

A. FURTHER INFORMATION ABOUT THE COMPANY**1. Incorporation**

The Company was incorporated as an exempted company in the Cayman Islands under the Companies Law on 8 September 2008. The Company has established a principal place of business in Hong Kong at Room 706, Albion Plaza, 2-6 Granville Road, Tsimshatsui, Kowloon, Hong Kong and was registered with the Registrar of Companies in Hong Kong as an oversea company under Part XI of the Hong Kong Companies Ordinance on 16 June 2009. Mr. Lai Chun Yu has been appointed as the authorized representative of the Company for acceptance of service of process in Hong Kong. The address for acceptance of service of process in Hong Kong of Mr. Lai Chun Yu is Flat 19, 4/F, Kwun Hei Court, 3 Sheung Lok Street, Ho Man Tin, Kowloon, Hong Kong.

As the Company was incorporated in the Cayman Islands, it operates subject to the Cayman Islands laws and its constitutive documents comprising the Memorandum of Association and Articles of Association. A summary of certain parts of its constitution and relevant aspects of the Companies Law is set out in Appendix V of this prospectus.

2. Changes in share capital

- (a) The authorized share capital of the Company as at the date of its incorporation was HK\$380,000 divided into 3,800,000 Shares of par value HK\$0.10 each.
- (b) On 8 September 2008, one Share was allotted and issued to Codan Trust Company (Cayman) Limited as the initial subscriber, which was subsequently transferred by Codan Trust Company (Cayman) Limited to Amber International on 8 September 2008.
- (c) Amber International transferred all its equity interests in each of Blue Sky Power Plant and Jing-Xing Power Plant to the Group on 26 December 2008 and 8 January 2009 respectively. Pursuant to the written resolutions of the sole Director passed on 20 March 2009, the Company allotted and issued two Shares at HK\$193,653,941 and HK\$98,834,399 to Amber International, credited as fully paid, as consideration of the above asset transfer from Amber International to Amber Bluesky and Amber Jingxing respectively. Details of the above said transfers are set out in the sub-section headed “Corporate reorganization” in this Appendix.
- (d) Amber International transferred all its equity interest in De-Neng Power Plant to the Group on 26 May 2009. Pursuant to a written resolution of the Directors passed on 11 June 2009, the Company allotted and issued one Share at HK\$75,614,511 to Amber International, credited as fully paid, as consideration of the above asset transfer from Amber International to Amber Deneng.
- (e) Pursuant to written resolutions of the sole shareholder of the Company passed on 18 June 2009, the authorized share capital of the Company was increased from HK\$380,000 to HK\$100,000,000 by the creation of an additional 996,200,000 Shares.
- (f) Immediately upon completion of the Share Offer and Capitalization Issue, 400,000,000 Shares will be issued fully paid or credited as fully paid and 600,000,000 Shares will remain unissued.

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

3. Written resolutions of the sole shareholder of the Company passed on 18 June 2009

Pursuant to the written resolutions of the sole shareholder of the Company passed on 18 June 2009:

- (a) the Company approved an increase in its authorized share capital from HK\$380,000 divided into 3,800,000 Shares of HK\$0.10 each to HK\$100,000,000 by the creation of an additional 996,200,000 Shares;
- (b) the Capitalization Issue was approved, and the Directors were authorized to capitalize an aggregate amount of HK\$29,999,999.60 standing to the credit of the share premium account of the Company and to appropriate such amount as capital to pay up in full at par 299,999,996 Shares for allotment and issue to the persons whose names appear on the register of members of the Company at the close of business on 18 June 2009 in proportion to their then existing shareholdings in the Company, each ranking *pari passu* in all respects with the then existing issued Shares, and the Directors were authorized to give effect to such capitalization and distribution;
- (c) the Company approved and adopted the Articles of Association in substitution for and to the exclusion of the articles of association adopted upon incorporation;
- (d) conditional on the Listing Committee granting listing of and permission to deal in the Shares in issue and to be issued as mentioned in this prospectus and on the obligations of the Underwriters under the Underwriting Agreements becoming unconditional and not being terminated in accordance with the terms of the Underwriting Agreements or otherwise, in each case on or before such dates as may be specified in the Underwriting Agreements:
 - (i) the Share Offer and the Over-allocation Option were approved and the Directors were authorized to approve the allotment and issue of the Offer Shares and any Shares which are required to be issued if the Over-allocation Option is exercised;
 - (ii) a general unconditional mandate was given to the Directors to exercise all the powers to allot, issue and deal with, otherwise than by way of rights, scrip dividend schemes or similar arrangements in accordance with the Articles of Association, Shares with an aggregate nominal amount not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue and to be issued pursuant to the Share Offer and the Capitalization Issue (excluding the aggregate nominal value of the share capital of the Company which may be issued pursuant to the exercise of the Over-allocation Option), such mandate to remain in effect until whichever is the earliest of:
 - (aa) the conclusion of the next annual Shareholders' general meeting;
 - (bb) the date by which the next annual Shareholders' general meeting is required by the Articles of Association or any applicable law to be held; or
 - (cc) the date on which such mandate is revoked or varied by an ordinary resolution by Shareholders in general meeting;
 - (iii) a general unconditional mandate was given to the Directors authorizing them to exercise all powers of the Company to repurchase Shares with an aggregate nominal amount not exceeding 10% of the aggregate nominal amount of the share capital of

the Company in issue and to be issued pursuant to the Share Offer and the Capitalization Issue (excluding the aggregate nominal value of the share capital of the Company which may be issued pursuant to the exercise of the Over-allocation Option), such mandate to remain in effect until whichever is the earliest of:

- (aa) the conclusion of the next Shareholders' annual general meeting;
 - (bb) the date by which the next Shareholders' annual general meeting is required to be held by the Articles of Association or any applicable law; or
 - (cc) the date on which such mandate is revoked or varied by an ordinary resolution by Shareholders in general meeting; and
- (iv) the general unconditional mandate mentioned in paragraph (iii) above was extended by the addition to the aggregate nominal value of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate of an amount representing the aggregate nominal value of the share capital of the Company repurchased by the Company pursuant to the mandate to repurchase Shares referred to in paragraph (iv) above provided that such extended amount shall not exceed 10% of the aggregate nominal value of the share capital of the Company in issue and to be issued pursuant to the Share Offer and the Capitalization Issue (excluding the aggregate nominal value of the share capital of the Company which may be issued pursuant to the exercise of the Over-allocation Option).

4. Corporate reorganization

The companies in the Group underwent a reorganization in preparation for the listing of the Shares on the Stock Exchange which involved the following:

(a) Acquisition of the equity interests in Blue Sky Power Plant

- (i) On 12 March 2008, Amber International and Zhejiang Kai-Xin entered into an equity transfer agreement whereby Zhejiang Kai-Xin agreed to transfer its 27.32% equity interest in Blue Sky Power Plant to Amber International for a consideration of RMB42,272,230.
- (ii) On 12 March 2008, Amber International and Jing-Xing Power Plant entered into an equity transfer agreement whereby Jing-Xing Power Plant agreed to transfer its 8.2% equity interest in Blue Sky Power Plant to Amber International for a consideration of USD1,689,000.

(b) Acquisition of share interests in each of Amber Bluesky, Amber Deneng and Amber Jingxing

- (i) On 19 September 2008, Amber International transferred its 10,000 shares in the capital of Amber Bluesky, being the entire issued share capital of Amber Bluesky, to the Company for a consideration of HK\$10,000;
- (ii) On 19 September 2008, Amber International transferred its 10,000 shares in the capital of Amber Deneng, being the entire issued share capital of Amber Deneng, to the Company for a consideration of HK\$10,000; and

- (iii) On 19 September 2008, Amber International transferred its 10,000 shares in the capital of Amber Jingxing, being the entire issued share capital of Amber Jingxing, to the Company for a consideration of HK\$10,000.
- (c) *Acquisition of equity interests in each of Blue Sky Power Plant, Jing-Xing Power Plant and De-Neng Power Plant*
- (i) On 25 November 2008, Amber International and Amber Bluesky entered into an equity transfer agreement whereby Amber International agreed to transfer its 100% equity interest in Blue Sky Power Plant to Amber Bluesky for a consideration of RMB170,846,000 and the consideration was satisfied by the allotment of one Share, credited and issued as fully paid, to Amber International on 20 March 2009;
- (ii) On 25 November 2008, Amber International and Amber Jingxing entered into an equity transfer agreement whereby Amber International agreed to transfer its 100% equity interest in Jing Xing Power Plant to Amber Jingxing for a consideration of RMB87,194,000 and the consideration was satisfied by the allotment of one Share, credited and issued as fully paid, to Amber International on 20 March 2009;
- (iii) On 13 May 2009, Amber International and Amber Deneng entered into an equity transfer agreement whereby Amber International agreed to transfer its 53% equity interest in De-Neng Power Plant to Amber Deneng for a consideration of USD9,756,711.11 and the consideration was satisfied by the allotment of one Share, credited and issued as fully paid, to Amber International on 11 June 2009; and
- (iv) On 23 May 2009, Blue Sky Power Plant entered into equity transfer agreements with each of Ningbo Beilun and Ningbo Hong-Ji to acquire their 40% and 7% equity interest respectively in De-Neng Power Plant for a consideration of RMB81,331,300 and RMB14,233,000 respectively.

5. Changes in share capital of subsidiaries

The Company's subsidiaries are referred to in the Accountants' Report, the text of which is set out in Appendix I to this prospectus.

Save as mentioned in the sub-section headed "Corporate Reorganization" in this Appendix, the following companies are the only Group companies which have undergone a change in their share capital (or registered capital, as the case may be) during the two years immediately prior to the date of the prospectus.

(a) *Amber Bluesky*

On 26 June 2008, Amber Bluesky was incorporated in Hong Kong with an authorized share capital of HK\$10,000 divided into 10,000 shares of HK\$1.00 each. 10,000 shares in the share capital of Amber Bluesky were issued and allotted to Amber International upon incorporation.

On 19 September 2008, Amber International transferred its 10,000 shares in the share capital of Amber Bluesky to the Company at a consideration of HK\$10,000.

On 9 October 2008, the authorized share capital of Amber Bluesky was increased from HK\$10,000 divided into 10,000 shares of HK\$1.00 each to HK\$20,000 by the creation of an additional 10,000 shares of HK\$1.00 each.

On 20 March 2009, Amber Bluesky allotted and issued one share in its share capital to the Company at an issue price of HK\$193,653,941 in consideration of the Company issuing Shares to Amber International for the transfer of the Blue Sky Power Plant to Amber Bluesky.

(b) *Amber Jingxing*

On 26 June 2008, Amber Jingxing was incorporated in Hong Kong with an authorized share capital of HK\$10,000 divided into 10,000 shares of HK\$1.00 each. 10,000 shares in the share capital of Amber Jingxing were issued and allotted to Amber International upon incorporation.

On 19 September 2008, Amber International transferred its 10,000 shares in the share capital of Amber Jingxing to the Company at a consideration of HK\$10,000.

On 9 October 2008, the authorized share capital of Amber Jingxing was increased from HK\$10,000 divided into 10,000 shares of HK\$1.00 each to HK\$20,000 by the creation of an additional 10,000 shares of HK\$1.00 each.

On 20 March 2009, Amber Jingxing allotted and issued one share in its share capital to the Company at an issue price of HK\$98,834,399 in consideration of the Company issuing Shares to Amber International for the transfer of Jing-Xing Power Plant to Amber Jingxing.

(c) *Amber Deneng*

On 26 June 2008, Amber Deneng was incorporated in Hong Kong with an authorized share capital of HK\$10,000 divided into 10,000 shares of HK\$1.00 each. 10,000 shares in the share capital of Amber Deneng were issued and allotted to Amber International upon incorporation.

On 19 September 2008, Amber International transferred its 10,000 shares in the share capital of Amber Deneng to the Company at a consideration of HK\$10,000.

On 9 October 2008, the authorized share capital of Amber Deneng was increased from HK\$10,000 divided into 10,000 shares of HK\$1.00 each to HK\$20,000 by the creation of an additional 10,000 shares of HK\$1.00 each.

On 11 June 2009, Amber Deneng allotted and issued one share in its share capital to the Company at an issue price of HK\$75,614,511 in consideration of the Company issuing Shares to Amber International for the transfer of De-Neng Power Plant to Amber Deneng.

(d) *Blue Sky Power Plant*

On 15 December 2004, Blue Sky Power Plant was established by Amber International (35%), Zhejiang Zhen-Neng (16%), Zhejiang Kai-Xin (25%) and Shanghai Pu-Xing (24%) in the PRC as a Sino-foreign joint enterprise with the approved total investment amount of USD64,343,400 and the registered share capital of USD21,490,800.

On 19 September 2006, Amber International acquired 24% equity interest in Blue Sky Power Plant from Shanghai Pu-Xing at a consideration of USD5,130,000; Zhejiang Zhen-Neng transferred its 5.62% and 2.38% equity interest in Blue Sky Power Plant to Amber International and Zhejiang Kai-Xin at nil consideration respectively, following which Amber International, Zhejiang Zhen-Neng and Zhejiang Kai-Xin held 64.62%, 8% and 27.38% equity interest in Blue Sky Power Plant respectively.

On 16 July 2007, Jing-Xing Power Plant acquired 8% equity interest in Blue Sky Power Plant from Zhejiang Zhen-Neng at a consideration of RMB13,026,400, following which Amber International, Jing-Xing Power Plant and Zhejiang Kai-Xin held 64.62%, 8% and 27.38% equity interest in Blue Sky Power Plant respectively.

On 19 May 2008, the registered share capital of Blue Sky Power Plant was decreased from USD21,490,800 to USD17,171,400 and the approved total investment amount was decreased from USD64,343,400 to USD42,900,000.

(e) *De-Neng Power Plant*

On 18 August 2004, De-Neng Power Plant was established by Amber International (45%), Ningbo Beilun (40%), Zhejiang Zhen-Neng (8%) and Ningbo Hong-Ji (7%) in the PRC as a Sino-foreign joint enterprise with the approved total investment amount of USD29,850,000 and the registered share capital of USD12,000,000.

On 20 January 2006, the approved investment amount of De-Neng Power Plant was increased from USD29,850,000 to USD51,850,000 and the registered share capital of De-Neng Power Plant was increased from USD12,000,000 to USD20,800,000.

On 5 July 2007, Amber International acquired 8% equity interest in De-Neng Power Plant from Zhejiang Zhen-Neng for an equivalent USD amount of RMB9,702,200, following which Amber International, Ningbo Beilun and Ningbo Hong-Ji held 53%, 40% and 7% equity interest in De-Neng Power Plant respectively.

On 18 October 2007, the approved total investment amount of De-Neng Power Plant was decreased from USD51,850,000 to USD43,971,974 and the registered share capital of De-Neng Power Plant was decreased from USD20,800,000 to USD18,408,710.

In June 2009, Blue Sky Power Plant completed the acquisition of 40% equity interest in De-Neng Power Plant from Ningbo Beilun. The consideration of the acquisition, which was based on the carrying amount of the net assets value of De-Neng Power Plant as at 31 December 2008 and certain appreciation in value of its land and equipment, amounted to RMB81,331,300.

In June 2009, Blue Sky Power Plant completed the acquisition of 7% equity interest in De-Neng Power Plant from Ningbo Hong-Ji. The consideration of the acquisition, which was based on the carrying amount of the net assets value of De-Neng Power Plant as at 31 December 2008 and certain appreciation in value of its land and equipment, amounted to RMB14,233,000.

Upon completion of the above transfers, De-Neng Power Plant became a wholly-owned subsidiary of the Company and as stipulated in the abovementioned equity transfer agreements, the Group as the transferee, will be fully entitled to the profit or liable for the loss of De-Neng Power Plant commencing 1 January 2009.

(f) *Jing-Xing Power Plant*

On 6 January 2005, Jing-Xing Power Plant was established by Zhejiang Changxing Jingxing Natural Gas Co., Ltd (“Zhejiang Changxing Jingxing”) (70%) and Liu You Gui (30%) in the PRC as a Sino-foreign joint enterprise with the approved total investment amount of USD29,000,000 and the registered share capital of USD11,600,000.

On 25 August 2005, Amber International acquired 30% equity interest in Jing-Xing Power Plant from Liu You Gui at a consideration of USD605,000 and Shanghai Pu-Xing acquired 70% equity interest in Jing-Xing Power Plant from Zhejiang Changxing Jingxing at a consideration of RMB24,631,187.50, following which Shanghai Pu-Xing and Amber International held 70% and 30% equity interest in Jing-Xing Power Plant respectively.

On 5 September 2006, Amber International acquired 70% of the issued share capital in Jing-Xing Power Plant from Shanghai Pu-Xing at a consideration of USD8,400,000, following which Amber International held 100% equity interest in Jing-Xing Power Plant.

On 7 October 2008, the approved total investment amount of Jing-Xing Power Plant was increased from USD29,000,000 to USD41,600,000 and the registered share capital of Jing-Xing Power Plant was increased from USD11,600,000 to USD16,660,000.

Save as mentioned in the paragraph headed “Corporate Reorganization” in this appendix and as described in this paragraph, there has been no alteration in the share capital of any of the subsidiaries of the Company within the two years immediately preceding the date of this prospectus.

6. Repurchase by the Company of its own securities

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

(a) *Shareholders’ approval*

All proposed repurchases of securities (which must be fully paid up in the case of shares) on the Stock Exchange by a company with a primary listing on the Stock Exchange must be approved in advance by ordinary resolutions of its shareholders in a general meeting, either by way of general mandate or by special approval of a particular transaction. The Company’s sole listing will be on the Stock Exchange.

Note: Pursuant to a resolution in writing passed by the sole shareholder of the Company on 18 June 2009, a general mandate (the “Repurchase Mandate”) was given to the Directors authorizing any repurchase by the Company of Shares 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, of up to 10% of the aggregate nominal value of the share capital of the Company in issue and to be issued as mentioned in this prospectus (including but not limited to Shares which may be issued pursuant to the exercise of the Over-allocation Option). This mandate will expire at the earliest of (i) the conclusion of the next annual Shareholders’ general meeting, (ii) the expiration of the period within which the next Shareholders’ annual general meeting is required by the Articles of Association or applicable laws of the Cayman Islands to be held, or (iii) such

mandate being revoked or varied by ordinary resolution of the Shareholders in a general meeting (the "Relevant Period").

(b) Reasons for repurchases

The Directors believe that it is in the best interests of the Company and the Shareholders to have general authority from Shareholders to enable the Company 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 the Company and its assets and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

(c) Funding of repurchases

In repurchasing securities, the Company may only apply funds legally available for such purpose in accordance with its Memorandum of Association, Articles of Association, the Listing Rules, the Companies Law and the applicable laws of the Cayman Islands.

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

(d) General

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates currently intends to sell Shares to the Company or its subsidiaries.

The 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, the Memorandum of Association, Articles of Association, the Companies Law and the applicable laws of the Cayman Islands.

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

If as a result of any repurchase of the Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and may become obliged to make a mandatory offer in accordance with rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequences of repurchases which would arise under the Takeovers Code.

(e) *Share capital*

The exercise in full of the Repurchase Mandate, on the basis of 400,000,000 Shares in issue immediately after completion of the Share Offer and the Capitalization Issue, but taking no account of any Shares which may be issued upon the exercise of the Over-allocation Option could accordingly result in up to 40,000,000 Shares being repurchased by the Company during the Relevant Period.

B. FURTHER INFORMATION ABOUT THE BUSINESS

1. Summary of material contracts

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

- (a) the equity transfer agreement dated 12 March 2008 entered into between Zhejiang Kai-Xin and Amber International in relation to the transfer of 27.32% equity interest in Blue Sky Power Plant from Zhejiang Kai-Xin to Amber International at a consideration of RMB42,272,230 ;
- (b) the equity transfer agreement dated 12 March 2008 entered into between Jing-Xing Power Plant and Amber International in relation to the transfer of 8.2% equity interest in Blue Sky Power Plant from Jing-Xing Power Plant to Amber International at a consideration of USD1,689,000;
- (c) the share purchase agreement dated 19 September 2008 entered into between Amber International and the Company in relation to the transfer of 100% shareholding in Amber Jingxing from Amber International to the Company at a consideration of HK\$10,000;
- (d) the share purchase agreement dated 19 September 2008 entered into between Amber International and the Company in relation to the transfer of 100% shareholding in Amber Bluesky from Amber International to the Company at a consideration of HK\$10,000;
- (e) the share purchase agreement dated 19 September 2008 entered into between Amber International and the Company in relation to the transfer of 100% shareholding in Amber Deneng from Amber International to the Company at a consideration of HK\$10,000;
- (f) the equity transfer agreement dated 25 November 2008 entered into between Amber International and Amber Jingxing in relation to the transfer of 100% equity interest in Jing-Xing Power Plant from Amber International to Amber Jingxing at a consideration based on the net asset value of Jing-Xing Power Plant as at 31 October 2008;
- (g) the equity transfer agreement dated 25 November 2008 entered into between Amber International and Amber Bluesky in relation to the transfer of 100% equity interest in Blue Sky Power Plant from Amber International to Amber Bluesky at a consideration based on the net asset value of Blue Sky Power Plant as at 31 October 2008;
- (h) the trademarks transfer agreement dated 21 April 2009 entered into between Shanghai Pu-Xing and Blue Sky Power Plant in relation to the transfer of the trademarks as set out in the schedule to the agreement from Shanghai Pu-Xing to Blue Sky Power Plant at a consideration based on the book value of the trademarks;

- (i) the equity transfer agreement dated 23 May 2009 entered into between Ningbo Hong-Ji and Blue Sky Power Plant in relation to the transfer of 7% equity interest in De-Neng Power Plant from Ningbo Hong-Ji to Blue Sky Power Plant at a consideration of RMB14,233,000;
- (j) the equity transfer agreement dated 23 May 2009 entered into between Ningbo Beilun and Blue Sky Power Plant in relation to the transfer of 40% equity interest in De-Neng Power Plant from Ningbo Beilun to Blue Sky Power Plant at a consideration of RMB81,331,300;
- (k) the equity transfer agreement dated 13 May 2009 entered into between Amber International and Amber Deneng in relation to the transfer of 53% equity interest in De-Neng Power Plant from Amber International to Amber Deneng at a consideration of US\$9,756,711.11;
- (l) a deed of non-competition dated 18 June 2009 and entered into by Mr. Lu, Mr. Chai, Amber International, GDZ and DUOU in favor of the Company pursuant to which each of Mr. Lu, Mr. Chai, Amber International, GDZ and DUOU agreed not to compete with our Group in relation to its core business, further details of which are set out in the section headed “Relationship with our Controlling Shareholders” of this prospectus;
- (m) a deed of indemnity dated 18 June 2009 entered into between Mr. Lu, Mr. Chai, Amber International, GDZ and DUOU and the Company pursuant to which, each of Mr. Lu, Mr. Chai, Amber International, GDZ and DUOU provided certain indemnities in respect of tax and other matters in favor of the Group; and
- (n) the Public Offer Underwriting Agreement.

2. Information about the Group’s enterprises in the PRC

Brief particulars of the operating subsidiaries of the Company set up in the PRC are set out below:

(a) *Jing Xing Power Plant*

Date of incorporation:	6 January 2005
Place of incorporation:	PRC
Term:	50 years (from 6 January 2005 to 5 January 2055)
Nature:	Wholly foreign-owned enterprise
Total investment:	US\$41,600,000
Registered capital:	US\$16,660,000
Beneficial shareholder:	Amber Jingxing
Legal Representative:	Mr. Zheng Xiao Dong
Scope of Business:	Power generation, power supply by combined power grid, heat supply, power-related technology support and provision of consultation services (not including restricted class and prohibited class in the “Catalog for the Guidance of Foreign Investment Industries”)

(b) Jing Xing Power Plant — Hangzhou Branch

Date of incorporation:	19 November 2007
Place of incorporation:	PRC
Term:	48 years (from 19 November 2007 to 5 January 2055)
Nature:	Branch of a wholly foreign-owned enterprise
Legal Representative:	Mr. Chai
Scope of Business:	Provision of liaison and consultation services within the scope of business of the head office

(c) De-Neng Power Plant

Date of incorporation:	18 August 2004
Place of incorporation:	PRC
Term:	50 years (from 18 August 2004 to 17 August 2054)
Nature:	Sino-Foreign joint enterprise
Total investment:	US\$43,971,974
Registered capital:	US\$18,408,710
Beneficial shareholder:	Amber Deneng Blue Sky Power Plant
Legal Representative:	Mr. Chai
Scope of Business:	Natural gas electricity generation and sales, production and sales of electrical and mechanical engineering equipment and hot water business (apart from business which requires permit)

(d) Blue Sky Power Plant

Date of incorporation:	15 December 2004
Place of incorporation:	PRC
Term:	30 years (from 15 December 2004 to 14 December 2034)
Nature:	Wholly foreign-owned enterprise
Total investment:	US\$42,900,000
Registered capital:	US\$17,171,400
Beneficial shareholder:	Amber Bluesky
Legal Representative:	Mr. Shen Jian Ping
Scope of Business:	Production and sales of electricity and steam

(e) Blue Sky Power Plant-Hangzhou Branch

Date of incorporation:	13 November 2008
Place of incorporation:	PRC
Term:	26 years (from 13 November 2008 to 14 December 2034)
Nature:	Branch of a wholly-owned foreign enterprise
Legal representative:	Mr. Chai
Scope of Business:	Provision of liaison and consultation services within the scope of business of the head office

3. Intellectual property rights

As at the Latest Practicable Date, the Group has registered/has applied for registration of the following intellectual property rights.

(a) Trademarks

- (i) As at the Latest Practicable Date, applications for registration of the following trademarks have been accepted and were advertised in the Hong Kong Trade Marks Journal in March 2009.


The opposition period for registration of trademarks under applications numbered 301225557AB and 301225566 below expired on 12 June 2009 and the applications shall proceed to registration accordingly.




On 19 June 2009, the Group received a notice of application for extension of time to oppose the registration of trademarks under application numbered 301225557AA below from a third party and the extended date of the opposition deadline is 19 August 2009.

Trademark	Applicant	Place of Application	Filing Date	Class	Application No.	Date of Acceptance for Registration
1. 	Company	Hong Kong	22 October 2008	4	301225557AA	20 March 2009
 2. 	Company	Hong Kong	22 October 2008	7,9,36,37,39,40,42	301225557AB	20 March 2009
 3. 	Company	Hong Kong	22 October 2008	4,7,9,36,37,39,40,42	301225566	13 March 2009
						

- (ii) Pursuant to a trademarks transfer agreement dated 21 April 2009 entered into between Shanghai Pu-Xing and Blue Sky Power Plant, Shanghai Pu-Xing transferred the registered trademarks numbered 1 to 3 below to Blue Sky Power Plant and assigned the applications for trademarks numbered 4 to 12 below to Blue Sky Power Plant. Application for transfer of the said marks was accepted on 1 June 2009. Upon obtaining approval from the

Trademark Office of State Administration for Industry and Commerce of the PRC, our Group will become the registered owner of the following trademarks:

	<u>Trademarks</u>	<u>Place of Registration</u>	<u>Class</u>	<u>Registration Number</u>	<u>Commencement Date</u>	<u>Expiry Date</u>
1.	A M B E R	PRC	7	5116881	21 March 2009	20 March 2019
2.	琥珀	PRC	7	5116876	21 March 2009	20 March 2019
3.		PRC	7	5116719	21 March 2009	20 March 2019

	<u>Trademarks</u>	<u>Place of Application</u>	<u>Class</u>	<u>Application Number</u>	<u>Application Date</u>
4.	A M B E R	PRC	1	5116880	13 January 2006
5.	A M B E R	PRC	36	5116883	13 January 2006
6.	A M B E R	PRC	40	5116884	13 January 2006
7.	琥珀	PRC	1	5116875	13 January 2006
8.	琥珀	PRC	36	5116878	13 January 2006
9.	琥珀	PRC	40	5116879	13 January 2006
10.		PRC	1	5116718	13 January 2006
11.		PRC	36	5116721	13 January 2006
12.		PRC	40	5116722	13 January 2006

(b) *Domain names*

As at the Latest Practicable Date, the Group had registered the following domain names:

<u>Domain name</u>	<u>Registered Owner</u>	<u>Date of Registration</u>
www.amberenergy.com.hk	Amber Bluesky	17 October 2008 – 23 October 2013
www.amberenergy.com.cn	Jing-Xing Power Plant	12 August 2005 – 12 August 2009

Save as aforesaid, there are no other trade or service marks, patents, other intellectual or industrial property rights which are material in relation to the Group's business.

C. FURTHER INFORMATION ABOUT DIRECTORS, MANAGEMENT AND STAFF

1. Particulars of service agreements

Each of the executive Directors has entered into a service agreement with the Company commencing from the Listing Date for a term of three years, respectively. Each of the executive Directors is entitled to a basic salary. The current basic annual remunerations (excluding any discretionary bonus which may be paid) payable by the Group to the executive Directors are set out below. The executive Directors are entitled to participate in the Company's medical benefit.

<u>Executive Director</u>	<u>RMB</u>
Chai Wei	660,000
Hu Xian Wei	500,000

Each of Ding Guang Ping and Feng Li Min, being our non-executive Director, has entered into a service agreement for an initial term of three years commencing from the Listing Date. The non-executive Directors will not receive any remuneration from our Company.

Each of the independent non-executive Directors has entered into a letter of engagement with the Company for a term of three years commencing from the Listing Date. The current basic annual remuneration payable by the Group to the independent non-executive Directors are as follows:

<u>Independent Non-Executive Director</u>	<u>HKS</u>
Zhang Shou Lin	180,000
Tse Chi Man	180,000
Yao Xian Guo	180,000

Save as disclosed above, none of our Directors has or is proposed to have a service contract with any member of our Group (other than contracts expiring or determinable by the employer within one year without the payment of compensation other than the statutory compensation).

2. Directors' remuneration

Remuneration and benefits in kind of approximately RMB531,000 in aggregate were paid and granted by the Group to the relevant Directors in respect of the year ended 31 December 2008.

Under the current arrangements, the Directors will be entitled to receive remuneration which, for the financial year ending 31 December 2009, is expected to be approximately RMB1,387,000, excluding the discretionary bonuses payable to the Directors.

Save as disclosed in the prospectus, none of the Directors or any of the persons whose names are listed in the paragraph headed "Consents of experts" in this Appendix had received any commissions, discounts, agency fees, brokerages or other special terms in connection with the issue or sale of any capital of any member of our Group within two years preceding the date of this prospectus.

3. Personal guarantees

Save and except as disclosed in Appendix I to this prospectus, no executive Directors or related parties had provided guarantees for debts and liabilities due by any members of the Group during the Track Record Period.

4. Interests and/or short positions of Directors in the shares, underlying shares or debentures of the Company and its associated corporations

Immediately following completion of the Share Offer and the Capitalization Issue (but without taking into account of Shares which may be taken up under the Share Offer and Shares falling to be allotted and issued upon the exercise of the Over-allocation Option), none of the Directors will have any interests and/or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of the SFO) which will have to be notified to the 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 pursuant to the Model Code for Securities Transactions by Directors of Listed Companies in the Listing Rules, will be required to be notified to the Company and the Stock Exchange once the Shares are listed.

5. Interests and/or short position of substantial shareholders in the Shares which are discloseable under Divisions 2 and 3 of Part XV of the SFO

So far as is known to the Directors, immediately following the completion of the Share Offer and the Capitalization Issue (but without taking account of Shares which may be taken up under the Share Offer and Shares falling to be allotted and issued upon the exercise of the Over-allocation Option), the following persons (not being a Director or chief executive of the Company) will have an interest or a short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or will 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 members of the Group:

<u>Name of Shareholder</u>	<u>Capacity</u>	<u>Number of Shares held (note 1)</u>	<u>Percentage of shareholding</u>
Amber International	Beneficial owner	300,000,000 (L)	75%
GDZ (note 2)	Interest in a controlled corporation	300,000,000 (L)	75%
Mr. Lu (note 2)	Interest in a controlled corporation	300,000,000 (L)	75%
Mrs. Lu (note 3)	Interest of spouse	300,000,000 (L)	75%

Notes:

- (1) The letter "L" denotes the entity/person's long position in the Shares.
- (2) These Shares are held by Amber International, which is owned as to 90% by GDZ, which in turn is wholly owned by Mr. Lu. Therefore, GDZ and Mr. Lu are deemed to be interested in these Shares. The remaining 10% of Amber International is owned by DUOU, which is wholly owned by Mr. Chai, a Director.
- (3) Mrs. Lu is the spouse of Mr. Lu and is therefore deemed to be interested in the said Shares in which Mr. Lu is deemed to be interested.

6. 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 the Company or any of its subsidiaries.

7. Disclaimers

Save as disclosed in this prospectus,

- (a) none of the Directors or chief executive of the Company has any interest and/or short position in the shares, underlying shares, listed or unlisted derivatives of or debentures of the Company or any of its associated corporations (within the meaning of the SFO) which will have to be notified to the 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 pursuant to the Model Code for Securities Transactions by Directors of Listed Companies in the Listing Rules, will be required to be notified to the Company and the Stock Exchange once the Shares are listed;
- (b) there are no existing or proposed service contracts (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)) between the Directors and any member of the Group;

- (c) none of the Directors or the experts named in the paragraph 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 date of this prospectus, acquired or disposed of by or leased to, any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group;
- (d) none of the Directors is materially interested in any contract or arrangement subsisting as at the date of this prospectus which is significant in relation to the business of the Group taken as a whole;
- (e) taking no account of any Shares which may be taken up under the Share Offer and Shares falling to be allotted and issued upon the exercise of the Over-allocation Option, the Directors are not aware of any person who immediately following the completion of the Share Offer and the Capitalization Issue will have an interest or a short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or will be directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group;
- (f) none of the experts named in the paragraph headed “Consents of experts” in this Appendix has any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group or is an officer or servant or in employment of an officer or servant of the Group; and
- (g) so far as it is known to the Directors, none of the Directors, their respective associates or Shareholders who are interested in more than 5% of the issued share capital of the Company has any interests in the five largest customers or the five largest suppliers of the Group.

D. OTHER INFORMATION

1. Indemnities

Our Controlling Shareholders (the “**Indemnifiers**”) have entered into a deed of indemnity in favor of our Group (being a material contract referred to in the paragraph headed “Summary of material contracts” of this Appendix) to provide the following indemnities in favor of the Company (for itself and as trustee for its subsidiaries). Our Directors have been advised that no material liability for estate duty is likely to fall on us or any of our subsidiaries.

Under the deed of indemnity, amongst others, each of the Indemnifiers irrevocably, jointly and severally agrees, covenants and undertakes with each of the member of the Group that he/it will indemnify each of the members of our Group against (a) taxation falling on any member of our Group resulting from or by reference to any income, profits or gains, transactions, events, acts, omissions, matters or things earned, accrued or received, entered into (or deemed to be so earned, accrued, received or entered into) or occurring on or before the date when the Share Offer becomes unconditional (the “Effective Date”); and (b) any losses, liabilities or damages which may be suffered by the Group in connection with the commencement of commercial operation by Our Power Plants before obtaining power business permits.

The Indemnifiers will, however, not be liable under the deed of indemnity for taxation where, among others, (a) provision has been made for such taxation in the audited accounts of our Group for each of the three financial years ended 31 December 2008 as set out in the Accountants' Report in Appendix I to this prospectus; and (b) the taxation arises or is incurred as a result of a retrospective change in law or the interpretation or practice by the relevant tax authority coming into force after the Effective Date or to the extent that the taxation arises or is increased by an increase in rates of taxation after the Effective Date with retrospective effect.

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

2. Litigation

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

3. The Sole Sponsor

The Sole Sponsor has made an application on behalf of the Company to the Listing Committee of the Stock Exchange for the listing of and permission to deal in the Shares in issue and to be issued as mentioned herein, including any Shares that may be issued under the Over-allocation Option.

4. Preliminary expenses

The estimated preliminary expenses of the Company are approximately HK\$29,640 and are payable by the Company.

5. Promoters

There are no promoters of the Company. Save as disclosed in this prospectus, no amount or benefit has been paid or given to the promoters in connection with the Share Offer or related transactions described in this prospectus within the two years preceding the date of this prospectus.

6. Consents of experts

Piper Jaffray Asia, KPMG, DTZ Debenham Tie Leung Limited, King and Wood and Conyers Dill & Pearman have given and have not withdrawn their respective written consents to the issue of this prospectus with copies of their reports, valuation certificate, letters, opinions or summaries of opinions (as the case may be) and the references to their names included herein in the form and context in which they are respectively included.

<u>Name</u>	<u>Qualification</u>
Piper Jaffray Asia Limited	Licensed corporation under the SFO permitted to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities
KPMG	Certified Public Accountants
DTZ Debenham Tie Leung Limited	Property valuer
King and Wood	Legal advisers on PRC laws
Conyers Dill & Pearman	Cayman Islands attorneys-at-law

7. 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 Hong Kong Companies Ordinance so far as applicable.

8. Compliance Adviser

Our Company will appoint Piper Jaffray Asia as our compliance adviser in compliance with Rule 3A.19 of the Listing Rules before Listing.

9. Share register

The register of members of the Company will be maintained in Hong Kong by Computershare Hong Kong Investor Services Limited.

10. Shares will be eligible for CCASS

The Company has applied to the Listing Committee for the granting of the listing of, and permission to deal in, our Shares (including the additional Shares which may be issued pursuant to the exercise of the Over-allocation Option).

All necessary arrangements have been made enabling our Shares to be admitted into CCASS.

11. Bilingual Prospectus

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

12. Miscellaneous

- (a) Save as disclosed in this prospectus,
- (i) within the two years preceding the date of this prospectus, no share or loan capital of the Company or any of its subsidiaries has been issued or agreed to be issued fully or partly paid either for cash or for a consideration other than cash;
 - (ii) within the two years preceding the date of this prospectus, no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any share or loan capital of the Company or any of its subsidiaries;
 - (iii) within the two years preceding the date of this prospectus, no share or loan capital of the Company or any of its subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
 - (iv) there has been no material adverse change in the financial position or prospects of the Group since 31 December 2008 (being the date to which the latest combined financial information of the Group were made up); and
 - (v) within the two years preceding the date of this prospectus, no commission has been paid or payable (except commission to sub-underwriters) to any persons for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any shares of the Company or any of its subsidiaries.
- (b) The Company has no founder shares, management shares, deferred shares or debentures.