Company being credited as a result of the issue of Shares pursuant to the Global Offering, the allotment and issue of 2,099,990,000 Shares to Fortune Station, by capitalizing an amount of HK\$209,999,000 standing to the credit of the share premium account of the Company were approved, and the Directors were authorized to allot and issue such Shares pursuant to the Global Offering and the Capitalization Issue.
 - the Listing was approved and the Directors were authorized to implement the Listing.
 - conditional further on the Listing Committee granting approval for the listing of, and permission to allot, issue and deal in the Shares which may fall to be issued pursuant to the Pre-IPO Share Option Scheme and Share Option Scheme, and the Directors, or any duly authorized committee of them, were authorized to grant Shares or options thereunder.
- (d) a general unconditional mandate was given to the Directors to allot, issue and deal with, otherwise than by way of rights issue, the exercise of options granted under the Pre-IPO Share Option Scheme and the Share Option Scheme, any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles or any adjustment of rights to subscribe for Shares under options or warrants or a specific authority granted by the Shareholders of the Company or exercise of the subscription or conversion rights attaching to any warrants issued by the Company, Shares with an aggregate nominal amount not exceeding the sum of (i) 20% of the aggregate nominal value 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 to be issued pursuant to the exercise of the Over-allotment Option); and (ii) the aggregate nominal amount of the share capital of our Company which may be purchased or repurchased by our Company pursuant to the authority granted to the Directors as referred to in paragraph (e) below, until 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 law or the Articles to be held, or the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors, whichever occurs first;
- (e) a general unconditional mandate was given to the Directors authorizing them to exercise all powers of our Company to purchase or repurchase on the Stock Exchange or on any other stock exchange on which the Shares may be listed and which is recognized by the SFC and the Stock Exchange for this purpose, in accordance with all applicable laws, Shares 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 to be issued pursuant to the exercise of the Over-allotment Option), until 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 law or the Articles to be held, or the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors, whichever occurs first; and

- (f) the extension of the general mandate to allot, issue and deal with Shares to include the nominal amount of Shares which may be purchased or repurchased pursuant to paragraph (e) above.

5. Reorganization

We underwent a series of the reorganization which involved the following:-

- (a) Our Company was incorporated under the laws of Cayman Islands with limited liability on 11 December 2007. At the time of its incorporation, it has an authorized share capital of US\$50,000 divided into 50,000 shares of US\$1.0 each. One share was subscribed by Codan Trust Company (Cayman) Limited which was subsequently transferred to Fortune Station.

Pursuant to the resolutions in writing of Fortune Station, our sole Shareholder, passed on 10 December 2008, (i) the authorized share capital of the Company was increased to HK\$1,000 by divided into 10,000 Shares; (ii) the Company issued 10,000 Shares of HK\$0.1 each to Fortune Station; (iii) following the issue as per sub-paragraph (ii) above, the Company repurchased one share of US\$1.0 each in the share capital of the Company; and (iv) the authorized but unissued share capital of the Company was diminished by the cancellation of all unissued shares.

- (b) Maxford Investments was incorporated under the laws of the BVI with limited liability on 11 April 2007 and is authorized to issue 50,000 no par value shares. One share was subscribed by our Company.
- (c) Forever Giants was incorporated under the laws of the BVI with limited liability on 8 August 2008 with an authorized share capital of US\$50,000 divided into 50,000 shares of US\$1.0 each. One share was subscribed by our Company at a consideration of US\$1.0.
- (d) Bawang Hong Kong was incorporated under the laws of Hong Kong with limited liability on 31 October 2007 with an authorized share capital of HK\$10,000 divided into 10,000 shares of HK\$1.0 each. One share was subscribed by Bawang Bermuda. On 28 December 2007, Maxford Investments acquired one share in Bawang Hong Kong from Bawang Bermuda for a consideration of HK\$1.0.
- (e) Bawang Trading was incorporated under the laws of Hong Kong with limited liability on 24 January 2008 with an authorized share capital of HK\$10,000 divided into 10,000 shares of HK\$1.0 each. One share was subscribed by Maxford Investments.
- (f) Lucky Rich was incorporated under the laws of the BVI with limited liability on 2 January 2008 and is authorized to issue 50,000 no par value shares. 5,100 shares and 4,900 shares were subscribed by Mr. Chen and Ms. Wan, respectively, at a consideration of US\$10,000. On 5 November 2008, Mr. Chen and Ms. Wan transferred all their shares in Lucky Rich to Maxford Investments.
- (g) Bawang Investments was incorporated under the laws of Hong Kong with limited liability on 24 January 2008 with an authorized share capital of HK\$10,000 divided into 10,000 shares of HK\$1.0 each. One share was subscribed by Lucky Rich.
- (h) On 18 March 2006, Bawang Guangzhou and Guangzhou Bawang entered into a processing agreement, pursuant to which Bawang Guangzhou agreed to outsource the production of our 霸王 (Bawang), 雪美人 (Smerry) and 丽涛 (丽涛) branded products to Guangzhou Bawang until Bawang Guangzhou obtaining the necessary production licenses and Guangzhou Bawang

agreed to manufacture such products exclusively for Bawang Guangzhou during this period. Bawang Guangzhou obtained the necessary production licenses on 20 November 2007.

- (i) On 8 April 2006, Guangzhou Bawang and Bawang Guangzhou entered into a HPC product business transfer agreement, pursuant to which Guangzhou Bawang agreed to transfer all its rights and obligations under the existing sales contracts related to the HPC product business to Bawang Guangzhou together with all the related trade receivables and receipts in advance with an aggregate net amount of RMB3.4 million. Guangzhou Bawang ceased sale of its products, except to Bawang Guangzhou, with effect from 30 September 2006.
- (j) On 18 December 2007, Guangzhou Bawang and Bawang Guangzhou entered into an equipment and machinery transfer agreement, pursuant to which Guangzhou Bawang agreed to transfer all its equipment and machinery relating to the production of HPC products to Bawang Guangzhou for a consideration of approximately RMB9.8 million.
- (k) Bawang Guangzhou was established under the laws of the PRC as a wholly foreign-owned enterprise on 13 April 2005 with an registered capital of US\$12.5 million and the entire registered capital of Bawang Guangzhou was held by Bawang Bermuda. On 20 December 2007, Bawang Bermuda and Bawang Hong Kong entered into an equity transfer agreement, pursuant to which Bawang Bermuda agreed to transfer its entire equity interest in Bawang Guangzhou to Bawang Hong Kong for a consideration of US\$12.5 million. Bawang Guangzhou became our indirect wholly-owned subsidiary.

6. Repurchase of the Company's Own Shares

This section includes information relating to the repurchase by us of our own shares, including information required by the Stock Exchange to be included in this prospectus concerning the repurchase.

(a) *Shareholders' approval*

All our proposed repurchases of Shares (which must be fully paid up) must be approved in advance by an ordinary resolution of our Shareholders in general meeting, either by way of general mandate or by specific approval of a particular transaction.

Note: Pursuant to resolutions in writing passed by Fortune Station, our sole Shareholder on 20 May 2009, a general unconditional mandate (the "**Repurchase Mandate**") was given to our Directors authorizing them to exercise all powers of our Company to purchase or 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 immediately following the completion of the Global Offering and the Capitalization Issue (without taking into account any Shares to be issued pursuant to the exercise of the Over-allotment Option), 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 law or the Articles to be held, or the passing of an ordinary resolution by our Shareholders in general meeting revoking or varying the authority given to the Directors, whichever occurs first.

(b) *Number of Shares which may be repurchased*

The exercise in full of the Repurchase Mandate, on the basis of 2,800,000,000 Shares in issue immediately after completion of the Global Offering and the Capitalization Issue, could accordingly result in up to 280,000,000 Shares being repurchased by our Company during the period prior to (i) the conclusion of the next annual general meeting of our Company; (ii) the expiration of the period within which the next annual general meeting of our Company is required by any applicable law or the Articles to be held; or (iii) the revocation or variation of the

Repurchase Mandate by ordinary resolution of the Shareholders in a general meeting, whichever occurs first.

(c) *Reasons for repurchases*

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

(d) *Source of funds*

Repurchases by our Company must be funded out of funds legally available for such purpose in accordance with the Articles of Association, the applicable laws and regulations of the Cayman Islands and the Listing Rules. A listed company is prohibited from repurchasing its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time. Subject to the foregoing, any repurchases by our Company may be made out of our profits or out of the proceeds of a fresh issue of Shares made for the purpose of the repurchase or, if authorized by the Articles of Association and subject to the Cayman Companies Law, out of capital and in the case of any premium payable on a repurchase, out of the profits of the Company or from sums standing to the credit of the share premium account of the Company, or if authorized by the Articles and subject to the applicable laws and regulations of the Cayman Islands, out of capital.

(e) *Impact of repurchase*

On the basis of our current financial position as disclosed in this prospectus and taking into account our current working capital position, our Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on our working capital and/or the gearing position as compared with the position disclosed in this prospectus. However, our Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on our working capital requirements or the gearing levels which in the opinion of our Directors are from time to time appropriate for us.

(f) *Directors' intention to sell shares*

None of our Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, has any present intention, in the event that the Repurchase Mandate is exercised, to sell any Shares to us.

(g) *Directors' undertakings*

Our Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws and regulations of the Cayman Islands and the Articles of Association.

(h) *Takeovers Code*

If, as a result of any repurchase of Shares, a Shareholder's proportionate interest in the voting rights of our Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting

in concert, depending on the level of increase of such Shareholders' interest, 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. Save as aforesaid, our Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate.

(i) *Share repurchase made by our Company*

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

(j) *Connected parties*

No connected person of our Company has notified us that he has a present intention to sell Shares to us, or has undertaken not to do so, if the Repurchase Mandate is exercised.

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of our material contracts

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

- (a) an instrument of transfer and bought and sold notes dated 28 December 2007 entered into between Bawang Bermuda, as the transferor, and Maxford Investments, as the transferee, pursuant to which Bawang Bermuda agreed to transfer one share in Bawang Hong Kong to Maxford Investments for a consideration of HK\$1.0;
- (b) a share transfer agreement dated 20 December 2007 entered into between Bawang Bermuda, as the transferor, and Bawang Hong Kong, as the transferee, pursuant to which Bawang Bermuda agreed to transfer its entire equity interests in Bawang Guangzhou to Bawang Hong Kong for a consideration of US\$12.5 million;
- (c) a supplemental processing agreement dated 4 December 2007 entered into between Bawang Guangzhou and Guangzhou Bawang, pursuant to which Bawang Guangzhou and Guangzhou Bawang agreed to extend the term of the processing agreement referred to in (c) above to 4 December 2007;
- (d) an equipment and machinery transfer agreement dated 21 December 2007 entered into between Guangzhou Bawang, as the transferor, and Bawang Guangzhou, as the transferee, pursuant to which Guangzhou Bawang agreed to transfer all its equipment and machinery relating to the production of HPC products to Bawang Guangzhou for a consideration of approximately RMB9.8 million;
- (e) a trademark assignment agreement dated 20 December 2007 entered into between Old Guangzhou Bawang, as the assignor, and Bawang Guangzhou, as the assignee, pursuant to which Old Guangzhou Bawang agreed to assign certain trademarks registered under classes three and five in the PRC to Bawang Guangzhou for nil consideration;
- (f) a trademark assignment agreement dated 20 December 2007 entered into between Guangzhou Bawang, as the assignor, and Bawang Guangzhou, as the assignee, pursuant to which Guangzhou Bawang agreed to assign certain trademarks registered under classes three and five in the PRC to Bawang Guangzhou for nil consideration;
- (g) a trademark assignment agreement dated 22 June 2008 entered into between Old Guangzhou Bawang, as the assignor, and Bawang Guangzhou, as the assignee, pursuant to which Old Guangzhou Bawang agreed to assign certain trademarks registered under classes three and five in the PRC to Bawang Guangzhou for nil consideration;

- (h) a trademark assignment agreement dated 22 June 2008 entered into between Mr. Chen, as the assignor, and Bawang Guangzhou, as the assignee, pursuant to which Mr. Chen agreed to assign certain trademarks and trademark applications registered and/or filed in the PRC to Bawang Guangzhou for nil consideration;
- (i) a trademark assignment agreement dated 20 August 2008 entered into between Guangzhou Bawang, as the assignor, and Bawang Guangzhou, as the assignee, pursuant to which Guangzhou Bawang agreed to assign a 霸王 (Bawang) registered trademark, which was awarded Well-known Trademark of China, under class three to Bawang Guangzhou for nil consideration;
- (j) two trademark assignment agreements dated 22 June 2008 and 25 August 2008 entered into between Bawang Guangzhou and Guangzhou Bawang pursuant to which Guangzhou Bawang agreed to assign all its 霸王 (Bawang) trademarks and trademark applications, which are registered and/or filed in the PRC, to Bawang Guangzhou for nil consideration and Bawang Guangzhou will, except for those 霸王 (Bawang) trademarks which will be used in the Group's business, transfer or license back the registered 霸王 (Bawang) trademarks to Guangzhou Bawang, solely for the use in connection with the businesses of Guangzhou Bawang, which are non-HPC product related, on a royalty-free and perpetual basis;
- (k) a technology transfer agreement dated 8 January 2009 entered into between Mr. Chen, Ms. Wan, Guangzhou Bawang and Bawang Guangzhou, pursuant to which Mr. Chen and Ms. Wan agreed to transfer all proprietary formulae used in the production of our shampoo products to Bawang Guangzhou for nil consideration;
- (l) a technology transfer agreement dated 8 January 2009 entered into among Mr. Chen, Ms. Wan, Guangzhou Bawang and Bawang Guangzhou, pursuant to which Guangzhou Bawang agreed to transfer the proprietary formulae used in the production of our 雪美人 (Smerry) branded skin-care products to Bawang Guangzhou for nil consideration;
- (m) a deed of assignment dated 10 December 2008 given by Guangzhou Bawang, as the assignor, in favor of Bawang Guangzhou, as the assignee, pursuant to which Guangzhou Bawang agreed to assign all its registered trademarks and trademark applications registered and/or filed outside the PRC which are related to the Group's operations to Bawang Guangzhou for nil consideration;
- (n) a registered design assignment agreement dated 22 December 2007 entered into between Guangzhou Bawang, as the assignor, and Bawang Guangzhou, as the assignee, pursuant to which Guangzhou Bawang agreed to assign to Bawang Guangzhou certain registered designs for nil consideration;
- (o) a registered design assignment agreement dated 16 January 2009 entered into between Guangzhou Bawang, as the assignor, and Bawang Guangzhou, as the assignee, pursuant to which Guangzhou Bawang agreed to assign to Bawang Guangzhou the remaining registered design in relation to our products for nil consideration;
- (p) a non-competition deed dated 22 May 2009 given by our Controlling Shareholders in favor of our Company (for itself and for the benefit of its subsidiaries) regarding the non-competition undertaking as more particularly referred to in the section headed "Relationship with Controlling Shareholders" in this prospectus;
- (q) a deed of indemnity dated 22 May 2009 given by our Controlling Shareholders in favor of our Company more particularly referred to in the section headed "Tax and other indemnity" in this Appendix; and
- (r) the Hong Kong Underwriting Agreement.

2. Our Subsidiaries

As of the date of Latest Practicable Date, the Company had the following subsidiaries:

Name of subsidiary	Place and date of incorporation / establishment	Issued and fully paid up / registered capital	Attributable equity interest		Principal activities
			Direct	Indirect	
Maxford Investments Development Ltd.	BVI 11 April 2007	1 share of no par value with US\$1 paid up as consideration	100%	—	Investment holding
Forever Giants Limited	BVI 8 August 2008	US\$1	100%	—	Marketing and promotion of the HPC products
Lucky Rich Investments Limited	BVI 2 January 2008	10,000 shares of no par value with US\$10,000 paid up as consideration	—	100%	Investment holding
Bawang International Investments Limited	Hong Kong 24 January 2008	HK\$1	—	100%	Investment holding
BaWang International Group Holding (HK) Limited	Hong Kong 31 October 2007	HK\$1	—	100%	Investment holding
Hong Kong Bawang International Trading Limited	Hong Kong 24 January 2008	HK\$1	—	100%	Trading of HPC products
霸王（廣州）有限公司 (Bawang (Guangzhou) Co., Ltd.) ⁽ⁱ⁾	the PRC 13 April 2005	US\$12,500,000	—	100%	Manufacturing and trading of HPC products

(i) This entity is a wholly foreign-owned enterprise established in the PRC.

3. Our intellectual property rights











Trademarks

As of the Latest Practicable Date, our Group had the following registered trademarks:















Trademark	Class	Place of Registration	Registration Number	Registration Date	Expiry Date
	3	PRC	3326807	14 June 2004	13 June 2014
霸王	3	PRC	908593	7 December 1996	6 December 2016
霸王	3	PRC	3811018	7 September 2008	6 September 2018
霸王	5	PRC	912794	14 December 1996	13 December 2016
	3	PRC	1456347	14 October 2000	13 October 2010
BAWANG	3	PRC	1480316	28 November 2000	27 November 2010
霸王	3	PRC	1520330	14 February 2001	13 February 2011
雪美人 SMERRY	3	PRC	1805263	14 July 2002	13 July 2012
雪美人 SMERRY	3	PRC	3293866	14 January 2008	13 January 2018
雪美人 SMERRY	5	PRC	3293867	21 June 2004	20 June 2014
SMÉRRY	3	PRC	4203129	7 August 2007	6 August 2017
SMÉRRY 雪美人	3	PRC	4203130	7 August 2007	6 August 2017
SMÉRRY	5	PRC	4203131	7 August 2007	6 August 2017
雪美人	3	PRC	4203132	7 August 2007	6 August 2017
SNOW BEAUTY XUE MEI REN 雪美人	3	PRC	1270170	7 May 1999	6 May 2009
LITAO 丽涛	3	PRC	1636356	21 September 2001	20 September 2011
Litao 丽涛	3	PRC	3489005	28 January 2005	27 January 2015
天王	5	PRC	920783	28 December 1996	27 December 2016

Trademark	Class	Place of Registration	Registration Number	Registration Date	Expiry Date
	3	PRC	1194146	28 July 1998	27 July 2018
大姨	5	PRC	1592564	28 June 2001	27 June 2010
高医生	3	PRC	3459696	28 November 2004	27 November 2014
追风	3	PRC	3655477	7 October 2005	6 October 2015
追风	5	PRC	3655478	7 December 2005	6 December 2015
飘飘然	3	PRC	3655481	28 December 2005	27 December 2015
ARTION 牙神	3	PRC	3911990	28 September 2006	27 September 2016
一刷	3	PRC	3911991	21 August 2006	20 August 2016
一擦	3	PRC	3911992	21 August 2006	20 August 2016
高新	3	PRC	3945802	21 August 2006	20 August 2016
America Suet Mei Yan 美國雪美人	3, 5, 35	Hong Kong	300347724	3 January 2005	2 January 2015
Suet Mei Yan 雪美人	3, 5, 35	Hong Kong	300347733	3 January 2005	2 January 2015
Li Tao 丽涛	3, 5	Hong Kong	300349939	7 January 2005	6 January 2015
Lai Tao 麗濤	3, 5	Hong Kong	300349948	7 January 2005	6 January 2015
Ba Wong 霸王	3, 5	Hong Kong	300349957	7 January 2005	6 January 2015
	3, 5	Hong Kong	300755398	7 November 2006	6 November 2016
BAWANG	3	Hong Kong	301101626	24 April 2008	23 April 2018

Trademark	Class	Place of Registration	Registration Number	Registration Date	Expiry Date
	3, 5, 35, 44	Hong Kong	300389593	21 March 2005	20 March 2015
	3	Hong Kong	301193076	2 September 2008	2 September 2018
	3	Hong Kong	301223685	20 October 2008	20 October 2018
	3	Taiwan	01220268	1 August 2006	31 July 2016
	5	Taiwan	01213522	16 June 2006	15 June 2016
	3	Taiwan	01252428	1 March 2007	28 February 2017
	3	Singapore	T0813068D	22 September 2008	22 September 2018
	3	Nicaragua	0703533LM	9 January 2008	8 January 2018
	3	Singapore	T0517871F	22 September 2005	21 September 2015
	5	Singapore	T0517872D	22 September 2005	21 September 2015
	3	Thailand	Kor266012	21 July 2006	20 July 2016
	3	Thailand	Kor257166	21 July 2006	20 July 2016
	3	Mexico	990149	11 January 2007	11 January 2017
	3	New Zealand	760035	4 December 2006	3 December 2016

Trademark	Class	Place of Registration	Registration Number	Registration Date	Expiry Date
 	3	Ecuador	032614	12 September 2007	12 September 2017
 	3	Jamaica	049661	8 January 2008	20 December 2016
 	3	Chile	794016	17 August 2007	17 August 2017
 	3	Jordan	90908	14 February 2007	13 February 2017
 	3	Myanmar	2282/2007	6 April 2007	7 April 2010

As of the Latest Practicable Date, our Group has applied for the registration of the following trademarks:

<u>Trademark</u>	<u>Class</u>	<u>Place of Application</u>	<u>Application number</u>	<u>Application Date</u>
	3	PRC	6445113	18 December 2007
	5	PRC	6445128	18 December 2007
	10	PRC	6445132	18 December 2007
	18	PRC	6445134	18 December 2007
	21	PRC	6445136	18 December 2007
	23	PRC	6445137	18 December 2007
	24	PRC	6445138	18 December 2007
	28	PRC	6445139	18 December 2007
	29	PRC	6445140	18 December 2007
	32	PRC	6445141	18 December 2007
	30	PRC	6447132	18 December 2007
	40	PRC	6447136	18 December 2007
	9	PRC	6567606	27 February 2008
	11	PRC	6567608	27 February 2008
	19	PRC	6567610	27 February 2008





















Trademark	Class	Place of Application	Application number	Application Date
	36	PRC	6567615	27 February 2008
	37	PRC	6567620	27 February 2008
	39	PRC	6567625	27 February 2008
	3	PRC	6482489	29 December 2007
牙神	3	PRC	5285014	13 April 2006
霸天	5	PRC	5593510	8 September 2006
天霸	5	PRC	5593511	8 September 2006
本草	3	PRC	6084780	1 June 2007
小霸王	3	PRC	6493556	4 January 2008
一洗	3	PRC	6543271	1 February 2008
	3	PRC	6565986	26 February 2008
	3	PRC	6565990	26 February 2008
	21	PRC	6565994	26 February 2008




Trademark	Class	Place of Application	Application number	Application Date
	44	PRC	6565997	26 February 2008
	5	PRC	6565999	26 February 2008
	3	PRC	6571717	29 February 2008
露洁	3	PRC	3945804	8 March 2004
HERBORN	3	PRC	6932956	2 September 2008
清肌	3	PRC	6932957	2 September 2008
莲润	3	PRC	6932965	2 September 2008
八味	3	PRC	6932966	2 September 2008
南霸	5	PRC	6932970	2 September 2008
南霸天	5	PRC	6932972	2 September 2008
九味	3	PRC	6967697	23 September 2008
九味	30	PRC	6967692	23 September 2008
九味	32	PRC	6960489	18 September 2008
六味	3	PRC	6967698	23 September 2008
三花	3	PRC	6960491	18 September 2008
七草	3	PRC	6967696	23 September 2008
生肌	32	PRC	6967691	23 September 2008
生肌	3	PRC	6967695	23 September 2008

Trademark	Class	Place of Application	Application number	Application Date
生机	3	PRC	6967694	23 September 2008
红润透白	3	PRC	6967693	23 September 2008
高医生	3	PRC	7169422	16 January 2009
高医生	5	PRC	7169429	16 January 2009
	3	PRC	7250256	12 March 2009
	3	PRC	7172553	19 January 2009
	3	PRC	7172554	19 January 2009
	3, 5, 35, 44	Hong Kong	300427743	26 May 2005
 雪美人	3, 5, 35, 44	Hong Kong	300427752	26 May 2005
	3, 5	Hong Kong	300427761	26 May 2005
SMÉRRY	3	Hong Kong	301223694	20 October 2008
	3	Hong Kong	301200554	12 September 2008
	3	Hong Kong	301294984	27 February 2009

Trademark	Class	Place of Application	Application number	Application Date
	3	Hong Kong	301308852	20 March 2009
	3	Hong Kong	301282194	6 February 2009
	3	Hong Kong	301273013	15 January 2009
	3	Hong Kong	301245339	25 November 2008
	5	Hong Kong	301263979	25 December 2008
	5	Hong Kong	301263988	25 December 2008
	3, 5	Hong Kong	301274823	20 January 2009
	3	Taiwan	98009865	17 March 2009
	3	Singapore	T0903203A	25 March 2009
	3	Colombia	342159	14 March 2007

As of the Latest Practicable Date, applications have been made for the transfer of the following registered trademarks pursuant to the trademark assignment agreement dated 10 December 2008:

<u>Trademark</u>	<u>Class</u>	<u>Place of Registration</u>	<u>Registration Number</u>	<u>Registration Date</u>	<u>Expiry Date</u>
	3	Macao	N/18788	5 January 2006	4 January 2013
	5	Macao	N/18789	5 January 2006	4 January 2013
	3	Laos	15450	27 July 2007	26 December 2016
					
	3	Haiti	50 Reg. 156	14 July 2007	13 July 2017
					
	3	Peru	307376	18 June 2007	17 June 2017
					
	3	Oman	43508	6 February 2007	6 February 2017
					
	3	United Arab Emirates	90100	28 November 2007	4 February 2017
					
	3	Dominican Republic	2007-15999	15 May 2007	15 May 2017
					
	3	Yemen	31764	29 January 2007	29 January 2017
					
	3	Belize	42495-07	17 April 2007	16 April 2017
					
	3	Cambodia	26864	22 December 2006	21 December 2016
					

<u>Trademark</u>	<u>Class</u>	<u>Place of Registration</u>	<u>Registration Number</u>	<u>Registration Date</u>	<u>Expiry Date</u>
	3	Bolivia	113576-C	23 May 2008	23 May 2018
	3	Panama	159200	23 February 2007	23 February 2017
	3	Qatar	43156	8 February 2007	8 February 2017
霸王	3	Ireland	908715(*)	11 December 2006	10 December 2016
霸王	3	Benelux	908715(*)	11 December 2006	10 December 2016
霸王	3	Australia	908715(*)	11 December 2006	10 December 2016
霸王	3	The United Kingdom	908715(*)	11 December 2006	10 December 2016
霸王	3	Norway	908715(*)	11 December 2006	10 December 2016
霸王	3	Japan	908715(*)	11 December 2006	10 December 2016
霸王	3	Syria Arab Republic	908715(*)	11 December 2006	10 December 2016
霸王	3	Georgia	908715(*)	11 December 2006	10 December 2016
霸王	3	Albania	908715(*)	11 December 2006	10 December 2016
霸王	3	Austria	908715(*)	11 December 2006	10 December 2016
霸王	3	Azerbaijan	908715(*)	11 December 2006	10 December 2016
霸王	3	Bosnia-Herzegovina	908715(*)	11 December 2006	10 December 2016
霸王	3	Bulgaria	908715(*)	11 December 2006	10 December 2016
霸王	3	Belarus	908715(*)	11 December 2006	10 December 2016
霸王	3	Switzerland	908715(*)	11 December 2006	10 December 2016

<u>Trademark</u>	<u>Class</u>	<u>Place of Registration</u>	<u>Registration Number</u>	<u>Registration Date</u>	<u>Expiry Date</u>
霸王	3	Cuba	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Czech Republic	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Germany	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Algeria	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Egypt	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Spain	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	France	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Croatia	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Italy	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Kyrgyzstan	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Democratic People's Republic of Korea	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Kazakhstan	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Liechtenstein	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Liberia	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Latvia	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Morocco	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Monaco	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Moldova	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Macedonia	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Mongolia	908715 ^(*)	11 December 2006	10 December 2016




<u>Trademark</u>	<u>Class</u>	<u>Place of Registration</u>	<u>Registration Number</u>	<u>Registration Date</u>	<u>Expiry Date</u>
霸王	3	Poland	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Portugal	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Romania	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Russian Federation	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Sudan	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Slovenia	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Slovakia	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	San Marino	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Tajikistan	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Ukraine	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Uzbekistan	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Republic of Serbia	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Sierra Leone	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Kenya	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Swaziland	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Mozambique	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Lesotho	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Bhutan	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Islamic Republic of Iran	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Cyprus	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Namibia	908715 ^(*)	11 December 2006	10 December 2016













<u>Trademark</u>	<u>Class</u>	<u>Place of Registration</u>	<u>Registration Number</u>	<u>Registration Date</u>	<u>Expiry Date</u>
霸王	3	Denmark	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Turkey	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Hungary	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Finland	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Sweden	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Iceland	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Lithuania	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Estonia	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Turkmenistan	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Antigua and Barbuda	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Greece	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Zambia	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Netherlands Antilles	908715 ^(*)	11 December 2006	10 December 2016
霸王	3	Bahrain	908715 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Benelux	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Ireland	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	The United Kingdom	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Australia	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Norway	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Japan	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Syria Arab Republic	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Turkey	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Albania	908482 ^(*)	11 December 2006	10 December 2016

<u>Trademark</u>	<u>Class</u>	<u>Place of Registration</u>	<u>Registration Number</u>	<u>Registration Date</u>	<u>Expiry Date</u>
BAWANG	3	Austria	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Azerbaijan	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Bosnia-Herzegovina	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Bulgaria	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Belarus	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Switzerland	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Cuba	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Czech Republic	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Germany	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Algeria	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Egypt	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Spain	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	France	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Croatia	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Italy	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Kyrgyzstan	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Democratic People's Republic of Korea	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Kazakhstan	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Liechtenstein	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Liberia	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Latvia	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Morocco	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Monaco	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Moldova	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Macedonia	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Mongolia	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Poland	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Portugal	908482 ^(*)	11 December 2006	10 December 2016

<u>Trademark</u>	<u>Class</u>	<u>Place of Registration</u>	<u>Registration Number</u>	<u>Registration Date</u>	<u>Expiry Date</u>
BAWANG	3	Romania	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Russian Federation	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Sudan	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Slovenia	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Slovakia	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	San Marino	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Tajikistan	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Ukraine	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Uzbekistan	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Republic of Serbia	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Sierra Leone	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Kenya	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Swaziland	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Mozambique	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Lesotho	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Bhutan	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Islamic Republic of Iran	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Cyprus	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Namibia	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Viet Nam	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Armenia	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Denmark	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Finland	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Sweden	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Iceland	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Lithuania	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Estonia	908482 ^(*)	11 December 2006	10 December 2016
BAWANG	3	Turkmenistan	908482 ^(*)	11 December 2006	10 December 2016





<u>Trademark</u>	<u>Class</u>	<u>Place of Registration</u>	<u>Registration Number</u>	<u>Registration Date</u>	<u>Expiry Date</u>
BAWANG	3	Antigua and Barbuda	908482(*)	11 December 2006	10 December 2016
BAWANG	3	Greece	908482(*)	11 December 2006	10 December 2016
BAWANG	3	Zambia	908482(*)	11 December 2006	10 December 2016
BAWANG	3	Netherlands Antilles	908482(*)	11 December 2006	10 December 2016
BAWANG	3	Bahrain	908482(*)	11 December 2006	10 December 2016
BAWANG	3	Hungary	908482(*)	11 December 2006	10 December 2016
BAWANG	3	Georgia	908482(*)	11 December 2006	10 December 2016
	3	Taiwan	01213335	16 June 2006	15 June 2016
	5	Taiwan	01206707	1 May 2006	30 April 2016
	3	Macao	N/018790	9 February 2006	9 February 2013
	5	Macao	N/018791	9 February 2006	9 February 2013
	3	Malaysia	05015889	22 September 2005	21 September 2015
	5	Malaysia	05015890	22 September 2005	21 September 2015
	3	Singapore	T0517873B	22 September 2005	21 September 2015
	5	Singapore	T0517874J	22 September 2005	21 September 2015
	3	Macao	N/018792	5 January 2006	5 January 2016
	5	Macao	N/018793	5 January 2006	5 January 2016





















<u>Trademark</u>	<u>Class</u>	<u>Place of Registration</u>	<u>Registration Number</u>	<u>Registration Date</u>	<u>Expiry Date</u>
SMÉRRY  雪美人	3	Malaysia	05015887	22 September 2005	22 September 2015
SMÉRRY  雪美人	5	Malaysia	05015888	22 September 2005	22 September 2015
SMÉRRY  雪美人	3	Singapore	T0517875I	22 September 2005	21 September 2015
SMÉRRY  雪美人	5	Singapore	T0517876G	23 September 2005	22 September 2015
SMÉRRY	3	Thailand	632860	21 July 2006	20 July 2016
SMÉRRY	3	Taiwan	01252430	1 March 2007	28 February 2017
SMÉRRY  雪美人	3	Taiwan	01220269	1 August 2006	31 July 2016
SMÉRRY  雪美人	5	Taiwan	01206708	1 May 2006	30 April 2016
SMÉRRY 	3	Ireland	907959 ^(*)	7 December 2006	6 December 2016
SMÉRRY 	3	The United Kingdom	907959 ^(*)	7 December 2006	6 December 2016
SMÉRRY 	3	Australia	907959 ^(*)	7 December 2006	6 December 2016
SMÉRRY 	3	European Community	907959 ^(*)	7 December 2006	6 December 2016
SMÉRRY 	3	Georgia	907959 ^(*)	7 December 2006	6 December 2016










<u>Trademark</u>	<u>Class</u>	<u>Place of Registration</u>	<u>Registration Number</u>	<u>Registration Date</u>	<u>Expiry Date</u>
SMÉRRY 	3	Norway	907959(*)	7 December 2006	6 December 2016
SMÉRRY 	3	South Korea	907959(*)	7 December 2006	6 December 2016
SMÉRRY 	3	Turkey	907959(*)	7 December 2006	6 December 2016
SMÉRRY 	3	Denmark	907959(*)	7 December 2006	6 December 2016
SMÉRRY 	3	Finland	907959(*)	7 December 2006	6 December 2016
SMÉRRY 	3	Sweden	907959(*)	7 December 2006	6 December 2016
SMÉRRY 	3	Iceland	907959(*)	7 December 2006	6 December 2016
SMÉRRY 	3	Lithuania	907959(*)	7 December 2006	6 December 2016
SMÉRRY 	3	Estonia	907959(*)	7 December 2006	6 December 2016
SMÉRRY 	3	Turkmenistan	907959(*)	7 December 2006	6 December 2016
SMÉRRY 	3	Japan	907959(*)	7 December 2006	6 December 2016
SMÉRRY 	3	Antigua and Barbuda	907959(*)	7 December 2006	6 December 2016

<u>Trademark</u>	<u>Class</u>	<u>Place of Registration</u>	<u>Registration Number</u>	<u>Registration Date</u>	<u>Expiry Date</u>
	3	Greece	907959 ^(*)	7 December 2006	6 December 2016
	3	Zambia	907959 ^(*)	7 December 2006	6 December 2016
	3	Netherlands Antilles	907959 ^(*)	7 December 2006	6 December 2016
	3	Bahrain	907959 ^(*)	7 December 2006	6 December 2016

As of the Latest Practicable Date, applications have be made for the transfer of the following trademark registration applications, pursuant to the trademark assignment agreement dated 10 December 2008:

<u>Trademark</u>	<u>Class</u>	<u>Place of Application</u>	<u>Application number</u>	<u>Application Date</u>
 	3	Argentine Republic	2737732	4 April 2007
 	3	Puerto Rico	—	7 February 2007
 	3	the Philippines	4-2006-013435	14 December 2006
 	3	Costa Rica	11079	5 March 2007
 	3	Honduras	2007-10512	23 March 2007
 	3	Canada	1342803	11 April 2007
 	3	El Salvador	65264/2007	5 March 2007
 	3	Guatemala	5737-2007	28 July 2007
 	3	African Regional Intellectual Property Organization (A.R.I.P.O.)	—	2 March 2007
 	3	African Intellectual Property Organization (O.A.P.I.)	3200700376	2 March 2007

<u>Trademark</u>	<u>Class</u>	<u>Place of Application</u>	<u>Application number</u>	<u>Application Date</u>
 	3	Brazil	828919194	11 January 2007
 	3	Bermuda	—	25 January 2007
 	3	Kuwait	86609	23 June 2007
 	3	Malta	46219	1 March 2007
 	3	Bangladesh	102374	10 December 2006
 	3	South Africa	—	28 February 2007
 	3	Saudi Arabia	113381	7 February 2007
 	3	Surinam	20675	29 January 2007
 	3	Venezuela	2007-001240	11 January 2007
 	3	Uruguay	377464	22 January 2007

Trademark	Class	Place of Application	Application number	Application Date
  BAWANG	3	India	01509488	1 December 2006
  BAWANG	3	Indonesia	D00-2006-039910	8 December 2006
  BAWANG	3	Vietnam	4-2008-04543	7 March 2008
 BAWANG	3	Malaysia	05015896	22 September 2005
 BAWANG	5	Malaysia	05015895	22 September 2005
BA WANG	3	Malaysia	08008751	6 May 2008
	3	Malaysia	08008750	6 May 2008

Notes:




- Class 3: Bleaching preparations and other substances for laundry use; cleaning, polishing, scouring and abrasive preparations; soaps; perfumery, essential oils, cosmetics, hair lotions; dentifrices.
- Class 5: Pharmaceutical, veterinary and sanitary preparations; dietetic substances adapted for medical use, food for babies; plasters, materials for dressings; material for stopping teeth, dental wax; disinfectants; preparations for destroying vermin; fungicides, herbicides.
- Class 9: Scientific, nautical, surveying, electric, photographic, cinematographic, optical, weighing, measuring, signaling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment and computers; fire-extinguishing apparatus.
- Class 10: Surgical, medical, dental and veterinary apparatus and instruments, artificial limbs, eyes and teeth; orthopedic articles; suture materials.
- Class 11: Apparatus for lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes.
- Class 18: Leather and imitations of leather, and goods made of these materials and not included in other classes; animal skins, hides; trunks and traveling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery.
- Class 19: Building materials (non-metallic); non-metallic rigid pipes for building; asphalt, pitch and bitumen; non-metallic transportable buildings; monuments, not of metal.
- Class 21: Household or kitchen utensils and containers (not of precious metal or coated therewith); combs and sponges; brushes (except paint brushes); brush-making materials; articles for cleaning purposes; steel wool; unworked or semi-worked glass (except glass used in building); glassware, porcelain and earthenware not included in other classes.
- Class 23: Yarns and threads, for textile use.
- Class 24: Textiles and textile goods, not included in other classes; bed and table covers.
- Class 28: Games and playthings; gymnastic and sporting articles not included in other classes; decorations for Christmas trees.
- Class 29: Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, fruit sauces; eggs, milk and milk products; edible oils and fats.

- Class 30: Coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, ices; honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (condiments); spices; ice.
- Class 32: Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages.
- Class 35: Advertising; business management; business administration; office functions.
- Class 36: Insurance; financial affairs; monetary affairs; real estate affairs.
- Class 37: Building construction; repair; installation services.
- Class 39: Transport; packaging and storage of goods; travel arrangement.
- Class 40: Treatment of materials.
- Class 44: Medical services; veterinary services; hygienic and beauty care for human beings or animals; agriculture, horticulture and forestry services.






(*) The trademarks were registered or are being applied under the applications filed with the Madrid Agreement Concerning the International Registration of Marks and Madrid Protocol. The registration and application numbers were assigned to each of those applications they are 908715, 908482 and 907959. Designations under Madrid Agreement including Albania, Algeria, Armenia, Austria, Azerbaijan, Belarus, Benelux, Bhutan, Bosnia and Herzegovina, Bulgaria, Croatia, Cuba, Cyprus, Czech Republic, Democratic People's Republic of Korea, Egypt, France, Germany, Hungary, Islamic Republic of Iran, Italy, Kazakhstan, Kenya, Kyrgyzstan, Latvia, Lesotho, Liberia, Liechtenstein, Monaco, Mongolia, Morocco, Mozambique, Namibia, Poland, Portugal, Republic of Moldova, Republic of Serbia, Romania, Russian Federation, San Marino, Sierra Leone, Slovakia, Slovenia, Spain, Sudan, Swaziland, Switzerland, Syrian Arab Republic, Tajikistan and Viet Nam. Designations under Madrid Protocol including Antigua and Barbuda, Australia, Bahrain, Denmark, Estonia, Finland, Georgia, Greece, Iceland, Ireland, Japan, Lithuania, Netherlands, Antilles, Norway, Republic of Korea, Sweden, Turkey, Turkmenistan, United Kingdom and Zambia. Declaration of intention to use the mark including United Kingdom and Ireland.

Registered Designs

As of the Latest Practicable Date, our Group has registered the following registered designs:

Registered Design	Place of Registration	Registration Number	Date of grant	Expiry Date
	PRC	ZL 2005 30167948.8	29 November 2006	9 December 2015
	PRC	ZL 2005 30167949.2	29 November 2006	9 December 2015
	PRC	ZL02 3 30182.1	2 April 2003	26 June 2012

As of the Latest Practicable Date, applications have been made for the registration of the following registered designs:

<u>Registered Design</u>	<u>Place of Application</u>	<u>Application Number</u>	<u>Application Date</u>
	PRC	200930126270.7	12 March 2009
	PRC	200930126741.4	24 April 2009
	PRC	200930007679.7	24 March 2009
	PRC	200930007680.X	24 March 2009
	PRC	200930007681.4	24 March 2009

Patents

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

<u>Patent</u>	<u>Place of Application</u>	<u>Application number</u>	<u>Application Date</u>
一種何首烏提取物二苯乙烯苷的提取方法 (An Extraction Method of Stilbene Glucoside from Polygonum multiflorum Thunb.)	PRC	2008 10031093.9	17 April 2008
一種墨旱蓮皂苷類化合物的提取方法 (An Extraction Method of Saponins compound from Eclipta prostrata L.)	PRC	2008 10031092.4	17 April 2008
一種當歸蘗本內酯的提取方法 (An Extraction Method of Ligustilide from Angelica sinensis (Oliv.) Diels)	PRC	2008 10031091.x	17 April 2008

Domain name

As of the Latest Practicable Date, our Group have registered the following domain names:

<u>Domain Name</u>	<u>Registrant</u>	<u>Date of Registration</u>	<u>Expiry Date</u>
www.bawang.com.cn	Bawang Guangzhou	28 December 2004	23 June 2011
www.bawang.com.hk	Bawang Hong Kong	22 April 2008	3 September 2012
www.bawang.hk	Bawang Guangzhou	23 January 2006	23 January 2013
www.霸王.公司	Bawang Guangzhou	20 February 2006	8 March 2013
www.霸王国际.com	Bawang Guangzhou	20 February 2006	8 March 2013
www.霸王洗发水.中国	Bawang Guangzhou	18 November 2008	18 November 2018
www.霸王洗发水.com	Bawang Guangzhou	18 November 2008	18 November 2018
www.霸王洗发水.网络	Bawang Guangzhou	18 November 2008	18 November 2018
www.霸王洗发水.公司	Bawang Guangzhou	18 November 2008	18 November 2018
www.霸王洗发水.net	Bawang Guangzhou	18 November 2008	18 November 2018
www.smerry.com.cn	Bawang Guangzhou	28 December 2004	19 February 2011
www.smerry.cn	Bawang Guangzhou	28 December 2004	23 June 2011
www.smerry.com	Bawang Guangzhou	27 December 2004	23 June 2012
www.smerry.com.hk	Bawang Hong Kong	30 April 2008	30 April 2012
www.smerry.hk	Bawang Guangzhou	23 January 2006	23 January 2013
www.雪美人.com	Bawang Guangzhou	20 February 2006	8 March 2013
www.雪美人.中国	Bawang Guangzhou	20 February 2006	20 March 2013
www.丽涛.com	Bawang Guangzhou	19 February 2006	8 March 2013
www.herbon.com.cn	Bawang Guangzhou	10 July 2008	10 July 2013

C. FURTHER INFORMATION ABOUT OUR DIRECTORS

1. Particulars of director's service agreements and letters of appointment

Each of our executive Directors has entered into a director's service agreement with us for an initial term of three year commencing from the Listing Date and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other, which notice shall not expire until after the fixed term. The aggregate annual salary of our executive Directors is approximately HK\$3.2 million.

Each of our non-executive Director and independent non-executive Directors, has entered into a letter of appointment with our Company. Each letter of appointment is for an initial term of three years commencing from the Listing Date. The aggregate annual salary of our non-executive Director and independent non-executive Directors is approximately HK\$1.3 million.

Save as disclosed above, none of our Directors has or is proposed to have 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).

Remuneration of Directors

The aggregate amount of remuneration our Directors (except Mr. Chen and Ms. Wan, who did not receive any remuneration in 2008, and Mr. Chen Kaizhi, who was appointed on 8 April 2009) have received for the year ended 31 December 2008 was approximately RMB1.4 million. No remuneration was paid to our Directors for the years ended 31 December in 2006 and 2007.

Under the arrangements currently in force, the estimated amounts of the directors' fees and other emoluments payable to the Directors, for the year ending 31 December 2009 will be approximately HK\$3.5 million, excluding discretionary bonuses.

2. Disclosure of interests

- (a) *Interests and/or short positions of the Directors and chief executives in the share capital of our Company and its associated corporations following the Global Offering and the Capitalization Issue*

Immediately following completion of the Global Offering and the Capitalization Issue (but taking no account of any Shares which may be allotted and issued pursuant to the Pre-IPO Share Option Scheme, Share Option Scheme and exercise of the Over-allotment Option), the interests and/or short positions of our Directors and chief executive in our Shares, underlying Shares or debentures of our Company and its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are 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 our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, once the Shares are listed, will be as follows:

Interests and short positions in the shares, underlying shares and debentures and our associated corporations:

Long Position in our Company

<u>Name of Director</u>	<u>Number of Shares</u>	<u>Number of Shares subject to options granted under the Pre-IPO Share Option Scheme</u>	<u>Approximate percentage of interest in our Company/ Percentage of enlarged issue share capital of our Company upon full exercise of the Pre-IPO Share Option</u>
Mr. Chen ⁽¹⁾	2,100,000,000	—	75%
Ms. Wan ⁽²⁾	2,100,000,000	—	75%
Mr. Shen Xiaodi	—	(i) 2,100,000 (assuming that the Offer Price is set at high-end of the indicative Offer Price range); or	0.0746%
		(ii) 2,564,000 (assuming that the Offer Price is set at low-end of the indicative offer Price range).	0.0910%

<u>Name of Director</u>	<u>Number of Shares</u>	<u>Number of Shares subject to options granted under the Pre-IPO Share Option Scheme</u>	<u>Approximate percentage of interest in our Company/ Percentage of enlarged issue share capital of our Company upon full exercise of the Pre-IPO Share Option</u>
Mr. Wong Sin Yung	—	(i) 2,100,000 (assuming that the Offer Price is set at high-end of the indicative Offer Price range); or	0.0746%
		(ii) 2,564,000 (assuming that the Offer Price is set at low-end of the indicative offer Price range).	0.0910%
Ms. Guo Jing ⁽³⁾	—	(i) 2,100,000 (assuming that the Offer Price is set at high-end of the indicative Offer Price range); or	0.0746%
		(ii) 2,564,000 (assuming that the Offer Price is set at low-end of the indicative offer Price range).	0.0910%

Notes:

- (1) Mr. Chen is deemed to be interested in the Shares held by Fortune Station by virtue of Fortune Station being controlled by Mr. Chen and Ms. Wan. Mr. Chen, the spouse of Ms. Wan, is deemed to be interested in Ms. Wan's interests in Fortune Station.
- (2) Ms. Wan is deemed to be interested in the Shares held by Fortune Station by virtue of Fortune Station being controlled by Ms Wan and Mr. Chen. Ms. Wan, the spouse of Mr. Chen, is deemed to be interested in Fortune Station.
- (3) Ms. Guo Jing, the spouse of Mr. Shen Xiaodi, is deemed to be interested in the options granted to Mr. Shen Xiaodi under the Pre-IPO Share Option Scheme.

(b) *Interests and/or short positions of the Substantial Shareholders in the Shares which are discloseable under Divisions 2 and 3 of Part XV of the SFO*

Immediately following completion of the Global Offering and the Capitalization Issue (but taking no account of any Shares to be issued pursuant to exercise of the Over-allotment Option), so far as the Directors are aware, the following persons (not being a Director or a chief executive of our Company) will have an interest or short position in the Shares or underlying Shares which would fall to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who will, directly or indirectly, be 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.

Interests and short positions in our shares and underlying shares:

<u>Name</u>	<u>Capacity /Nature of interest</u>	<u>Number of Shares</u>	<u>Approximate percentage of shareholding</u>
Fortune Station	Beneficial owner	2,100,000,000	75%
Mr. Chen ⁽¹⁾	Interest in a controlled corporation	2,100,000,000	75%
Ms. Wan ⁽²⁾	Interest in a controlled corporation	2,100,000,000	75%

Notes:

- (1) Mr. Chen is the beneficial owner of 51% of the issued share capital of Fortune Station and is deemed to be interested in the Shares held by Fortune Station. Mr. Chen, the spouse of Ms. Wan, is deemed to be interested in Ms. Wan's interests in Fortune Station.
- (2) Ms. Wan is the beneficial owner of 49% of the issued share capital of Fortune Station and is deemed to be interested in the Shares held by Fortune Station. Ms. Wan, the spouse of Mr. Chen, is deemed to be interested in Mr. Chen's interests in Fortune Station.

3. Agency fees or commission

Save as disclosed in this prospectus, 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.

4. Related party transactions

During the two years immediately preceding the date of this prospectus, we have engaged in related party transactions as described in note 22 of the Accountants' Report set out in Appendix I to this prospectus.

5. 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 (taking no account of the Over-allotment Option or any shares which may be issued pursuant to the exercise of option and granted under the Share Option Scheme and the Capitalization Issue), have an interest or a short position in the Shares or underlying Shares which would fall to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who will, directly or indirectly, be 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;
- (b) none of our Directors nor any chief executive of our Company has any interest or a short position in the Shares, underlying Shares or debentures of our Company or any of its associated corporation (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest and short position in which they are 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 our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, in each case once the Shares are listed;

- (c) none of the Directors nor any of the parties whose names are listed in the section headed “Consents of experts” in this Appendix has any direct or indirect interest in the promotion of, or in any assets which have been, within the two years immediately preceding the issue of this prospectus, acquired or disposed of by or leased to any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group;
- (d) none of the Directors nor any of the parties whose names are listed in the section headed “Consents of experts” in this Appendix is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to our Company’s business;
- (e) save in connection with the Underwriting Agreements, none of the parties listed in the section headed “Consents of experts” in this Appendix:
 - (i) is interested legally or beneficially in any securities of any member of the Group; or
 - (ii) has any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and
- (f) none of our Directors or their associates or any shareholders of our Company who to the knowledge of the Directors owns more than five per cent of our issued share capital has any interest in our five largest suppliers or our top five largest customers.

D. PRE-IPO SHARE OPTION SCHEME

Summary of Terms

The purpose of the Pre-IPO Share Option Scheme is to give our Directors, senior management and employees an opportunity to have a personal stake in our Company and help motivate our employees to optimize their performance and efficiency, and also to retain our employees whose contributions are important to the long-term growth and profitability of our Group. The principal terms of the Pre-IPO Share Option Scheme, approved by written resolutions of the Shareholders dated 10 December 2008, are substantially the same as the terms of the Share Option Scheme except that:

- (a) the subscription price per Share under the Pre-IPO Share Option Scheme shall be at par value or at 50% discount to the Offer Price;
- (b) each option granted under the Pre-IPO Share Option Scheme has a 10-year exercise period;
- (c) the Shares issued within one year from the Listing Date as a result of the exercise of options under the Pre-IPO Share Option Scheme will be subject to a lock-up period of 12 months from the Listing Date; and
- (d) each option granted under the Pre-IPO Share Option Scheme shall not be transferable or assignable and shall not in any way sell, transfer, charge, mortgage, encumber or otherwise dispose or create any interest (whether legal or beneficial) whatsoever in favor of any third-party over or in relation to any option or enter into any agreement so to do.

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

Outstanding Options Granted

As of the date of this prospectus, options to subscribe for an aggregate of (i) 14,532,000 Shares, assuming that the Offer Price is set at the high-end of the indicative Offer Price range, representing (a) approximately 0.5190% of the issued share capital of our Company immediately after the completion of the Global Offering and Capitalization Issue (without taking into account any Shares

which may be allotted and issued upon the exercise of any options which have been granted under the Pre-IPO Share Option Scheme or which maybe granted under the Share Option Scheme or the exercise of the Over-allotment Option); or (b) approximately 0.5163% of the issued share capital of our Company immediately after completion of the Global Offering and the Capitalization Issue and assuming that all options granted under the Pre-IPO Share Option Scheme are fully exercised at the same time (without taking into account any Shares which may be allotted and issued upon the exercise of any options which may be granted under the Share Option Scheme or the exercise of the Over-allotment Option); or (ii) 17,719,000 Shares, assuming that the Offer Price is set at the low-end of the indicative Offer Price range, representing approximately (a) 0.6328% of the issued share capital of our Company immediately after the completion of the Global Offering and Capitalization Issue (without taking into account any Shares which may be allotted and issued upon the exercise of any options which have been granted under the Pre-IPO Share Option Scheme or which maybe granted under the Share Option Scheme or the exercise of the Over-allotment Option); or (b) approximately 0.6288% of the issued share capital of our Company immediately after the completion of the Global Offering and the Capitalization Issue and assuming that all options granted under the Pre-IPO Share Option Scheme are fully exercised at the same time (without taking into account any Shares which may be allotted and issued upon the exercise of any options which may be granted under the Share Option Scheme or the exercise of the Over-allotment Option). The above options have been conditionally granted to 42 participants by our Company at a consideration of HK\$1.0 each. Since amount is payable by each of the grantee under the Pre-IPO Share Option Scheme. All the options under the Pre-IPO Share Option Scheme were granted on 8 June 2009 and no further options will be granted under the Pre-IPO Share Option Scheme prior to the Listing Date.

The options have been conditionally granted based on the performance of the grantees who have made important contributions and are important to the long term growth and profitability of our Group. A total of 42 employees including two executive Directors and 12 members of the senior management of our Group have been conditionally granted options under the Pre-IPO Share Option Scheme.

A full list of such grantees containing all the details in respect of each option required under paragraph 10 of the Third Schedule to the Companies Ordinance and Rule 17.02(1)(b) of and paragraph 27 of Part A of Appendix I to the Listing Rules is set out below:

Grantee	Address	Subscription Price	Exercise Periods ⁽¹⁾	Maximum percentage of option exercisable	Number of Shares to be issued upon full exercise of the Pre-IPO Share Option		Percentage of enlarged issue share capital our Company upon full exercise of the Pre-IPO Share Option ⁽²⁾	
					High-end of the Offer Price	Low-end of the Offer Price	High-end of the Offer Price	Low-end of the Offer Price
Directors								
Shen Xiaodi	Unit G, Level 18, Tower 22, Ocean Vista, 8 Laguna Verde Avenue, Phase 5, Laguna Verde, Hung Hom, Kowloon	Par Value	1-year 2-year 3-year 4-year 5-year	20% 20% 20% 20% 20%	2,100,000	2,564,000	0.0746%	0.0910%
Wong Sin Yung	Flat B, 11/F, Block 2, Laguna City Kwun Tong, Kowloon, Hong Kong	Par Value	1-year 2-year 3-year 4-year 5-year	40% 15% 15% 15% 15%	2,100,000	2,564,000	0.0746%	0.0910%

Grantee	Address	Subscription Price	Exercise Periods ⁽¹⁾ / Maximum percentage of option exercisable	Number of Shares to be issued upon full exercise of the Pre-IPO Share Option		Percentage of enlarged issue share capital our Company upon full exercise of the Pre-IPO Share Option ⁽²⁾		
				High-end of the Offer Price	Low-end of the Offer Price	High-end of the Offer Price	Low-end of the Offer Price	
				Senior Management				
Wan Yuxian	Group 8, Zhong Wei Ju Wei Hui, Yu Dai Road Office, Hong Ta District, Yuxi, Yunnan	Par Value	1-year 2-year 3-year 4-year 5-year	20% 20% 20% 20% 20%	2,100,000	2,564,000	0.0746%	0.0910%
Zhang Jialin	Group 8, Zhong Wei Ju Wei Hui, Yu Dai Road Office, Hing Ta District, Yuxi, Yunnan	50% of the Offer Price	1-year 2-year 3-year 4-year 5-year	20% 20% 20% 20% 20%	210,000	256,000	0.0075%	0.0091%
Ma Shaochun	Bawang Industrial City, No. 8 North Huanan Road, Jiahe Street Baiyun District, Guangzhou	50% of the Offer Price	1-year 2-year 3-year 4-year 5-year	10% 15% 20% 25% 30%	420,000	512,000	0.0149%	0.0182%
He Xinyi	Room 701, Block H4, Phase III, Times Rose Garden, North Huangbian Road, Guangzhou	50% of the Offer Price	1-year 2-year 3-year 4-year 5-year	10% 15% 20% 25% 30%	420,000	512,000	0.0149%	0.0182%
Luo Hailong	Room 13D, No. 111 North Huajing Road, Tian He District, Guangzhou	50% of the Offer Price	1-year 2-year 3-year 4-year 5-year	10% 15% 20% 25% 30%	420,000	512,000	0.0149%	0.0182%
Mo Zhiwen	Room 203, Block 5, North 198 Hai Bin Avenue, Chikan District, Zhanjiang, Guangdong	50% of the Offer Price	1-year 2-year 3-year 4-year 5-year	10% 15% 20% 25% 30%	420,000	512,000	0.0149%	0.0182%
Liang Jinhua	Room 2801, No. 135, Sports Center West Road, Guangzhou	50% of the Offer Price	1-year 2-year 3-year 4-year 5-year	10% 15% 20% 25% 30%	210,000	256,000	0.0075%	0.0091%
Huang Weiyan	Room 207, 97 Jinxin 2 Jie, Shi Cha Road, Bai Yun District, Guangzhou	50% of the Offer Price	1-year 2-year 3-year 4-year 5-year	10% 15% 20% 25% 30%	210,000	256,000	0.0075%	0.0091%
Chen Quan	Bawang Industrial City, No. 8 North Huanan Road, Jia He Street, Bai Yun District, Guangzhou	50% of the Offer Price	1-year 2-year 3-year 4-year 5-year	10% 15% 20% 25% 30%	210,000	256,000	0.0075%	0.0091%
Li Yihui	Room 1503, Block B, Lu Jing Ming Ju, Hong Gu Tan District, Nan Chang, Jiangxi	50% of the Offer Price	1-year 2-year 3-year 4-year 5-year	12% 16% 20% 24% 28%	210,000	256,000	0.0075%	0.0091%

Grantee	Address	Subscription Price	Exercise Periods ⁽¹⁾ / Maximum percentage of option exercisable		Number of Shares to be issued upon full exercise of the Pre-IPO Share Option		Percentage of enlarged issue share capital our Company upon full exercise of the Pre-IPO Share Option ⁽²⁾	
					High-end of the Offer Price	Low-end of the Offer Price	High-end of the Offer Price	Low-end of the Offer Price
Guo Xiaoping	Room 505, Block 8, Fangcun Garden, Liwan District, Guangzhou	50% of the Offer Price	1-year	10%	210,000	256,000	0.0075%	0.0091%
			2-year	15%				
			3-year	20%				
			4-year	25%				
			5-year	30%				
Zhu Xiaojun	Room 604, Block 14, Fu He Garden, Tonghe Road, North Guangzhou Avenue, Guangzhou	50% of the Offer Price	1-year	10%	126,000	153,000	0.0045%	0.0054%
			2-year	15%				
			3-year	20%				
			4-year	25%				
			5-year	30%				
Other employees								
Wan Baoming	Room 604, No. 8, Yi Le Street, Yun Shan Shi Yi, North Huangbian Road, Guangzhou	Par value	1-year	20%	2,100,000	2,564,000	0.0746%	0.0910%
			2-year	20%				
			3-year	20%				
			4-year	20%				
			5-year	20%				
Hong Hao	3/F Unit 2, Hostel of Aviation Industry Bureau, Shuangqiao Road, Chenghua District, Chengdu	50% of the Offer Price	1-year	10%	210,000	256,000	0.0075%	0.0091%
			2-year	15%				
			3-year	20%				
			4-year	25%				
			5-year	30%				
Tan Yubin	Room 401, 2/F, Block 1, No. 2 Fu Hwa Yuen, Fuhwa Road, Middle Shiqiao, Panyu District, Guangzhou	50% of the Offer Price	1-year	10%	210,000	256,000	0.0075%	0.0091%
			2-year	15%				
			3-year	20%				
			4-year	25%				
			5-year	30%				
Zi Jun	Room A504, Block 14, Li Cheng Garden, Dongsheng Town, Zhongshan, Guangdong	50% of the Offer Price	1-year	12%	126,000	153,000	0.0045%	0.0054%
			2-year	16%				
			3-year	20%				
			4-year	24%				
			5-year	28%				
Ma Rui	Room 1507, Block E, Jing Yan Garden, No. 618 Yue Ken Road, Tianhe District, Guangzhou	50% of the Offer Price	1-year	10%	126,000	153,000	0.0045%	0.0054%
			2-year	15%				
			3-year	20%				
			4-year	25%				
			5-year	30%				
Han Liujiu	Room 604, Medium-sized, 68 High School Hostel, Jia He Street, Bai Yun District, Guangzhou	50% of the Offer Price	1-year	12%	126,000	153,000	0.0045%	0.0054%
			2-year	16%				
			3-year	20%				
			4-year	24%				
			5-year	28%				
Xia Ming	Flat A202, Block 11, Zhong'ao Beautiful Garden, Tanzhou Town, Zhongshan	50% of the Offer Price	1-year	12%	126,000	153,000	0.0045%	0.0054%
			2-year	16%				
			3-year	20%				
			4-year	24%				
			5-year	28%				
Teng Wu	6 Alley, North Shiyuan, Huangbian Village, Guangzhou	50% of the Offer Price	1-year	12%	126,000	153,000	0.0045%	0.0054%
			2-year	16%				
			3-year	20%				
			4-year	24%				
			5-year	28%				

Grantee	Address	Subscription Price	Exercise Periods ⁽¹⁾ / Maximum percentage of option exercisable		Number of Shares to be issued upon full exercise of the Pre-IPO Share Option		Percentage of enlarged issue share capital our Company upon full exercise of the Pre-IPO Share Option ⁽²⁾	
					High-end of the Offer Price	Low-end of the Offer Price	High-end of the Offer Price	Low-end of the Offer Price
Zhao Cheng	Room 204, No. 9 West Yard, No. 188 Guanghai Road, Huangpu District, Guangzhou	50% of the Offer Price	1-year	12%	126,000	153,000	0.0045%	0.0054%
			2-year	16%				
			3-year	20%				
			4-year	24%				
			5-year	28%				
Chen Shaona	Room 302, No. 48 Jingxi Road, Bai Yun District, Guangzhou	50% of the Offer Price	1-year	12%	126,000	153,000	0.0045%	0.0054%
			2-year	16%				
			3-year	20%				
			4-year	24%				
			5-year	28%				
Zhong Yan	Room 2301, Hong Hu Ge, Xinganghong Garden, Luo Hu District, Shenzhen	50% of the Offer Price	1-year	20%	84,000	102,000	0.0030%	0.0036%
			2-year	20%				
			3-year	20%				
			4-year	20%				
			5-year	20%				
Pang Jinfeng	Room 501, Unit D, Cuilinju, No. 0769, Lixiang Garden, Daliantang, Wanjiang District, Dongguan, Guangdong	50% of the Offer Price	1-year	20%	84,000	102,000	0.0030%	0.0036%
			2-year	20%				
			3-year	20%				
			4-year	20%				
			5-year	20%				
Gao Haili	No. 74 Huan He Road, Room 203, Block A9, R&F Peach Garden, Guangzhou	50% of the Offer Price	1-year	20%	84,000	102,000	0.0030%	0.0036%
			2-year	20%				
			3-year	20%				
			4-year	20%				
			5-year	20%				
Lu Chunhong	8-1-501, Shi Ji Kang Cheng, Xinhua District, Shijiazhuang	50% of the Offer Price	1-year	20%	84,000	102,000	0.0030%	0.0036%
			2-year	20%				
			3-year	20%				
			4-year	20%				
			5-year	20%				
Li Guiqiang	Room 808, Block B, Hui Jin Hao Ting, Houjie, Dong Guan, Guangdong	50% of the Offer Price	1-year	20%	126,000	153,000	0.0045%	0.0054%
			2-year	20%				
			3-year	20%				
			4-year	20%				
			5-year	20%				
Chen Qian	Room 1904, HuaXi Building, Zhongshan Si Road, Yue Xiu District, Guangzhou	50% of the Offer Price	1-year	20%	126,000	153,000	0.0045%	0.0054%
			2-year	20%				
			3-year	20%				
			4-year	20%				
			5-year	20%				
Huang jiangang	Jiaoxi Village, Shengyang Town, Guangfeng County, Jiangxi	50% of the Offer Price	1-year	20%	126,000	153,000	0.0045%	0.0054%
			2-year	20%				
			3-year	20%				
			4-year	20%				
			5-year	20%				
Huang Man	The right side of 3/F, Unit 3, Apartment of Electronic and Engineering Factory, 4 Jie Fang Road, Xiangfan, Hubei	50% of the Offer Price	1-year	20%	126,000	153,000	0.0045%	0.0054%
			2-year	20%				
			3-year	20%				
			4-year	20%				
			5-year	20%				

Grantee	Address	Subscription Price	Exercise Periods ⁽¹⁾ / Maximum percentage of option exercisable		Number of Shares to be issued upon full exercise of the Pre-IPO Share Option		Percentage of enlarged issue share capital our Company upon full exercise of the Pre-IPO Share Option ⁽²⁾	
					High-end of the Offer Price	Low-end of the Offer Price	High-end of the Offer Price	Low-end of the Offer Price
Zeng Lida	No. 1, 24 Xia Taoyuan Building, Gaocang Town, Hong Ta District Yuqi, Yunnan	50% of the Offer Price	1-year	20%	126,000	153,000	0.0045%	0.0054%
			2-year	20%				
			3-year	20%				
			4-year	20%				
			5-year	20%				
Hu Chengzhi	Time Rose Garden, North Huangbian Road, Baiyun District, Guangzhou	50% of the Offer Price	1-year	20%	84,000	102,000	0.0030%	0.0036%
			2-year	20%				
			3-year	20%				
			4-year	20%				
			5-year	20%				
Chen Xiaomei	No. 7 East No. 1 Street, Changban New Village, Changxing Street, Tianhe District, Guangzhou	50% of the Offer Price	1-year	20%	84,000	102,000	0.0030%	0.0036%
			2-year	20%				
			3-year	20%				
			4-year	20%				
			5-year	20%				
Wang Xia	1-2-3, No. 12 Building, North Tongtian Street, Shenhe District, Shenyang	50% of the Offer Price	1-year	20%	84,000	102,000	0.0030%	0.0036%
			2-year	20%				
			3-year	20%				
			4-year	20%				
			5-year	20%				
Fu Xuanwu	Gaopai Village, Basuo Town, Dongfang, Hainan	50% of the Offer Price	1-year	20%	84,000	102,000	0.0030%	0.0036%
			2-year	20%				
			3-year	20%				
			4-year	20%				
			5-year	20%				
Chen Xinzhong	No. 5, 1 Alley, Xiyi Beijiao New Village, Huicheng Town, Huilai County, Guangdong	50% of the Offer Price	1-year	20%	84,000	102,000	0.0030%	0.0036%
			2-year	20%				
			3-year	20%				
			4-year	20%				
			5-year	20%				
Zhai Yaru	Xishaliang Village, Beihezhuang, Ningjin County, Xingtai, Hebei	50% of the Offer Price	1-year	20%	105,000	128,000	0.0037%	0.0045%
			2-year	20%				
			3-year	20%				
			4-year	20%				
			5-year	20%				
Chen Yungen	Dangzhan Village, Gangshang Town, Nanchang County, Jiangxi	50% of the Offer Price	1-year	20%	105,000	128,000	0.0037%	0.0045%
			2-year	20%				
			3-year	20%				
			4-year	20%				
			5-year	20%				
Zou Hua	No. 401, 4th Floor Industrial and Commercial Bank of China, Ziyang District, Yiyang, Hunan	50% of the Offer Price	1-year	20%	84,000	102,000	0.0030%	0.0036%
			2-year	20%				
			3-year	20%				
			4-year	20%				
			5-year	20%				
Qing Peng	Rm 310, Unit 1, Block 2, No. 202 Jiefang Lu Yi Duan Chengdu	50% of the Offer Price	1-year	20%	84,000	102,000	0.0030%	0.0036%
			2-year	20%				
			3-year	20%				
			4-year	20%				
			5-year	20%				
Total					14,532,000	17,719,000	0.5163%	0.6288%

Notes:

- (1) 1-year: exercisable anytime after the first anniversary of the Listing Date.
2-year: exercisable anytime after the second anniversary of the Listing Date.
3-year: exercisable anytime after the third anniversary of the Listing Date.
4-year: exercisable anytime after the fourth anniversary of the Listing Date.
5-year: exercisable anytime after the fifth anniversary of the Listing Date.
- (2) Assuming the Over-allotment Option is not exercised and without taking into account any Shares falling to be issued and allotted upon the exercise of any options that may be granted under the Share Option Scheme

Assuming that all the options granted under the Pre-IPO Share Option Scheme are exercised in full during the year ending 31 December 2009 and that (i) 2,814,532,000 Shares, comprising 2,800,000,000 Shares to be in issue immediately after the Global Offering and the Capitalization Issue and 14,532,000 Shares, assuming that the Offer Price is set at the high-end of the indicative Offer Price range, to be issued upon the exercise of all the options granted under the Pre-IPO Share Option Scheme; or (ii) 2,817,719,000 Shares, comprising 2,800,000,000 Shares to be in issue immediately after the Global Offering and the Capitalization Issue and 17,719,000 Shares, assuming that the Offer Price is set at the low-end of the indicative Offer Price range, to be issued upon the exercise of all the options granted under the Pre-IPO Share Option Scheme, were deemed to have been in issue throughout the year ending 31 December 2009, (without taking into account any Shares which may be allotted and issued upon the exercise of the Over-allotment Option or any option which may be granted under the Share Option Scheme) the estimated impact of the Pre-IPO Share Options on our Group's consolidated income statements for the year ending 31 December 2009:

- (i) approximately HK\$7.71 million, assuming that the Offer Price is set at the high-end of the indicative Offer Price range; or
- (ii) approximately HK\$7.67 million, assuming that the Offer Price is set at the low-end of the indicative Offer Price range.

Save for the options granted as of the Latest Practicable Date, no further options will be granted under the Pre-IPO Share Option Scheme after the Listing Date.

Our Directors have undertaken to our Company that they and the relevant employees will not exercise the options granted under the Pre-IPO Share Option Scheme to such extent that the Shares held by the public (as defined in the Listing Rules) after the Global Offering and Capitalization Issue will fall below the required percentage set out in Rule 8.08 of the Listing Rules or such other percentage as approved by the Stock Exchange from time to time.

E. SHARE OPTION SCHEME

1. Summary of the terms of the Share Option

The following is a summary of the principal terms of the Share Option Scheme conditionally approved and adopted by the sole shareholders of the Company on 20 May 2009. For the purpose of this section, unless the context otherwise requires:

- "Adoption Date" means 20 May 2009 (being the date on which the Share Option Scheme was adopted by resolution of the shareholder of the Company);
- "Board" means the board of Directors of the Company or a duly authorized committee thereof;
- "Eligible Person" means any director (including independent non-executive director), employee (whether full-time or part-time), consultant or advisor who in the sole discretion of the Board has contributed or will contribute to the Group;
- "Grantee" means any Eligible Person who accepts an Offer in accordance with the terms of the Share Option Scheme or (where the context so permits) any person entitled to exercise any Option in consequence of the death of the original Grantee;

- “Offer” means an offer of the grant of an Option made in accordance with the terms of the Share Option Scheme;
- “Offer Date” means the date on which an Offer is made to an Eligible Person, which must be a business day;
- “Option” means a right to subscribe for Shares pursuant to the Share Option Scheme;
- “Option Period” means a period to be determined and notified by the Board to the Grantee during which the Option may be exercised and in any event shall not be more than 10 years commencing on the Offer Date and expiring on the last day of such 10 year period subject to the provisions for early termination contained in the Share Option Scheme;
- “Option Price” means the amount determined by the Board from time to time; and
- “substantial shareholder” has the meaning ascribed thereto under the Listing Rules.

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

(a) *Administration of the Share Option Scheme*

The Share Option Scheme shall be subject to the administration of the Board (or if the Board so resolves by a committee of the Board whose members shall include at least one independent non-executive Director) whose decision (save as otherwise provided in the Share Option Scheme) shall be final and binding on all parties subject to the prior receipt of a statement in writing from the auditors or the independent financial advisor of the Company if and as required by the Share Option Scheme.

(b) *Who may join*

Subject to the provisions in the Share Option Scheme, the Board shall be entitled at any time within the period of ten (10) years after the Adoption Date to make an Offer to any Eligible Person as the Board may in its absolute discretion select to subscribe for such number of Shares as the Board may determine at the Subscription Price. The Board may in its absolute discretion specify such conditions as it thinks fit when making an Offer to an Eligible Person (including, without limitation, as to any performance criteria which must be satisfied by the Eligible Person and/or the Company and/or its subsidiaries before an Option may be exercised), provided that such conditions shall not be inconsistent with any other terms and conditions of the Share Option Scheme or the relevant requirements under applicable laws or the Listing Rules.

An Offer shall be made to a Eligible Person in writing and shall remain open for acceptance by the Eligible Person to whom an Offer is made for a period of 21 days after (i) the date on which the Offer was issued, or (ii) the date on which the conditions (if any) for the Offer are satisfied, by which the Eligible Person must accept the Offer or be deemed to have declined it, provided that such date shall not be more than 10 years after the Adoption Date.

(c) *Price of Shares*

The subscription price of a Share in respect of any particular Option granted under the Share Option Scheme shall be a price determined by the Board and notified to an Eligible Person, and shall be at least the highest of (i) the closing price of the Shares as stated in the Stock Exchange’s daily quotations sheet on the Offer Date, which must be a business day; (ii) the average of the closing price of the Shares as stated in the Stock Exchange’s daily quotation sheets for the five business days immediately preceding the Offer Date; and (iii) the nominal value of a Share. Where an Option is to be granted, the date of the Board meeting at which the grant was proposed shall be taken to be the Offer Date for such Option. For the purpose of calculating the subscription price, where an Option is to be

granted less than five business days after the listing of the Shares on the Stock Exchange, the Offer Price shall be taken to be the closing price for any business day before listing.

(d) *Maximum number of Shares*

- (i) The maximum number of Shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other schemes of the Company, must not, in aggregate, exceed 30.0% (or such other percentage as may be allowed under the Listing Rules) of the total number of Shares in issue from time to time.
- (ii) At the time of adoption by the Company of any new share option scheme (the “**New Scheme**”) the total number of Shares which may be issued upon exercise of all options to be granted the New Scheme and all schemes existing at such time of the Company in aggregate must not exceed 10.0% of the total number of Shares in issue as at the date of the Shareholder approval of the New Scheme (the “**Scheme Mandate Limit**”). For the avoidance of doubt, Shares which are the subject matter of any options that have already lapsed in accordance with the terms of the relevant Existing Scheme(s) shall not be counted.
- (iii) The Scheme Mandate Limit may be refreshed by ordinary resolution of the Shareholders at general meeting, provided that (a) the total number of Shares which may be issued upon exercise of all options to be granted under all Existing Schemes under the Scheme Mandate Limit as renewed shall not exceed 10.0% of the total number of Shares in issue as of the date of Shareholders’ approval of the refreshing of the Scheme Mandate Limit; (b) options previously granted under the Existing Schemes (including options exercised, outstanding, cancelled, or lapsed in accordance with the relevant scheme rules) shall not be counted for the purpose of calculating the Scheme Mandate Limit as refreshed; and (c) a circular regarding the proposed refreshing of the Scheme Mandate Limit has been dispatched to the Shareholders in a manner complying with, and containing the matters specified in the Listing Rules.
- (iv) The Company may seek separate approval from the Shareholders at general meeting for granting options which will result in the Scheme Mandate Limit being exceeded, provided that (a) the grant is only to Eligible Persons specifically identified by the Company before the approval is sought; and (b) a circular regarding the grant has been dispatched to the Shareholders in a manner complying with, and containing the matters specified in, the relevant provisions of the Listing Rules and any other applicable laws and rules.

(e) *Grant of Options*

- (i) No Offer shall be made to any Eligible Person after a development concerning the Company or any of its subsidiary has occurred or a price sensitive matter concerning the Company or any of its subsidiary 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, during the period commencing one month immediately preceding the earlier of (1) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company’s results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and (2) the deadline for the 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 the results announcement, no option shall be granted, nor should any Offer be made to any other periods of time stipulated by the relevant sections of the Listing Rules from time to time in relation to any restriction at the time of grant options.
- (ii) An offer shall be deemed to have been accepted and the Option to which the Offer relates shall be deemed to have been granted and to have taken effect when the Company receives

the duplicate of the offer letter comprising acceptance of the Offer duly signed by the Grantee with the number of Shares in respect of which the Offer is accepted clearly stated therein, together with a remittance of the Option Price to the Company. Any Offer may be accepted in respect of all or less than the number of Shares in respect of which it is offered provided that it is accepted in respect of a board lot for dealing in Shares on the Stock Exchange or an integral number thereof. To the extent that an Offer is not accepted within the time stated in the Offer for that purpose, it shall be deemed to have been irrevocably declined.

(f) *Options granted to directors and substantial shareholders*

- (i) Paragraphs (ii), (iii) and (iv) under this sub-heading are subject to any waiver or ruling granted by the Stock Exchange, and may be amended by the Board to reflect any amendments made by the Stock Exchange after the Adoption Date to the relevant provisions of the Listing Rules, which paragraphs have been drafted to reflect as of the Adoption Date. Options that have already lapsed in accordance with the Share Option Scheme shall not be counted. For the purpose of paragraphs (ii), (iii) and (iv) under this sub-heading, “Relevant Shares” means Shares issued and to be issued upon exercise of all Options granted and to be granted (including exercised, cancelled and outstanding Options) to the relevant grantee in the 12-month period up to and including the Offer Date of the relevant Option referred hereto.
- (ii) No Option shall be granted to any Eligible Person (“**Relevant Eligible Person**”) if, at the time of grant, the number of Relevant Shares would exceed 1% of the total number of Shares in issue, unless (1) such grant has been duly approved, in the manner prescribed by the relevant provisions of Chapter 17 of the Listing Rules, by resolution of the Shareholders in general meeting, at which the Relevant Eligible Person and his associates shall abstain from voting; (2) a circular regarding the grant has been dispatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 17 of the Listing Rules; and (3) the number and terms (including the Subscription Price) of such Option are fixed before the general meeting of the Company at which the same are approved.
- (iii) The grant of Options to a connected person (or its associates) of the Company requires the approval of all the independent non-executive Directors (excluding any independent non-executive Director who is a prospective Grantee of the Option). Where an Option is to be granted to a substantial shareholder or an independent non-executive Director (or any of their respective associates), and the grant will result in the number and value of the Relevant Shares exceeding 0.1% of the total number of Shares in issue at the relevant time of grant and an aggregate value (based on the closing price of the Shares on the Stock Exchange on the date of each grant) of HK\$5.0 million, such grant shall not be valid unless (1) a circular containing the details of the grant has been dispatched to the Shareholder in a manner complying with, and containing the information as required under the Listing Rules (including in particular a recommendation from the independent non-executive Directors (excluding the independent non-executive Director who is the prospective Grantee of the Option) to the independent shareholders as to voting; and (2) the grant has been approved by the Shareholders in general meeting (taken on a poll) in accordance with the relevant provisions of the Listing Rules, in particular, all connected persons shall abstain from voting in favor of the grant.
- (iv) Shareholders’ approval and the circular described above are also required for any change in the terms of Options granted to a Grantee who is a substantial shareholder, an independent non-executive Director or any of their respective associates.

(g) *Exercise of Option*

An option may be exercised in whole or in part by the Grantee (or his personal representatives) before the expiry of the Option Period by delivering to the Company a notice in writing in a form

approved by the Board stating that the Option is to be exercised and the number of Shares in respect of which it is exercised.

(h) *Rights are personal to Grantee*

An option shall be personal to the Grantee and shall not be assignable nor transferable, and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (whether legal or beneficial) in favor of any third-party over or in relation to any Option.

(i) *Rights on cessation of employment by death*

Where 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, an election made pursuant to a general offer, scheme of arrangement, scheme for the reconstruction or amalgamation or voluntary winding up of the Company by his or her personal representatives within 12 months of the date of death.

(j) *Rights on cessation of employment*

Where the holder of an outstanding Option ceases to be an Eligible Person for any reason, the Option shall lapse on the date of cessation of such employment and not be exercisable unless the Board otherwise determines in which event the Option shall be exercisable to the extent and within such period (not exceeding 90 days) as the Board may determine. The date of such cessation shall be (i) if he is an employee of the Company or any subsidiary, his last actual working day at his work place with the Company or any subsidiary whether salary is paid in lieu of notice or not; or (ii) if he is not an employee of the Company or any subsidiary, the date on which the relationship which has constituted him an Eligible Person ceases.

(k) *Cancellation of Options*

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

(l) *Reorganization of Capital Structure*

In the event of any alteration in the capital structure of the Company whilst any Option has been granted and remains exercisable, whether by way of capitalization of profits or reserves, rights issue, consolidation, subdivision or reduction of the share capital of the Company, the Company shall make corresponding alterations (if any) to the number of Shares subject to the Options already granted so far as they remain exercisable and/or the Subscription Price, provided that (i) no such alteration shall be made in respect of an issue of securities by the Company as consideration in a transaction; (ii) any such alterations must be made so that each Grantee is given the same proportion of the equity capital of the Company as that to which he was previously entitled; (iii) no such alterations shall be made which would result in the Subscription Price for a Share being less than its nominal value, provided that in such circumstances the Subscription Price shall be reduced to the nominal value; (iv) any such alterations, save for those made on a capitalization issue, shall be confirmed by an independent financial adviser or the auditors of the Company for the time being in writing to the Directors as satisfying the requirements of item (ii) and (iii) above; and (v) any such alterations made pursuant to a subdivision or consolidation of share capital shall be made on the basis that the aggregate Subscription Price payable by a Grantee on the full exercise of any Option shall remain as nearly as possible the same (but shall not be greater than) as it was before such event.

(m) *Rights on a general offer*

If a general offer by way of takeover is made to all the Shareholders (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) and such offer becomes or is declared unconditional, the Company shall give notice thereof to the Grantee and the Grantee (or his personal representatives) may, by delivering a notice in writing to the Company within 14 days of such notice, exercise the Option to its full extent or to the extent specified in such notice.

(n) *Rights on 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, the Company shall give notice thereof to the Grantee and the Grantee (or his personal representatives) may, by delivering a notice in writing to the Company within seven days of such shareholders' approval, exercise the Option to its full extent or to the extent specified in such notice.

(o) *Rights on voluntary winding up*

In the event a notice is given by the Company to its members to convene a general meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind up the Company, the Company shall on the same date as or soon after it dispatches such notice to each member of the Company give notice thereof to all Grantees (together with a notice of the existence of the provisions) and thereupon, each Grantee (or his legal personal representatives) shall be entitled to exercise all or any of his Options at any time not later than seven days prior to the proposed general meeting of the Company by giving notice in writing to the 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 the Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting referred to above, issue and allot the relevant Shares to the Grantee credited as fully paid.

(p) *Rights on reconstruction or amalgamation*

In the event of a compromise or arrangement, other than a scheme of arrangement contemplated in paragraph (n) above between the Company and its members or creditors being proposed in connection with a scheme for the reconstruction or amalgamation of the Company, the Company shall give notice thereof to all Grantees on the same day as it gives notice of the meeting to its members or creditors to consider such a scheme or arrangement and the Grantee (or his personal representatives) may at any time thereafter, but before such time as shall be notified by the Company, exercise all or any of his Options, and the Company shall as soon as possible and in any event no later than the business day immediately prior to the date of the proposed meeting, allot, issue and register in the name of the Grantee such number of fully paid Shares which fall to be issued on exercise of such Options.

(q) *Period of the Share Option Scheme*

Subject to earlier termination by the Company in general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period to be determined and notified by the Board to the Grantee during which the Option may be exercised and in any event shall not be more than 10 years commencing on the date on which the Offer in relation to such Option is deemed to have been accepted in accordance with the terms of the Share Option Scheme and expiring on the last day of the ten-year-period.

(r) *Termination of the Share Option Scheme*

The 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. Options granted prior to such termination shall continue to be valid and exercisable in accordance with the Share Option Scheme.

(s) *Lapse of Option*

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 the periods referred to in sub-paragraph (i), (j), (m) or (p), respectively;
- (iii) subject to the scheme of arrangement becoming effective, the expiry of the period referred to in subparagraph (n);
- (iv) the date on which the Grantee ceases to be an Eligible Person by reason of summary dismissal or being dismissed for misconduct or other breach of the terms of his employment or other contract constituting him an Eligible Person, or the date on which he begins to appear to be unable to pay or has no reasonable prospect of being able to pay his debts or has become insolvent or has made any arrangements or composition with his creditors generally or on which he has been convicted of any criminal offence involving his integrity or honesty. A resolution of the Board to the effect that the employment or other relevant contract of a Grantee has or has not been terminated on one or more of the grounds specified above shall be conclusive;
- (v) subject to sub-paragraph (o), the date of the commencement of the winding-up of the Company; and
- (vi) the date on which the Grantee sells, transfers, charges, mortgages, encumbers or creates any interest (whether legal or beneficial) in favor of any third-party over or in relation to any Option or purport to do any of the foregoing in breach of the Share Option Scheme.

(t) *Alterations to the Share Option Scheme*

The provisions of the Share Option Scheme as to the definitions of "Eligible Person", "Grantee" and "Option Period", the purpose, duration and administration of the Share Option Scheme, the grant of Options, the subscription price, the exercise of Options, the lapse of Options, the maximum number of Shares available for subscription, the Reorganization of the capital structure of the Company, the alteration of the Share Option Scheme, cancellation of the Share Option Scheme and termination of the Share Option Scheme shall not be altered to the advantage of Grantees or prospective Grantees except with the prior approval of the Shareholders in general meeting (with participants and their Associates abstaining from voting). No such alteration shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alteration except with the consent or sanction in writing of such majority of the Grantees as would be required of the Shareholders under the constitutional documents for the time being of the Company for a variation of the rights attached to the Shares. Any change to the authority of the Board in relation to any alteration to the terms of the Share Option Scheme shall not be valid unless approved by Shareholders in general meeting. Any alteration 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 adjustment to be made to the exercise price of, and/or the number of shares subject to, any options to be granted under the Share Options Scheme will comply with Chapter 17 of the Listing Rules, the supplemented guidance issue on 5 September 2005 and any future guidance/interpretation of the Listing Rules issued by the Stock Exchange from time to time.

2. General

The Share Option Scheme is conditional on (i) the Listing Committee granting approval of the listing of and permission to deal in the Shares and any Shares which may fall to be issued pursuant to the exercise of any Option under the Share Option Scheme; (ii) the commencement of dealings in the Shares on the Stock Exchange; (iii) the passing of the necessary resolution to adopt the Share Option Scheme by the Shareholder in general meeting; and (iv) the obligations of the Underwriters under the Underwriting Agreement becoming unconditional (including, of relevant, as a result of the waiver of any such conditions) not being terminated in accordance with the terms of the Underwriting Agreement or otherwise.

As of the date of this prospectus, no Option has been granted or agreed to be granted under the Share Option Scheme. Options may be granted at any time after the commencement of dealing in the Shares.

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

F. OTHER INFORMATION

1. Tax and other indemnity

Each of the Controlling Shareholders (together, the “**Indemnifiers**”) has entered into a deed of indemnity with and in favor of our Company (for itself and as trustee for each of its present subsidiaries) (being the material contract (q) referred to in the section headed “B. Further Information About our Business – 1. Summary of our material contracts” in this Appendix) to provide indemnities on a joint and several basis in respect of, among others, any liability for tax which might be incurred by any member of our Group and/or its associated companies on or before the date when the Global Offering becomes unconditional.

Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or any of our subsidiaries under the laws of the Cayman Islands and the BVI, being jurisdictions in which one or more of the companies comprising our Group are incorporated.

Under the deed of indemnity, the Indemnifiers have also given indemnities to our Group on a joint and several basis in relation to taxation which might be payable by any member of our Group in respect of any income, profits or gains earned, accrued or received on or before the date on which the Global Offering and the Capitalization Issue become unconditional.

The deed of indemnity does not cover any claim and the Indemnifiers shall be under no liability under the deed in respect of any taxation:

- (a) to the extent that adequate provision has been made for such taxation in the consolidated audited accounts of our Company or the audited accounts of the relevant Group members up to 31 December 2008;
- (b) to the extent that such taxation or liability falling on any of the members of our Group in respect of any accounting period commencing after 31 December 2008 would not have arisen but for any act or omission of, or transaction voluntarily carried out or effected by, any of such members without the prior written consent or agreement of the Indemnifiers, other than any such act, omission or transaction carried out in the ordinary course of business or carried out, made or entered pursuant to a legally binding commitment created on or before the date on which the Global Offering and Capitalization Issue become unconditional;
- (c) for which any of our Group members is primarily liable as a result of any events occurring or income, profits earned, accrued or received or alleged to have been earned, accrued or received or transactions entered into in the ordinary course of business or in the ordinary

course of acquiring or disposing of capital assets after the date on which the Global Offering and Capitalization Issue become unconditional;

- (d) to the extent that such claim arises or is incurred as a result of the imposition of taxation as a consequence of any retrospective change in the law or the interpretation or practice thereof by the Hong Kong Inland Revenue Department or any other relevant authority coming into force after the date on which the Global Offering becomes unconditional or to the extent such claim arises or is increased by an increase in rates of taxation after such date with retrospective effect; or
- (e) to the extent that any provision or reserve made for taxation in the audited accounts of any member of our Group up to 31 December 2008 which is finally established to be an over-provision or an excessive reserve in which case the Indemnifiers' liability (if any) in respect of such taxation shall be reduced by an amount not exceeding such provision or reserve, provided that the amount of any such provision or reserve applied referred to in this item (e) to reduce the Indemnifiers' liability in respect of taxation shall not be available

2. Litigation

As of the Latest Practicable Date, neither we nor any of our subsidiaries are/is engaged in any litigation, arbitration or claim of material importance, and no litigation, arbitration or claim of material importance is known to our Directors to be pending or threatened by or against us, that would have a material adverse effect on its results of operations or financial condition.

3. Preliminary expenses

The estimated preliminary expenses are approximately HK\$35,000 and are payable by our Company.

4. Joint Sponsors

The Joint Sponsors made an application on our behalf 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 pursuant to the Capitalization Issue, the Offer Shares (including any Offer Shares which may be issued pursuant to the exercise of the Over-allotment Option) and any Shares which may be issued pursuant to the exercise of options to be granted under the Pre-IPO Share Option Scheme and Share Option Scheme. All necessary arrangements have been made to enable such Shares to be admitted into CCASS.

5. No material adverse change

Our Directors confirm that there has been no material adverse change in the Group's financial or trading position or prospects since 31 December 2008 (being the date on which the latest audited consolidated financial statements of the Group was made up).

6. 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 so far as applicable.

7. Miscellaneous

- (1) Save as disclosed in this prospectus:
- (i) within the two years immediately preceding the date of this prospectus, our Company or any of our subsidiaries has not issued or agreed to issue any of their share or loan capital fully or partly paid either for cash or for a consideration other than cash;
 - (ii) no share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
 - (iii) neither our Company nor any of our subsidiaries have issued or agreed to issue any founder shares, management shares or deferred shares;
 - (iv) within the two years preceding the date of this prospectus, no commission has been paid or payable (except commissions to the Underwriters) for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any Shares in our Company;
 - (v) none of our equity or debt securities is listed or dealt with in any other stock exchange nor is any listing or permission to deal being or proposed to be sought;
 - (vi) we have no outstanding convertible debt securities or debentures;
- (2) There has not been any interruption in the business of our Group which may have or have had a significant effect on the financial position of our Group in the 12 months immediately preceding the date of this prospectus.

8. Promoter

The Company has no promoter for the purposes of the Listing Rules.

9. Qualification of experts

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

<u>Name of Expert</u>	<u>Qualification</u>
The Hongkong and Shanghai Banking Corporation Limited	Licensed to conduct type 1 (dealing in securities), type 4 (advising on securities), type 5 (advising on futures contracts) and type 6 (advising on corporate finance) regulated activities as defined under the SFO and is also a licensed bank under the Banking ordinance (Chapter 155 of the Laws of Hong Kong)
Morgan Stanley Asia Limited	Licensed to conduct type 1 (dealing in securities), type 4 (advising on securities), type 5 (advising on futures contracts), type 6 (advising on corporate finance), type 7 (providing automated trading services) and type 9 (asset management) of the regulated activities under the SFO
KPMG	Certified Public Accountants
Jones Lang LaSalle Sallmanns Limited	Property valuer
King & Wood PRC Lawyers	Legal advisor to the Company on PRC law
Conyers Dill & Pearman	Cayman Islands attorneys-at-law

10. Consents of experts

Each of the experts referred to in paragraph 9 above has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion of its reports and/or letters and/or valuation certificates and/or the references (as the case may be) to its name in the form and context in which they are respectively included.

11. Bilingual Prospectus

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