

A. FURTHER INFORMATION ABOUT OUR COMPANY**1. Incorporation of our Company**

Our Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on 27 April 2009. Our Company has established its principal place of business in Hong Kong at 7/F, Millennium City 3, 370 Kwun Tong Road, Kowloon, Hong Kong and has been registered as a non-Hong Kong company under Part XI of the Companies Ordinance since 8 June 2009. In connection with such registration, our Company has appointed Mr. Wong of Flat C, 4/F, Block 16, Provident Centre, 51 Wharf Road, North Point, Hong Kong and Mr. Yip of Flat H, 28/F, Tien Shan Mansion, Kao Shan Terrace, Taikoo Shing, Hong Kong as the authorised representatives of our Company for the acceptance of service of process and notices on behalf of our Company in Hong Kong.

As our Company is incorporated in the Cayman Islands, it operates subject to the Companies Law and to its constitution comprising the Memorandum and the Articles. A summary of various provisions of our Company's constitution and certain relevant aspects of the Companies Law is set out in Appendix V to this prospectus.

2. Changes in the share capital of our Company

As at the date of incorporation of our Company, its authorised share capital was HK\$390,000 divided into 39,000,000 Shares of HK\$0.01 each.

On 27 April 2009, one subscriber's Share was transferred to Mr. Wong. On the same day, our Company issued and allotted for cash at par, 5,780 Shares to Golden Tiger, 2,500 Shares to Mr. Ng, 1,020 Shares to Mr. Leung and 699 Shares to Mr. Wong.

Pursuant to the written resolutions of all the Shareholders referred to under the section headed "Further information about our Company – Written resolutions of all the Shareholders passed on 3 August 2009" below, the authorised share capital of our Company was increased from HK\$390,000 to HK\$10,000,000 by the creation of an additional 961,000,000 Shares.

On 3 August 2009, our Company issued and allotted 20,227,110 Shares, 20,227,110 Shares, 17,497,500 Shares, 7,138,980 Shares and 4,899,300 Shares, all credited as fully paid, to Tiger Crown, Scenemay Holdings, Mr. Ng, Mr. Leung and Mr. Wong respectively in consideration of Tiger Crown, Scenemay Holdings, Mr. Ng, Mr. Leung and Mr. Wong transferring 1,474 shares, 1,474 shares, 1,275 shares, 520 shares and 357 shares of US\$1.00 each in the share capital of Sundart Holdings to our Company pursuant to the deed for sale and purchase dated 3 August 2009 entered into between Tiger Crown, Scenemay Holdings, Mr. Ng, Mr. Leung and Mr. Wong as vendors and warrantors, Mr. Chan as warrantor and our Company as purchaser.

Assuming that the Global Offering becomes unconditional and the issues of the Shares pursuant to the Global Offering and the Capitalisation Issue mentioned herein are made, but taking no account of any Shares which may be issued upon the exercise of the Over-allotment Option, the issued share capital of our Company will be HK\$4,800,000

divided into 480,000,000 Shares fully paid or credited as fully paid. Other than pursuant to any options which may be granted under the Share Option Scheme, the exercise of the Over-allotment Option or the exercise of the general mandate to issue shares referred to in the section headed “Further information about our Company – Written resolutions of all the Shareholders passed on 3 August 2009” in this Appendix VI, there is no present intention to issue any part of the authorised but unissued share capital of our Company and, without prior approval of the Shareholders in general meeting, no issue of Shares will be made which would effectively alter the control of our Company.

Save as disclosed herein and under the section headed “Further information about our Company – Corporate reorganisation” in this Appendix VI, there has been no alteration in the share capital of our Company since its incorporation.

3. Written resolutions of all the Shareholders passed on 3 August 2009

On 3 August 2009, written resolutions of all the Shareholders were passed pursuant to which, among others:

- (a) the authorised share capital of our Company was increased from HK\$390,000 to HK\$10,000,000 by the creation of an additional 961,000,000 Shares;
- (b) the deed for sale and purchase dated 3 August 2009 entered into by (i) Tiger Crown, Scenemay Holdings, Mr. Ng, Mr Leung and Mr. Wong as vendors and warrantors, (ii) Mr. Chan as warrantor, and (iii) our Company as purchaser was approved and the allotment of a total of 69,990,000 Shares as to 20,227,110 Shares, 20,227,110 Shares, 17,497,500 Shares, 7,138,980 Shares and 4,899,300 Shares to Tiger Crown, Scenemay Holdings, Mr. Ng, Mr. Leung and Mr. Wong respectively in consideration of Tiger Crown, Scenemay Holdings, Mr. Ng, Mr. Leung and Mr. Wong transferring 1,474 shares, 1,474 shares, 1,275 shares, 520 shares and 357 shares of US\$1.00 each in the share capital of Sundart Holdings respectively to our Company was approved;
- (c) our Company approved and adopted the Articles;
- (d) conditional on (A) the Listing Committee granting the listing of, and permission to deal in, the Shares in issue and the Shares to be issued as mentioned herein (including any Shares which may be issued pursuant to the Global Offering, the Over-allotment Option and the Share Option Scheme); and (B) the entering into of the agreement on the Offer Price between the Global Coordinator and our Company; and (C) the obligations of the Underwriters under the Underwriting Agreements becoming unconditional (including, if relevant, as a result of the waiver of any condition(s) by the Global Coordinator, on behalf of the Underwriters) and not being terminated in accordance with the terms of such agreements or otherwise, in each case on or before the date determined in accordance with the terms of the Underwriting Agreements:
 - (i) the Global Offering was approved and our Directors were authorised to effect the same and to allot and issue the Offer Shares;

- (ii) the Over-allotment Option was approved and our Directors were authorised to allot and issue any Shares which may be required to be issued if the Over-allotment Option is exercised;
 - (iii) the rules of the Share Option Scheme were approved and adopted and our Directors were authorised, at their absolute discretion, to grant options to subscribe for Shares under the Share Option Scheme and to allot, issue and deal with Shares issued pursuant thereunder and to take all such actions as they consider necessary or desirable to implement the Share Option Scheme and to vote on any matter connected therewith notwithstanding that they or any of them may be interested in the same; and
 - (iv) conditional upon the share premium amount of our Company being credited as a result of the Global Offering, our Directors were authorised to capitalise the amount of HK\$2,900,000 from the amount standing to the credit of the share premium account of our Company to pay up in full at par 290,000,000 Shares for allotment and issue to the person(s) whose name(s) appears on the register of members of our Company at the close of business on 3 August 2009, pro-rata to its/their then respective shareholdings in our Company;
- (e) a general unconditional mandate was given to our Directors authorising them to exercise all the powers of our Company to allot, issue and deal in (otherwise than by way of rights issue or an issue of shares upon the exercise of the Over-allotment Option or any subscription or conversion rights attaching to any warrants or any securities which are convertible into Shares or pursuant to the exercise of any options which may be granted under the Share Option Scheme, any other option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of our Company and/or any of its subsidiaries or any other person of share or rights to acquire Shares or any scrip dividend schemes or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles or a specific authority granted by the Shareholders in general meeting) any unissued Shares with a total nominal value not exceeding 20% of the aggregate of the total nominal value of the share capital of our Company in issue immediately following completion of the Global Offering and the Capitalisation Issue (excluding any Shares that may be issued upon exercise of the Over-allotment Option) and to make or grant offers, agreements and options (including but not limited to warrants, bonds and debentures convertible into Shares) which might require the exercise of such power to issue Shares either during or after the end of the Relevant Period (as defined below), such mandate to remain in effect during the period (the “Relevant Period”) from 3 August 2009 to whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of our Company;
 - (ii) the expiration of the period within which the next annual general meeting of our Company is required by the Articles or any applicable laws of the Cayman Islands to be held; or

- (iii) the passing of an ordinary resolution of the Shareholders in general meeting revoking, varying or renewing such mandate;
- (f) a general unconditional mandate was given to our Directors authorising them to exercise all powers of our Company to repurchase on the Stock Exchange or on any other stock exchange on which the Shares may be listed, and which is recognised by the SFC and the Stock Exchange for this purpose, such number of Shares with a total nominal value not exceeding 10% of the aggregate of the total nominal value of the share capital of our Company in issue immediately following completion of the Global Offering and the Capitalisation Issue (excluding any Shares that may be issued upon exercise of the Over-allotment Option), such mandate to remain in effect until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of our Company;
 - (ii) the expiration of the period within which the next annual general meeting of our Company is required by the Articles or applicable laws of the Cayman Islands to be held; or
 - (iii) the passing of an ordinary resolution of the Shareholders in general meeting revoking, varying or renewing such mandate;
- (g) the general unconditional mandate mentioned in paragraph (e) above was extended by the addition to the aggregate nominal value of the share capital of our Company which may be allotted or agreed conditionally or unconditionally to be allotted by our Directors pursuant to such general mandate of an amount representing the aggregate nominal value of the share capital of our Company repurchased by our Company pursuant to the mandate to repurchase Shares referred to in paragraph (f) above provided that such extended amount shall not exceed 10% of the aggregate of the total nominal value of the share capital of our Company in issue immediately following completion of the Global Offering and the Capitalisation Issue (excluding any Shares that may be issued upon exercise of the Over-allotment Option).

4. Corporate reorganisation

The companies comprising our Group underwent the Reorganisation to rationalise our Group's structure in preparation for the Listing. The Reorganisation involved the following:

- (a) On 11 November 2008, Sundart Products was incorporated in the BVI and 1 share of US\$1.00 each in its share capital was issued and allotted to Sundart Holdings for cash at par.
- (b) On 1 December 2008, Sundart Investments transferred the entire issued share capital of Sundart International to Sundart Products at a consideration of HK\$10,000.

- (c) On 1 December 2008, Sundart Investments transferred the entire issued share capital of Sundart (Middle East) to Sundart Development at a consideration of HK\$1.00. On 2 January 2009, Sundart (Middle East) issued and allotted, for cash at par, 1,400 shares of HK\$1.00 each to each of Mr. Jubin Kodinjiyl Thomas and Anastasia Chistyakova and 4,200 shares of HK\$1.00 each to Sundart Development. On 16 March 2009, each of Mr. Jubin Kodinjiyl Thomas and Ms. Anastasia Chistyakova transferred 1,400 shares of HK\$1.00 each in Sundart (Middle East) to Sundart Development at a cash consideration of HK\$1,400, such consideration was determined after arm's length negotiation between the relevant parties based on the nominal value of the shares being sold and purchased having considered that Sundart (Middle East) has not commenced operation yet.
- (d) On 1 April 2009, Golden Tiger transferred 520 shares of US\$1.00 each in the share capital of Sundart Holdings, representing approximately 10.2% interest in Sundart Holdings to Mr. Leung at a consideration of HK\$26,874,710 which was determined based on and represented by approximately 10.2% of the net asset value per share of Sundart Holdings as at 31 March 2009 as shown in its audited balance sheet, such consideration was determined after arm's length negotiation between the relevant parties with reference to the net asset value of Sundart Holdings as at 31 March 2009.
- (e) On 27 April 2009, our Company was incorporated in the Cayman Islands and one subscriber's Share was transferred to Mr. Wong. On the same day, our Company issued and allotted for cash at par, 5,780 Shares to Golden Tiger, 2,500 Shares to Mr. Ng, 1,020 Shares to Mr. Leung and 699 Shares to Mr. Wong.
- (f) On 17 May 2009, Sundart Interior was incorporated in Qatar.
- (g) On 17 May 2009, 4,700, 5,100, 100 and 100 shares of QAR1,000 each of Sundart Interior were subscribed by and allotted to Sundart (Middle East), Mr. Abdullatteef Mohammed A Al-Kuwari, Mr. Jubin Kodinjiyl Thomas and Ms. Anastasia Chistyakova respectively.
- (h) On 31 July 2009, Golden Tiger transferred all its 2,948 shares of US\$1.00 each in the share capital of Sundart Holdings to each of Tiger Crown and Scenemay Holdings in equal shares at a total cash consideration of HK\$152,290,026, which was determined after arm's length negotiation between the relevant parties with reference to the audited net asset value of Sundart Holdings as at 31 March 2009.
- (i) On 31 July 2009, Golden Tiger transferred all its 5,780 Shares to each of Tiger Crown and Scenemay Holdings in equal shares at a total cash consideration of HK\$57.80, being the total nominal value of the Shares purchased and sold.
- (j) On 3 August 2009, our Company issued and allotted 20,227,110 Shares, 20,227,110 Shares, 17,497,500 Shares, 7,138,980 Shares and 4,899,300 Shares, all credited as fully paid, to Tiger Crown, Scenemay Holdings, Mr. Ng, Mr. Leung and Mr. Wong respectively in consideration of Tiger Crown, Scenemay Holdings, Mr. Ng, Mr. Leung and Mr. Wong transferring 1,474 shares, 1,474 shares, 1,275

shares, 520 shares and 357 shares of US\$1.00 each in the share capital of Sundart Holdings to our Company pursuant to a deed for sale and purchase dated 3 August 2009 entered into between Tiger Crown, Scenemay Holdings, Mr. Ng, Mr. Leung and Mr. Wong as vendors and warrantors, Mr. Chan as warrantor and our Company as purchaser.

5. Changes in the share capital of subsidiaries of our Company

Our Company's subsidiaries are referred to in the accountants' report for our Company, the text of which is set out in Appendix I to this prospectus. The following alterations in the share capital of our Company's subsidiaries have taken place within the two years preceding the date of this prospectus:

(a) Sundart Holdings

On 4 July 2007, Sundart Holdings issued and allotted, for cash at par, 3,400 shares of US\$1.00 each to Octopus Network Limited, 1,250 shares of US\$1.00 each to Mr. Ng and 350 shares of US\$1.00 each to Mr. Wong.

(b) Sundart (Middle East)

On 8 December 2008, Sundart (Middle East) increased its authorised share capital from HK\$10,000 to HK\$20,000 by the creation of an additional 10,000 shares of HK\$1.00 each.

On 2 January 2009, Sundart (Middle East) issued and allotted, for cash at par, 4,200 shares of HK\$1.00 each to Sundart Development, 1,400 shares of HK\$1.00 each to Jubin Kodinjil Thomas and 1,400 shares of HK\$1.00 each to Anastasia Chistyakova.

(c) Sundart Development

Following its incorporation on 21 May 2008, Sundart Development issued and allotted, for cash at par, 1 share of US\$1.00 to Sundart Holdings on 20 June 2008.

(d) Sundart Products

Following its incorporation on 11 November 2008, Sundart Products issued and allotted, for cash at par, 1 share of US\$1.00 to Sundart Holdings on 11 November 2008.

(e) Sundart Interior

Following the incorporation of Sundart Interior, on 17 May 2009, 4,700, 5,100, 100 and 100 shares of QAR1,000 each of Sundart Interior were subscribed by and allotted to Sundart (Middle East), Mr. Abdullatteef Mohammed A Al-Kuwari, Mr. Jubin Kodinjil Thomas and Ms. Anastasia Chistyakova respectively.

(f) Sundart (Beijing)

On 22 May 2009, the registered capital of Sundart (Beijing) was increased from HK\$18 million to HK\$28 million.

Save as aforesaid, there has been no alteration in the share capital of the subsidiaries of our Company within the two years preceding the date of this prospectus.

6. Repurchase by our Company of its own securities

This paragraph includes the information required by the Stock Exchange to be included in this prospectus concerning the repurchase by our Company of its own securities.

(a) Regulations of the Listing Rules

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

(i) Shareholders' approval

All repurchases of securities on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of general mandate or by specific approval in relation to specific transactions.

Note: Pursuant to the written resolution of all the Shareholders passed on 3 August 2009, the Share Repurchase Mandate was given to the Directors authorising any repurchase by our Company of Shares as described above in the section headed "Further information about our Company – Written resolutions of all the Shareholders passed on 3 August 2009".

(ii) Source of funds

Any repurchases must be financed out of funds legally available for the purpose in accordance with the Memorandum and the Articles and the applicable laws and regulations of the Cayman Islands.

(b) Exercise of the Share Repurchase Mandate

Exercise in full of the Share Repurchase Mandate, on the basis of 480,000,000 Shares in issue immediately after completion of the Global Offering (but taking no account of any Shares which may be issued upon the exercise of the Over-allotment Option and any options which may be granted under the Share Option Scheme), could accordingly result in up to 48,000,000 Shares being repurchased by our Company during the course of the period prior to the earliest of:

- (i) the conclusion of the next annual general meeting of our Company;

- (ii) the expiration of the period within which the next annual general meeting of our Company is required by the Articles and the applicable laws and regulations of the Cayman Islands to be held; or
- (iii) the revocation, variation or renewal of the Share Repurchase Mandate by ordinary resolution of the Shareholders in general meeting.

(c) *Reasons for repurchases*

Repurchases of Shares will only be made when our Directors believe that such a repurchase will benefit our Company and the Shareholders as a whole. Such repurchases may, depending on market conditions and funding arrangements at that time, lead to an enhancement of the net asset value of our Company and/or its earnings per Share.

(d) *Funding of repurchases*

In repurchasing securities, our Company may only apply funds legally available for such purpose in accordance with the Memorandum, the Articles and the applicable laws and regulations of the Cayman Islands. Pursuant to the Share Repurchase Mandate, repurchases will be made out of funds of our Company legally permitted to be utilised in this connection, including profits of our Company or out of a fresh issue of Shares made for the purpose of the repurchase or, if authorised by the Articles and subject to the Companies Law, out of capital and, in the case of any premium payable on the repurchase, out of the profits of our Company or from sums standing to the credit of the share premium account of our Company or, if authorised by the Articles and subject to the Companies Law, out of capital of our Company. Our Company may not repurchase 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.

(e) *General*

There might be a material adverse impact on the working capital or gearing position of our Company (as compared with the position disclosed in this prospectus) in the event that the Share Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of our Company or on its gearing levels which in the opinion of the Directors are from time to time appropriate for our Company.

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

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules), has any present intention, if the Share Repurchase Mandate is approved by the Shareholders, to sell any Shares to our Company or its subsidiaries.

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

If as a result of a 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. As a result, a Shareholder, or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the interest of the Shareholder(s), could obtain or consolidate control of our Company and become(s) obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code as a result of a repurchase of Shares made after the Listing. Save as aforesaid, our Directors are not aware of any other consequence under the Takeovers Code as a result of a repurchase of Share made immediately after the Listing.

B. SHARE OPTION SCHEME

Summary of the terms of the Share Option Scheme

The following is a summary of the principal terms of the Share Option Scheme approved and adopted pursuant to the written resolutions of all the Shareholders passed on 3 August 2009. The following summary does not form, nor is intended to be, part of the Share Option Scheme nor should it be taken as affecting the interpretation of the rules of the Share Option Scheme.

1. Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to provide our Company with a flexible means of giving incentive to, rewarding, remunerating, compensating and/or providing benefits to the Participants (as defined in paragraph (2) below) and for such other purposes as the Board may approve from time to time.

2. Who may join

The Board may, at its discretion, invites:

- 2.1 any executive or non-executive directors including independent non-executive directors or any employees (whether full-time or part-time) of any member of our Group; and

- 2.2 any consultants, professional and other advisers to any member of our Group (or persons, firms or companies proposed to be appointed for providing such services),

(together, the “**Participants**” and each a “**Participant**”), to take up options (“**Share Options**”) to subscribe for Shares at a price determined in accordance with paragraph 6 below.

In determining the basis of eligibility of each Participant, the Board would take into account such factors as the Board may at its discretion consider appropriate.

3. *Conditions*

The Share Option Scheme shall take effect subject to the passing of an ordinary resolution approving the adoption of the Share Option Scheme by the Shareholders and authorising the Directors to grant Share Options to subscribe for Shares thereunder and to allot and issue Shares pursuant to the exercise of any Share Options granted under the Share Option Scheme, and is conditional upon:

- 3.1 the Listing Committee granting approval of the listing of, and permission to deal in, (i) the Shares in issue and to be issued as mentioned in this prospectus and (ii) any Shares to be issued pursuant to the exercise of Share Options under the Share Option Scheme;
- 3.2 the agreement on the Offer Price to be determined between ICBCI (on behalf of the Underwriters) and our Company pursuant to the Underwriting Agreement;
- 3.3 the obligations of the Underwriters under the Underwriting Agreements becoming unconditional (including, if relevant, as a result of the waiver of any condition(s) by the Underwriters) and not being terminated in accordance with the terms of the Underwriting Agreements or otherwise; and
- 3.4 the commencement of dealings in the Shares on the Stock Exchange.

If the above conditions are not satisfied on or before the date which is the 30th day after the date of this prospectus, the Share Option Scheme shall forthwith determine and no person shall be entitled to any rights or benefits or be under any obligations under or in respect of the Share Option Scheme.

Application has been made to the Listing Committee for listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of the Share Options.

As at the date of this prospectus, no Share Option has been granted or agreed to be granted by our Company under the Share Option Scheme.

4. *Duration and Administration*

- 4.1 Subject to the fulfilment of the conditions in paragraph 3 above and the termination provisions in paragraph 16, the Share Option Scheme shall be valid and effective for a period of 10 years commencing on 3 August 2009, after which period no further Share Options will be issued but in all other respects the provisions of the Share Option Scheme shall remain in full force and effect, and Share Options which are granted during the life of the Share Option Scheme may continue to be exercisable in accordance with their terms of issue.
- 4.2 The Share Option Scheme shall be subject to the administration of the Board whose decision (save as otherwise provided in the Share Option Scheme) shall be final and binding on all parties.
- 4.3 Subject to compliance with the requirements of the Listing Rules and the provisions of the Share Option Scheme, the Board shall have the right (i) to interpret and construe the provisions of the Share Option Scheme; (ii) to determine the persons who will be awarded Share Options under the Share Option Scheme and the number of Shares to be issued under the Share Option; (iii) to determine the price per Share at which a Grantee (as defined below) may subscribe for Shares on the exercise of a Share Option (the “**Subscription Price**”); (iv) to make such appropriate and equitable adjustments to the terms of Share Options granted under the Share Option Scheme as it deems necessary; and (v) to make such other decisions, determinations or regulations as it shall deem appropriate in the administration of the Share Option Scheme.

5. *Grant of Share Options*

- 5.1 On and subject to the terms of the Share Option Scheme, the Board shall be entitled at any time, within 10 years after 3 August 2009 to make an offer of the grant of a Share Option by the Board (the “**Offer**”) to any Participant as the Board may in its absolute discretion select to subscribe for such number of Shares as the Board may (subject to paragraphs 9 and 10) determine at the Subscription Price. In determining the basis of eligibility of each Participant, the Board would mainly take into account the experience of the Participant in our Group’s business, the length of service of the Participant has exerted and made towards the success of our Group and/or the amount of potential efforts and contributions the Participant is likely to be able to give or make towards the success of our Group in the future.
- 5.2 No Offer shall be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision, until such price sensitive information has been published pursuant to the requirements of the Listing Rules. In particular, during the period commencing one month immediately preceding the earlier of (i) the date of the meeting of the Board (as such date is first notified by our Company to the Stock Exchange in accordance with the Listing Rules) for the approval of our Company’s results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and (ii) the

deadline for our Company to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), and ending on the date of the results announcement, no Share Option may be granted.

- 5.3 An Offer shall be made to a Participant by letter in such form as the Board may from time to time determine (the “**Offer Letter**”) specifying the number of Shares under the Share Option and the Share Option Period and requiring the Participant to undertake to hold the Share Option on the terms on which it is to be granted and to be bound by the provisions of the Share Option Scheme. An Offer must be made on a business day and shall remain open for acceptance by the Participant to whom an Offer is made for a period (the “**Acceptance Period**”) from the date on which an Offer is made to a Participant (the “**Offer Date**”) to such date as the Board may determine and specify in the Offer Letter (both days inclusive), provided that no such Offer shall be open for acceptance after the 10th anniversary from 3 August 2009 or after the Share Option Scheme has been terminated in accordance with the provisions hereof, whichever is earlier.
- 5.4 A Share Option shall be deemed to have been accepted by any Participant who accepts an Offer in accordance with the terms of the Share Option Scheme or (where the context so permits) the legal personal representative(s) entitled to any such Share Option in consequence of the death of the original Participant (the “**Grantee**”) and the Share Option to which the Offer relates shall be deemed to have been granted and to have taken effect when the duplicate of the Offer Letter (as defined in sub-paragraph 5.3 above) comprising acceptance of the Share Option duly signed by the Grantee together with a remittance in favour of our Company of HK\$1.00 by way of consideration for the granting thereof is received by our Company within the period as stipulated in sub-paragraph 5.3 above. Such remittance shall in no circumstances be refundable or be considered as part of the Subscription Price.
- 5.5 Any Offer may be accepted in respect of less than the number of Shares for which it is offered provided that it is accepted in respect of board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof and the number of Shares in respect of which the Offer is accepted is clearly stated in the duplicate of the Offer Letter received by our Company as mentioned in sub-paragraph 5.4 above. To the extent that the Offer is not accepted within the Acceptance Period and in the manner stipulated in sub-paragraph 5.4 above, it will be deemed to have been irrevocably declined.
- 5.6 Subject to the provisions of the Share Option Scheme and the Listing Rules, the Board may when making the Offer impose any conditions, restrictions or limitations in relation to the Share Option as it may at its absolute discretion think fit.

6. *Subscription Price*

Subject to any adjustments made pursuant to paragraph 11 below, the Subscription Price in respect of each Share issued pursuant to the exercise of the Share Options granted hereunder shall be a price solely determined by the Board and notified to a Participant and shall be at least the highest of:

- 6.1 the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Offer Date;
- 6.2 a price being the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotations sheets for the 5 business days immediately preceding the Offer Date (provided that the new issue price shall be used as the closing price for any business day falling within the period before the Listing where our Company has been listed for less than 5 business days as at the Offer Date); and
- 6.3 the nominal value of a Share.

7. *Exercise of Share Options*

- 7.1 A Share Option shall be personal to the Grantee and shall not be assignable or transferable. No Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interests (whether legal or beneficial) in favour of any third party over or in relation to any Share Option or enter into agreement to do so. Any breach of the foregoing of a Grantee shall render all outstanding Share Options of such Grantee be automatically cancelled on the date which the Grantee commits the foregoing breach.
- 7.2 Unless otherwise determined by the Board and specified in the Offer Letter (as defined in sub-paragraph 5.3 above) at the time of the Offer, there is neither any performance targets that need to be achieved by the Grantee before a Share Option can be exercised nor any minimum period for which a Share Option must be held before the Share Option can be exercised. A Share Option may be exercised in whole or in part in the manner as set out in the Offer Letter, this sub-paragraph and sub-paragraph 7.3 below by the Grantee (or his personal representative(s)) giving notice in writing to our Company stating that the Share Option is thereby exercised and the number of Shares in respect of which it is exercised. Each such notice must be accompanied by a remittance for the full amount of the total Subscription Price for the Shares in respect of which the notice is given. Subject to paragraph 12, within 28 days after receipt of the notice and the remittance and where appropriate, receipt of the certificate of the auditors for the time being of the Company pursuant to paragraph 11 below, our Company shall allot the relevant Shares to the Grantee (or his personal representative(s)) credited as fully paid and issue to the Grantee (or his personal representative(s)) a share certificate in respect of the Shares so allotted.

7.3 Subject to paragraph 3 and as hereinafter provided and subject to the terms and conditions upon which such Share Option was granted, a Share Option may be exercised by the Grantee at any time during a period to be determined by the Board at its absolute discretion and notified by the Board to each Grantee as being the period during which a Share Option may be exercised and in any event, such period shall not be longer than 10 years from the Offer Date (“**Option Period**”) provided that:

- (a) in the event of the Grantee ceases to be a Participant for any reason other than on the Grantee’s death or the termination of the Grantee’s employment, directorship, appointment or engagement on one or more of the grounds specified in sub-paragraph 8.5 below, the Share Option granted to such Grantee shall lapse on the date of cessation (to the extent which has not already been exercised) and will not be exercisable unless the Board otherwise determines to grant an extension at the discretion of the Board in which event the Grantee may exercise the Share Option in accordance with the provisions of paragraph 7.2 within such period of extension and up to a maximum entitlement directed at the discretion of the Board on the date of grant of extension (to the extent that it has not already been exercised) and subject to other terms and conditions decided at the discretion of the Board. For the avoidance of doubt, such period of extension (if any) shall be granted within and in any event ended before the expiration of the period of one month following the date on which the Grantee ceases to be a Participant, which date shall be the Grantee’s last actual working day with the relevant company whether salary is paid in lieu of notice or not, or the last date of office or appointment as director of, as consultant, professional or other advisers to the relevant company, as the case may be, in the event of which, the date of cessation as determined by a resolution of the board of directors or governing body of the relevant company shall be conclusive;
- (b) in the event the Grantee dies before exercising the Share Option in full and none of the events which would be a ground for termination of the Grantee’s employment, directorship, appointment or engagement under sub-paragraph 8.5 below arises, the personal representative(s) of the Grantee shall be entitled within a period of 6 months or such longer period as the Board may determine from the date of death, to exercise the Share Option up to the entitlement of such Grantee at the date of death (to the extent which has become exercisable and has not already been exercised) or, if appropriate, make an election pursuant to sub-paragraphs 7.3(c), (d) or (e) below;
- (c) if a general offer by way of take-over (other than by way of scheme of arrangement pursuant to sub-paragraph 7.3(d) below) is made to all the holders of Shares (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 (the “**Dissenting Shareholders**”)) and if such offer becomes or is declared unconditional and the offeror is entitled to and does give notice pursuant to the Companies Law to acquire Shares held by the Dissenting Shareholders prior to the expiry of the relevant Option Period, the

Grantee (or his personal representative(s)) may by notice in writing to our Company within 21 days of the notice of the offeror exercise the Share Option (to the extent that it has become exercisable on the date of the notice of the offeror and has not already been exercised) to its full extent or to the extent specified in such notice;

- (d) if a general offer by way of scheme of arrangement is made to all the holders of Shares and has been approved by the necessary majority of holders of Shares at the requisite meetings, the Grantee (or his personal representative(s)) may thereafter (but only until such time as shall be notified by our Company, after which it shall lapse) exercise the Share Option (to the extent that it has become exercisable and has not already been exercised) to its full extent or to the extent specified in such notice;
- (e) other than a general offer or a scheme of arrangement contemplated in sub-paragraphs 7.3 (c) and (d), if a compromise or arrangement between our Company and its members or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of our Company or its amalgamation with any other company or companies, our Company shall give notice thereof to the Grantee on the same date as it despatches the notice which is sent to each member or creditor of our Company summoning the meeting to consider such a compromise or arrangement, and thereupon the Grantee (or his personal representative(s)) may forthwith and until the expiry of the period commencing with such date and ending with the earlier of 2 months thereafter and the date on which such compromise or arrangement is sanctioned by the court of competent jurisdiction, exercise any of his Share Options (to the extent that it has become exercisable and has not already been exercised) whether in full or in part, but the exercise of a Share Option as aforesaid shall be conditional upon such compromise or arrangement being sanctioned by the court of competent jurisdiction and becoming effective. Upon such compromise or arrangement becoming effective, all Share Options shall lapse except insofar as previously exercised under the Share Option Scheme. Our Company may require the Grantee (or his personal representative(s)) to transfer or otherwise deal with the Shares issued as a result of the exercise of Share Options in these circumstances so as to place the Grantee in the same position as nearly as would have been the case had such Shares been subject to such compromise or arrangement; and
- (f) in the event of a notice is given by our Company to its shareholders to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up our Company, other than for the purposes of a reconstruction, amalgamation or scheme of arrangement, our Company shall on the same date as or soon after it despatches such notice to convene the shareholders' meeting, give notice thereof to all Grantees and thereupon, the Grantees (or their personal representative(s)) may, subject to the provisions of all applicable laws, by notice in writing to our Company (such notice to be received by our

Company not later than 2 business days prior to the proposed general meeting of our Company) exercise the Share Option (to the extent that it has become exercisable and has not already been exercised) either to its full extent or to the extent specified in such notice, such notice to be accompanied by a payment for the full amount of the aggregate Subscription Price for the Shares in respect of which the notice is given, whereupon our Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the Grantee credited as fully paid.

- 7.4 The Shares to be allotted upon the exercise of a Share Option will be subject to all the provisions of the Memorandum and the Articles for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue on the date of their allotment and issue, and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of allotment and issue other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the date of allotment and issue.

8. *Lapse of Share Option*

A Share Option shall lapse automatically and not be exercisable (to the extent that it has not already been exercised) on the earliest of:

- 8.1 the expiry of the Option Period;
- 8.2 the expiry of the periods referred to in the above sub-paragraphs 7.3(a), (b) or (c), where applicable;
- 8.3 subject to the scheme of arrangement as referred to in sub-paragraph 7.3(d) becoming effective, the expiry of the period referred to in the above sub-paragraph 7.3(d);
- 8.4 subject to the compromise or arrangement referred to in sub-paragraph 7.3(e) becoming effective, the expiry of the period referred to in sub-paragraph 7.3(e),
- 8.5 subject to the expiry of the period of extension (if any) referred to in sub-paragraph 7.3(a), the date on which the Grantee ceases to be a Participant by reason of the termination of his employment, directorship, appointment or engagement on one or more of the following grounds, namely, that he has been guilty of misconduct or has been in breach of material term of the relevant employment contract or service contract, or has stopped payment to creditors generally or been unable to pay his debts within the meaning of any applicable legislation relating to bankruptcy or insolvency, or has become bankrupt or insolvent, or has been served with a petition for bankruptcy, or has made any arrangements or composition with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty or (if so determined by the

Board or the board of the relevant subsidiary, as the case may be) on any other ground on which any employer or any engaging party would be entitled to terminate his employment, directorship, appointment or engagement at common law or pursuant to any applicable laws or under the Grantee's employment contract or service contract with our Company or the relevant subsidiary (as the case may be). A resolution of the Board or a duly authorised committee thereof for the time being, including the independent non-executive Directors or the board of directors or governing body of the relevant subsidiary (as the case may be) to the effect that the employment, directorship, appointment or engagement of a Grantee has or has not been terminated on one or more of the grounds specified in this sub-paragraph 8.5 shall be conclusive and binding on the Grantee;

- 8.6 the close of 2 business days prior to the general meeting of our Company held for the purpose of approving the voluntary winding-up of our Company or the date of the commencement of the winding-up of our Company;
- 8.7 the date on which the Grantee commits a breach of sub-paragraph 7.1 above;
- 8.8 the date on which the Share Option is cancelled by the Board as provided in paragraph 15 below; or
- 8.9 the non-fulfilment of any condition referred to in paragraph 3 on or before the date stated therein.

Our Company shall owe no liability to any Grantee for the lapse of any Share Option under this paragraph 8.

9. *Maximum number of Shares available for subscription*

- 9.1 Subject to sub-paragraph 9.2 below:
 - (a) The total number of Shares, which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme of our Company shall not in aggregate exceed 48,000,000 Shares, being 10% of the total number of Shares in issue immediately following completion of the Global Offering but without taking into account any Shares to be issued upon exercise of the Over-allotment Option, unless our Company obtains an approval from its Shareholders pursuant to sub-paragraph 9.1(b) below. The Share Options lapsed in accordance with the terms of the Share Option Scheme will not be counted for the purpose of calculating such 10% limit.
 - (b) Our Company may seek approval of its shareholders in general meeting for refreshing the 10% limit set out in sub-paragraph 9.1(a) above such that the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of our Company under the limit as refreshed shall not exceed 10% of the total number of Shares in issue as at the date of approval to refresh

such limit. Options previously granted under the Share Option Scheme and any other share option schemes (including those outstanding, cancelled, lapsed in accordance with the Share Option Scheme or any other share option schemes or exercised options) will not be counted for the purpose of calculating such limit as refreshed. In such a case, our Company shall send a circular to its shareholders containing the information and disclaimer as required under the Listing Rules.

- (c) Our Company may seek separate approval by its shareholders in general meeting for granting Share Options beyond the 10% limit provided the Share Options in excess of such limit are granted only to Participants specifically identified by our Company before such approval is sought. In such a case, our Company shall send a circular to its shareholders containing, among other terms, a generic description of the specified Participant(s) who may be granted such Share Options, the number of Shares subject to the Share Options to be granted, the terms of the Share Options to be granted, the purpose of granting Share Options to the specified Participant(s), an explanation as to how the terms of the Share Options serve such purpose and such other information and disclaimer as required under the Listing Rules.

9.2 Notwithstanding any provision in paragraph 9.1 above and subject to paragraph 11, the limit on the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of our Company must not exceed 30% of the Shares in issue from time to time. No options may be granted under the Share Option Scheme and any other share option schemes of our Company if this will result in such limit being exceeded.

10. *Maximum entitlement of Shares of each Participant*

- 10.1 (a) Subject to 10.1(b) below, the total number of Shares issued and to be issued upon exercise of the Share Options granted to each Participant (including both exercised and outstanding Share Options) in any 12-month period shall not exceed 1% of the total number of Shares in issue.
- (b) Notwithstanding sub-paragraph 10.1(a), where any further grant of Share Options to a Participant would result in the Shares issued and to be issued upon exercise of all options granted and to be granted to such Participant under the Share Option Scheme and any other share option schemes of our Company (including exercised, cancelled and outstanding Share Options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the Shares in issue, such further grant must be separately approved by the Shareholders in general meeting with such Participant and his associates abstaining from voting. The number and terms of the Share Options to be granted to such Participant shall be fixed before shareholders' approval and the date of Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the Subscription Price. In such a case, our Company shall send a

circular to its shareholders containing, among other terms, the identity of such Participant, the number and the terms of the Share Options to be granted (and options previously granted to such Participant) and such other information as required under the Listing Rules.

- (c) In addition to the above paragraph 9 and sub-paragraphs 10.1(a) and 10.1(b), any grant of Share Options to a Participant who is a director, chief executive or substantial shareholder of our Company or their respective associates must be approved by the independent non-executive directors of our Company (excluding independent non-executive director who is a Grantee).
- (d) In addition to the above paragraph 9 and sub-paragraphs 10.1(a) and 10.1(b), where the Board proposes to grant any Share Option to a Participant who is a substantial shareholder or an independent non-executive director of our Company, or any of their respective associates, would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted under the Share Option Scheme and any other share option schemes of our Company (including options exercised, cancelled and outstanding) to him in the 12-month period up to and including the proposed Offer Date of such grant (the “**Relevant Date**”):
 - (i) representing in aggregate more than 0.1% of the total number of Shares in issue on the Relevant Date; and
 - (ii) having an aggregate value, based on the closing price of the Shares as stated in the Stock Exchange’s daily quotations sheet on the Relevant Date in excess of HK\$5,000,000,

such proposed grant of Share Options must be approved by the shareholders of our Company in general meeting. In such a case, our Company shall send a circular to its shareholders containing all those terms as required under the Listing Rules. The Participants concerned and all connected persons of our Company must abstain from voting in favour of the resolution at such general meeting. Any vote taken at the meeting to approve the grant of such Share Options must be taken on a poll.

The Participant and all other connected persons of our Company may vote against the resolution at the general meeting provided that such intention to do so has been stated in the circular. Any such party may change his mind as to whether to abstain or vote against the resolution, in which case our Company shall, if it becomes aware of the change before the date of the general meeting, immediately despatch a circular to the Shareholders or publish an announcement notifying the Shareholders of the change and, if known, the reason for such change. Where the circular is despatched or the announcement is published less than 14 days before the date originally scheduled for the general meeting, the meeting shall be adjourned before considering the relevant meeting, the meeting shall be adjourned before considering the relevant resolution to a date that is at least 14 days from the date of despatch of the circular or publication of the announcement by the chairman.

10.2 Subject to the above sub-paragraphs 9.1, 9.2 and 10.1, in the event of any alteration in the capital structure of our Company whether by way of capitalisation issue, rights issue, consolidation, subdivision or reduction of the share capital of our Company or otherwise howsoever (other than as a result of an issue of Shares as consideration in a transaction), the maximum number of Shares referred to in the above sub-paragraphs 9.1, 9.2 and 10.1 will be adjusted in such manner as an independent financial adviser or the auditors for the time being of our Company (acting as experts and not as arbitrators) shall confirm to the directors of our Company in writing to be fair and reasonable.

11. Reorganisation of capital structure

In the event of any alteration in the capital structure of our Company whilst any Share Option remains exercisable, whether by way of capitalisation issue, rights issue, subdivision, consolidation, or reduction of the share capital of our Company or otherwise howsoever in accordance with legal requirements and requirements of the Stock Exchange (excluding any alteration in the capital structure of our Company as a result of an issue of Shares pursuant to the exercise of the Over-allotment Option or as consideration in respect of a transaction to which our Company is a party) at any time after the date on which dealings in the Shares first commence on the Stock Exchange, such corresponding alterations (if any) shall be made to:

- (i) the number or nominal amount of Shares subject to the Share Option so far as unexercised; and/or
- (ii) the Subscription Price;

as an independent financial adviser or the auditors for the time being of our Company shall at the request of the Board certify in writing to the directors of our Company, either generally or as regards any particular Grantee, to be in their opinion fair and reasonable and that any such alterations shall satisfy the requirements set out in the note to Rule 17.03(13) of the Listing Rules and shall give a Grantee as nearly as possible the same proportion of the issued share capital of our Company as that to which the Grantee was previously entitled, provided that no such alterations shall be made the effect of which would be to enable a Share to be issued at less than its nominal value and/or to the advantage in respect of the Grantee without specific prior shareholders' approval. The capacity of the independent financial adviser or the auditors for the time being of our Company in this paragraph is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on our Company and the Grantees. The costs of the independent financial adviser or the auditors for the time being of our Company shall be borne by our Company. Notice of such alteration(s) shall be given to the Grantees by our Company.

12. Share Capital

The exercise of any Share Option shall be subject to the Shareholders in a general meeting approving any necessary increase in the authorised share capital of our Company. Subject thereto, the Board shall make available sufficient authorised but unissued share capital of our Company to meet subsisting requirements on the exercise of Share Options.

13. Disputes

Any dispute arising in connection with the Share Option Scheme (whether as to the number of Shares the subject of a Share Option, the amount of the Subscription Price or otherwise) shall be referred to the decision of the auditors of our Company or an independent financial adviser appointed by our Company who shall act as experts and not as arbitrators and whose decision shall be final and binding.

14. Alteration of the Share Option Scheme

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

- (a) the definitions of “Grantee”, “Option Period” and “Participant” in sub-paragraphs 2.2, 5.4 and 7.3;
- (b) the provisions of the above paragraphs and sub-paragraphs 4.1, 5.1, 5.2, 5.3, 6, 7, 8, 9, 10, 11 and this paragraph 14; and
- (c) all such other matters set out in Rule 17.03 of the Listing Rules,

shall not be altered to the advantage of the Participants except with the prior approval of the Shareholders in general meeting, provided that no such alteration shall operate to affect adversely the terms of issue of any Share Option granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the affected Grantees as would be required of the Shareholders under the Articles for the time being for a variation of the rights attached to the Shares.

14.2 Any alterations to the terms and conditions of the Share Option Scheme which are of a material nature or any change to the terms of the Share Options granted must be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the Share Option Scheme.

14.3 The amended terms of the Share Option Scheme or the Share Options must still comply with the relevant requirements of Chapter 17 of the Listing Rules.

14.4 Any change to the authority of the directors of our Company or scheme administrators in relation to any alteration to the terms of the Share Option Scheme must be approved by the Shareholders in general meeting.

15. Cancellation of the Share Options granted

The Board may, with the consent of the relevant Grantee, at any time at its absolute discretion cancel any Share Option granted but not exercised. Where our Company cancels Share Options and makes an Offer of the grant of new Share Options to the same Share Option holder, the Offer of the grant of such new Share Options may only be made, under

the Share Option Scheme with available Share Options (to the extent not yet granted and excluding the cancelled Share Options) within the limit approved by the Shareholders as mentioned in the above paragraph 9.

16. Termination of the Share Option Scheme

Our Company by resolution in general meeting or the Board may at any time terminate the operation of the Share Option Scheme and in such event no further Share Options will be offered but in all other respects the provisions of the Share Option Scheme shall remain in full force and effect.

C. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of material contracts

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

- (a) the instrument of transfer and the bought and sold notes, all dated 28 March 2008 executed by Sundart Timber and Mr. Leung Chung Lim pursuant to which Sundart Timber transferred the entire issued share capital of Sundart Engineering to Mr. Leung Chung Lim at a consideration of HK\$2.00;
- (b) the deed of indemnity dated 20 March 2008 executed by Mr. Ng and Mr. Wong, in favour of Golden Tiger and Sundart Holdings under which Mr. Ng and Mr. Wong have given indemnities in respect of certain tax liabilities in favour of Golden Tiger and Sundart Holdings (in each case, both for itself and as agent or trustee for and on behalf of each of Sundart Holdings and its then subsidiaries);
- (c) the assignment dated 14 March 2009 entered into between DSTP (as assignor) and Sundart Products (as assignee) pursuant to which DSTP assigned, among others, certain patents registered in the PRC, South Korea, Malaysia, Indonesia, Vietnam and Taiwan as set out in the section headed “Further information about our business – Intellectual property rights” in this Appendix VI to Sundart Products at a consideration of HK\$9.00;
- (d) the instrument of transfer and the bought and sold notes, all dated 16 March 2009 executed by Anastasia Chistyakova and Sundart Development pursuant to which Anastasia Chistyakova transferred 1,400 shares of HK\$1.00 each in Sundart (Middle East) to Sundart Development at a cash consideration of HK\$1,400;
- (e) the instrument of transfer and the bought and sold notes, all dated 16 March 2009 executed by Jubin Kodinjyil Thomas and Sundart Development pursuant to which Jubin Kodinjyil Thomas transferred 1,400 shares of HK\$1.00 each in Sundart (Middle East) to Sundart Development at a cash consideration of HK\$1,400;
- (f) the SI-JV Agreement dated 14 May 2009 entered into between Sundart (Middle East) and the JV Partners relating to the establishment and operation of Sundart Interior;

- (g) the re-assignment dated 20 May 2009 entered into between Sundart Products (as re-assignor) and DSTP (as re-assignee) pursuant to which Sundart Products reassigned the patents registered in the PRC as set out in the section headed “Further information about our business – Intellectual property rights” in this Appendix VI to DSTP at a consideration of HK\$2.00;
- (h) two assignments all dated 20 May 2009 and entered into between DSTP (as assignor) and Sundart (Beijing) (as assignee) pursuant to which DSTP assigned the patents registered in the PRC as set out in the section headed “Further information about our business – Intellectual property rights” in this Appendix VI to Sundart (Beijing) for a total consideration of HK\$2.00;
- (i) the licence agreement dated 20 May 2009 entered into between DSTP (as licensor) and Sundart (Beijing) (as licensee) pursuant to which DSTP granted a licence to Sundart (Beijing), any of its holding companies, subsidiaries and associated companies, any subsidiaries and associated companies of its holding companies and any other persons or entities designated by Sundart (Beijing), to use the patents registered in the PRC as set out in the section headed “Further information about our business – Intellectual property rights” in this Appendix VI free of royalty until the occurrence of any of the following events, namely, the recordal of assignment of such patents is completed in the PRC, the revocation or termination of such patents or the parties agree to terminate the agreement at nil consideration;
- (j) the amendment agreement dated 15 July 2009 entered into between Sundart (Middle East) and the JV Partners pursuant to which the number of directors of Sundart Interior has been reduced from 5 to 4 and the number of directors which Sundart (Middle East) is entitled to nominate and appoint has been correspondingly reduced from 3 to 2;
- (k) the memorandum dated 3 August 2009 setting out particulars of an oral agreement made on 14 March 2009 between SPG, DSTP and Sundart Products pursuant to which (i) each of SPG and DSTP agreed to sell, and SPG agreed to procure DSTP to sell the certificates, authorisations and approvals granted to SPG and DSTP by UL, Intertek Testing Services NA, Inc., CERTIFIRE and FM Approvals and (ii) DSTP agreed to sell, among others, certain patents registered in the PRC, South Korea, Malaysia, Indonesia, Vietnam and Taiwan as set out in the section headed “Further information about our business – Intellectual property rights” in this Appendix VI to Sundart Products, at a total consideration of HK\$1,800,000;
- (l) the memorandum dated 3 August 2009 setting out particulars of an oral agreement made on 26 May 2009 between SPG, DSTP and Sundart Products pursuant to which each of SPG, DSTP and Sundart Products agreed to amend the oral agreement made on 14 March 2009 between them as mentioned in paragraph (k) above to the effect that (i) the certificate, authorisation and approval granted by FM Approvals to DSTP bearing the registration number of 3032230 and (ii) the patent registered in the European Community and the patent in respect of which DSTP has submitted application for registration in Thailand as set out in the section headed “Further information about our business – Intellectual property

rights” in this Appendix VI, which were intended to be covered but were omitted from the said oral agreement made on 14 March 2009, should also be transferred by DSTP to Sundart Products;

- (m) the deed for sale and purchase dated 3 August 2009 entered into between Tiger Crown, Scenemay Holdings, Mr. Ng, Mr. Leung and Mr. Wong (as vendors and warrantors), Mr. Chan (as warrantor) and our Company (as purchaser) pursuant to which Tiger Crown, Scenemay Holdings, Mr. Ng, Mr. Leung and Mr. Wong agreed to transfer 1,474 shares, 1,474 shares, 1,275 shares, 520 shares and 357 shares of US\$1.00 each in Sundart Holdings to our Company in consideration of our Company issuing and allotting credited as fully paid 20,227,110 Shares, 20,227,110 Shares, 17,497,500 Shares, 7,138,980 Shares and 4,899,300 Shares to Tiger Crown, Scenemay Holdings, Mr. Ng, Mr. Leung and Mr. Wong respectively;
- (n) the Deed of Non-competition dated 3 August 2009 and executed by the Controlling Shareholders and Mr. Ng, Mr. Leung and Mr. Wong in favour of our Company, particulars of which are set out in the section headed “Relationships with the Controlling Shareholders – Deed of Non-competition” in this prospectus;
- (o) the Public Offer Underwriting Agreement dated 10 August 2009, details of which are set out in the section headed “Underwriting” in this prospectus; and
- (p) the Deed of Indemnity.













2. Intellectual property rights

- (a) As at the Latest Practicable Date, we had registered the following trademarks:

Trademark	Class	Place of registration	Trade Mark No.	Name of registrant	Registration date	Expiry date
	19, 20	Hong Kong	200212997AA	Sundart Holdings	15 May 2002	15 May 2019
A  Sundart	19, 20, 37, 42	Hong Kong	300125685	Sundart Holdings	11 December 2003	10 December 2013
B  Sundart						
 Sundart	42	PRC	3903264	Sundart Holdings	7 October 2006	6 October 2016
 Sundart	37	PRC	3903265	Sundart Holdings	7 October 2006	6 October 2016
	20	PRC	3192551	Sundart Timber	7 January 2006	6 January 2016
	19	PRC	3192552	Sundart Timber	28 August 2003	27 August 2013

Trademark	Class	Place of registration	Trade Mark No.	Name of registrant	Registration date	Expiry date
Sundart 承達	20	PRC	3192553	Sundart Timber	21 March 2004	20 March 2014
Sundart 承達	19	PRC	3192554	Sundart Timber	28 August 2003	27 August 2013

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

Trademark	Class	Place of application	Filing Number	Name of applicant	Filing Date
 Sundart	19	United Arab Emirates	130800	Sundart Holding	23 June 2009
 Sundart	20	United Arab Emirates	130801	Sundart Holding	23 June 2009
 Sundart	37	United Arab Emirates	130802	Sundart Holding	23 June 2009
 Sundart	42	United Arab Emirates	130803	Sundart Holding	23 June 2009
 Sundart	19	Qatar	57613	Sundart Holding	14 June 2009
 Sundart	20	Qatar	57614	Sundart Holding	14 June 2009
 Sundart	37	Qatar	57615	Sundart Holding	14 June 2009
 Sundart	42	Qatar	57616	Sundart Holding	14 June 2009
 Sundart	19	Bahrain	77012	Sundart Holding	29 June 2009
 Sundart	20	Bahrain	77013	Sundart Holding	29 June 2009
 Sundart	37	Bahrain	77014	Sundart Holding	29 June 2009
 Sundart	42	Bahrain	77015	Sundart Holding	29 June 2009

(c) As at the Latest Practicable Date, we had registered the following patents:

Title	Place of Registration	Type	Registration Number	Period of Validity
Outlook of 3-D Wavy Profile Moulding (波浪立體幾何形木條拼合飾板)	Taiwan	Design	D 109068	1 February 2006 to 12 August 2016
Outlook of 3-D Wavy Profile Moulding	European Community	Design	000203633	15 July 2004 to 14 July 2014
Outlook of 3-D Wavy Profile Moulding ⁽¹⁾	Malaysia	Design	MY 04-00461	18 January 2004 to 17 January 2014
Outlook of 3-D Wavy Profile Moulding	Indonesia	Design	ID 0 008 081-D	15 June 2004 to 14 June 2014
3-D Wavy Profile Moulding Manufacturing Process	Hong Kong	Short-term Patent	HK1060480	14 January 2004 to 14 January 2012
I-Section Composite Lamel and Plywood Door Core Assembly	Hong Kong	Short-term Patent	HK1057455	22 November 2003 to 22 November 2011
Extendible and Contractible Door Frame and Architrave Assembly with Concealed Fixings	Hong Kong	Short-term Patent	HK1055541	13 September 2003 to 13 September 2011

(d) As at the Latest Practicable Date, we had the following patents and the recordal of assignment of such patents was still pending:

Title	Place of Registration	Type	Registration Number	Period of Validity
Hidden Fixture of Door Frame Adjustable Seal Line Composite (隱藏式固定件可伸縮門框封口綫組合) ⁽²⁾	PRC	Utility model	ZL 2003 2 0100265.6	13 October 2003 to 12 October 2013
Manufacturing Process of 3-D Wavy Profile Moulding (波浪立體幾何形狀木綫的生產工藝) ⁽²⁾	PRC	Invention	ZL 2004 1 0000416.X	18 January 2004 to 17 January 2024
Outlook of 3-D Wavy Profile Moulding	South Korea	Design	0381032	2 May 2005 to 1 May 2020
Outlook of 3-D Wavy Profile Moulding ⁽³⁾	Vietnam	Design	8738	6 July 2004 to 5 July 2014

Notes:

1. Pending the issue of the certificate of extension of validity period in respect of such patent. As at the Latest Practicable Date, application for extension of validity period of such patent to 17 January 2014 has been made and the relevant filing fee for such application has been paid.

2. Pending the recordal of assignment of such patents being completed in the PRC, DSTP (as licensor) and Sundart (Beijing) (as licensee) entered into a licence agreement (專利實施許可合同) as detailed in the section headed “Connected transactions – Exempt continuing connected transaction – Licence to use patents” in this prospectus.
 3. Pending the issue of the confirmation of renewal of such patent. As at the Latest Practicable Date, application for renewal of such patent to 5 July 2014 has been made and the relevant filing fee for such application has been paid.
- (e) As at the Latest Practicable Date, the Group had the following pending patent application in Thailand and the recordal of assignment of such patent was still pending:

Title	Place of Registration	Type	Application Number
Outlook of 3-D Wavy Profile Moulding	Thailand	Design	0402001388

- (f) As at the Latest Practicable Date, we had registered the following domain name:

Registrant	Domain Name	Expiry Date
Sundart Timber	www.sundart.com	8 July 2011

D. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

1. Directors

(a) Interest in Shares

Immediately following completion of the Global Offering (taking no account of Shares which may be issued pursuant to the exercise of the Over-allotment Option and options which may be granted under the Share Option Scheme), the interests or short positions of each of the Directors and the chief executives in the share capital, underlying shares and debentures of our Company and its associated corporations (within the meaning of Part XV of the SFO) which, once the Shares are listed, will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have taken under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register required to be kept therein or which, once the Shares are listed, will be required pursuant to the Model

Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules to be notified to our Company and the Stock Exchange are set out as follows:

Name	Long/Short position	Type of interest	Number of Shares (immediately after completion of the Global Offering but without taking into account the exercise of the Over-allotment Option)	Approximate percentage of shareholding in our Company (immediately after completion of the Global Offering but without taking into account the exercise of the Over-allotment Option)
Mr. Chan	Long position	Interest in a controlled corporation ⁽¹⁾	97,104,000	20.23
	Long position	Other ⁽²⁾	97,104,000	20.23
Mr. Ng	Long position	Beneficial owner	84,000,000	17.50
Mr. Leung	Long position	Beneficial owner	34,272,000	7.14
Mr. Wong	Long position	Beneficial owner	23,520,000	4.90

Note:

- As Mr. Chan controls more than one-third of the voting power in general meetings of Tiger Crown, he is deemed to be interested in the 97,104,000 Shares which will be beneficially owned by Tiger Crown upon the Listing.
- Since Tiger Crown, Scenemay Holdings, Mr. Chan, Mr. Li and Ms. Li are regarded as a group of controlling shareholders acting in concert to exercise their voting right in our Company, pursuant to the provisions of the SFO, each of them is deemed to be interested in the 97,104,000 Shares beneficially or deemed to be owned by each other. Tiger Crown, Scenemay Holdings, Mr. Chan, Mr. Li and Ms. Li together are therefore interested in a total of 40.46% of the issued share capital of our Company upon completion of the Global Offering (assuming the Over-allotment Option is not exercised).

(b) Particulars of service agreements

Each of the executive Directors has entered into a service agreement with our Company for a term of three years commencing from the Listing Date. Particulars of the service agreements of the Directors are in all material respects the same. The salary of the executive Directors is subject to review each year.

Pursuant to the service agreements between our Company and each of Mr. Chan, Mr. Ng, Mr. Leung, Mr. Wong and Mr. Yip (all of whom are executive Directors), their salaries are HK\$960,000, HK\$1,200,000, HK\$1,200,000, HK\$840,000 and HK\$1,200,000 per annum respectively.

None of the non-executive Directors (including the independent non-executive Directors) has entered into any service agreement with our Group. Pursuant to the letters of appointment between our Company and each of Mr. Wong Kwok Wai, Albert, Mr. Wong Hoi Ki and Mr. To King Yan, Adam (all of whom are independent non-executive Directors), each of them is entitled to receive remuneration of HK\$120,000 per annum.

Pursuant to the relevant service agreements or the relevant letters of appointment, the term of appointment of each of the Directors is 3 years commencing from the Listing Date which may be terminated by either party by giving 6 months' written notice. The appointments are subject to removal provisions and provisions on retirement by rotation of Directors set out in the Articles.

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

(c) Directors' remuneration

- (i) Approximately HK\$4.0 million was paid to the Directors by our Group as remuneration (including housing allowances, other allowances and benefits in kind) in respect of the financial year ended 31 March 2009.
- (ii) Approximately HK\$5.8 million (excluding any management bonus, if any) as remuneration is estimated to be payable to our Directors by our Group in respect of the financial year ending 31 March 2010 pursuant to the present arrangement.
- (iii) Save as disclosed in this prospectus, no Director received any remuneration or benefits in kind from our Group for the financial year ended 31 March 2009.

2. Substantial Shareholders

(a) Interests in our Company

So far as the Directors are aware, immediately following completion of the Global Offering (but taking no account of Shares which may be issued pursuant to the exercise of the Over-allotment Option and options which may be granted under the Share Option Scheme), in addition to the interests disclosed under the section headed "Further information about our Directors and substantial Shareholders – Directors" above, the persons (not being a director or chief executive of our Company) who will

have interests or short positions in the Shares and underlying Shares which are required to be disclosed to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO are as follows:

Name	Long/Short position	Type of interest	Number of Shares (immediately after completion of the Global Offering but without taking into account the exercise of the Over-allotment Option)	Approximate percentage of shareholding in our Company (immediately after completion of the Global Offering but without taking into account the exercise of the Over-allotment Option)
Tiger Crown	Long position	Beneficial owner	97,104,000	20.23
	Long position	Other ⁽²⁾	97,104,000	20.23
Scenemay Holdings	Long position	Beneficial owner	97,104,000	20.23
	Long position	Other ⁽²⁾	97,104,000	20.23
Mr. Li	Long position	Interest in a controlled corporation ⁽¹⁾	97,104,000	20.23
	Long position	Other ⁽²⁾	97,104,000	20.23
Ms. Li	Long position	Interest in a controlled corporation ⁽¹⁾	97,104,000	20.23
	Long position	Other ⁽²⁾	97,104,000	20.23

Notes:

- The entire issued share capital of Scenemay Holdings is owned by Mr. Li and Ms. Li in equal shares. As each of Mr. Li and Ms. Li respectively controls more than one-third of the voting power in general meetings of Scenemay Holdings, each of Mr. Li and Ms. Li is deemed to be interested in the 97,104,000 Shares which will be beneficially owned by Scenemay Holdings upon the Listing.
- Since Tiger Crown, Scenemay Holdings, Mr. Chan, Mr. Li and Ms. Li are regarded as a group of controlling shareholders acting in concert to exercise their voting right in our Company, pursuant to the provisions of the SFO, each of them is deemed to be interested in the 97,104,000 Shares beneficially or deemed to be owned by each other. Tiger Crown, Scenemay Holdings, Mr. Chan, Mr. Li and Ms. Li together are therefore interested in a total of 40.46% of the issued share capital of our Company upon completion of the Global Offering (assuming the Over-allotment Option is not exercised).

(b) Interest in other members of our Group

So far as the Directors are aware, immediately following completion of the Global Offering, the following person will be directly or indirectly interested in 10% or more of the nominal value of any class of shares carrying rights to vote in general meetings of any other member of our Group:

Name of Interested party	Name of Group member	Capacity	Number of shares	Percentage of shareholding
Abdullatteef Mohammed A Al-Kuwari	Sundart Interior	beneficial owner	5,100	51% ⁽¹⁾

Note:

- Pursuant to the SI-JV Agreement, Abdullatteef Mohammed A Al-Kuwari is entitled to share 25% of the net profits of Sundart Interior only.

Save as disclosed herein but taking no account of any Shares which may be issued pursuant to the exercise of the Over allotment Option and the options which may be granted under the Share Option Scheme, the Directors are not aware of any person (not being a director or chief executive of our Company) who will immediately following completion of the Global Offering have interests or short positions in the Shares and 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 immediately following completion of the Global Offering be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital in any member of our Group carrying rights to vote in all circumstances at general meetings of such member of our Group.

3. Interest in suppliers and customers of our Group

As at the Latest Practicable Date, so far as the Directors are aware, the following Director had interest in the five largest suppliers of our Group as follows:

Name	Name of supplier	Type of interest
Mr. Leung	DSTP ⁽¹⁾	100% indirect equity interest
Mr. Leung	Win Venture ⁽¹⁾	100% indirect shareholding interest
Mr. Leung	SI (Macau) ⁽¹⁾	100% indirect shareholding interest

Note:

- DSTP, Win Venture and SI (Macau) are wholly-owned subsidiaries of SPG, which in turn is 100% owned by Mr. Leung.

Save as disclosed herein, as at the Latest Practicable Date, so far as our Directors are aware, no Director or their respective associates' or shareholder (which to the knowledge of the Directors owns more than 5% of the issued share capital of our Company) had any interest in the five largest suppliers or customers of our Group.

4. Related party transactions

Our Group entered into the related party transactions within the two years immediately preceding the date of this prospectus as mentioned in note 33 of section (A) of the accountants' report set out in Appendix I to this prospectus.

E. OTHER INFORMATION

1. Estate duty, tax and other indemnity

Indemnity on estate duty and taxation

The Controlling Shareholders, Mr. Ng, Mr. Leung and Mr. Wong (the “**Indemnifiers**”) have pursuant to the Deed of Indemnity, given indemnities on a joint and several basis in favour of our Company (for itself and as trustee as its subsidiaries and jointly-controlled company) in connection with, among others, any taxation which might be payable by any member of our Group in respect of any income, profits or gains earned, accrued or received or alleged to have been earned, accrued or received on or before the date on which the Global Offering becomes unconditional (the “**Effective Date**”).

The Indemnifiers will however, not be liable under the Deed of Indemnity for taxation where:

- (a) to the extent (if any) to which provision, reserve or allowance has been made for such taxation liabilities and claims in the audited combined accounts of our Company for the Track Record Period as set out in Appendix I to this prospectus (the “**Accounts**”);
- (b) to the extent such taxation liabilities and claims falling on any of the members of our Group in respect of their current accounting periods or any accounting period commencing on or after 1 April 2009 would not have arisen but for some act or omission of, or transaction voluntarily effected by, any of the members of our Group (whether alone or in conjunction with some other act, omission or transaction, whenever occurring) with the prior written consent or agreement or acquiescence of the Indemnifiers other than any such act, omission or transaction:
 - (i) carried out or effected in the ordinary course of business or in the ordinary course of acquiring and disposing of capital assets after 31 March 2009, or
 - (ii) carried out, made or entered into pursuant to a legally binding commitment created on or before 31 March 2009 or pursuant to any statement of intention made in this prospectus; or

- (c) to the extent of any provision, reserve or allowance made for such taxation liabilities in the Accounts which is finally established to be an over-provision or an excessive reserve or allowance, in which case the Indemnifiers' liability (if any) in respect of such taxation liabilities shall be reduced by an amount not exceeding such provision, reserve or allowance, provided that the amount of any such provision, reserve or allowance applied pursuant to this paragraph to reduce the Indemnifiers' liability in respect of such taxation liabilities shall not be available in respect of any such liability arising thereafter and for the avoidance of doubt, such over-provision or excess provision, reserve or allowance shall only be applied to reduce the liability of the Indemnifiers under the Deed of Indemnity and none of the members of our Group shall in any circumstances be liable to pay the Indemnifiers any such excess; or
- (d) to the extent that any taxation liabilities and claims arises or is incurred as a result of the imposition of such taxation liabilities as a consequence of any retrospective change in the law, rules and regulations or the interpretation or practice thereof by the Hong Kong Inland Revenue Department or the taxation authority of the PRC or any other relevant authority (whether in Hong Kong, Macau, the PRC, Qatar or any other part of the world) coming into force after the Effective Date or to the extent that such taxation liabilities and claims arise or is increased by an increase in rates of such taxation liabilities after the Effective Date with retrospective effect.

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

Other Indemnities

Pursuant to the Deed of Indemnity, the Indemnifiers have also given indemnities in connection with other matters as more particularly described below.

(a) Property

The Indemnifiers have given indemnities on a joint and several basis in favour of each member of our Group (whether or not such member of our Group is or may be entitled to claim reimbursement from any other person) in connection with all or any Damages howsoever arising from or in connection with any Property Claim to the extent that the events leading to such Damages occurred prior to the Effective Date and any such Damages are not paid by the insurer under any relevant insurance policy (if any).

In the event any of the member of our Group being legally (i) denied of the ownership in; (ii) prohibited from using or occupying; or (iii) evicted from any Property it presently owns, uses or occupies (the "**Affected Premises**") before the expiration of the current term of the tenancy/lease/licence or in the case of any Property which is owned by any member of our Group in the PRC, before the

expiration of the term of the land use right governing the same, whether by the landlord or the head landlord or the licensor or any third party whatsoever (including without limitation any PRC governmental authorities, or any other competent authorities) on any ground/reason whether or not already disclosed or made known to our Company (including, without limitation to the generality of the foregoing, those disclosed in the legal opinions obtained by our Company in connection with its application for the Listing) other than solely due to any breach committed by any member of our Group after the Effective Date, the Indemnifiers covenant with each member of our Group that they will:–

- (i) jointly and severally secure, within a period of 3 calendar months, or such longer period as our Company may agree, for the use and occupation by the affected members of our Group of a Property (the “**Substitute Premises**”) which is comparable and no less favourable to those relating to the Affected Premises including those in relation to location, area, layout, lease period, rental, user and facilities, and for a term which is in no way shorter than the original term under which the Affected Premises are being used or occupied by that member of our Group; and
- (ii) jointly and severally indemnify and at all times keep each member of the Group effectively indemnified against any Damages which may be reasonably incurred or suffered by it and any other liabilities of whatsoever nature arising therefrom, including without limitation:–
 - (aa) in the event that the Affected Premises are a leased/licensed premises, any difference in rentals between the Substitute Premises and the Affected Premises for the remaining term of the relevant lease/licence for the Affected Premises;
 - (bb) any costs or expenses reasonably arising from the relocation of the business or assets of our Group from the Affected Premises to the Substitute Premises;
 - (cc) all operating and business losses which our Group may suffer arising from a relocation of its business from the Affected Premises to the Substitute Premises; and
 - (dd) any fines, penalties or charges which may be imposed or levied by any governmental authorities for failure to perform or non-compliance whether on the part of the relevant member of our Group, the landlord, the head landlord, the tenant, the licensor of any law or regulation, covenants or obligations under any property ownership certificate, land use right certificate or land grant contract in connection with the leasing, licensing, use or occupation of the Affected Premises.

(b) Litigation

The Indemnifiers have given indemnities on a joint and several basis in favour of each member of our Group (whether or not such member of our Group is or may be entitled to claim reimbursement from any other person) in connection with all or any Damages howsoever arising from or in connection with any Litigation Claim to the extent that the events leading to such Damages occurred prior to the Effective Date and any such Damages are not paid by the insurer under any relevant insurance policy (if any) or provision of which has not been made in the Accounts provided that:

- (i) each of our Company and the relevant member of our Group shall reimburse each Indemnifier an amount equal to any sum paid by it under the Deed of Indemnity which is subsequently recovered by our Group from any third party less any costs and expenses incurred by our Group for recovering such sum; and
- (ii) where any claim has been insured against, none of the members of our Group shall make any claim under the Deed of Indemnity without first procuring the relevant member of our Group to make a claim against the relevant insurer for compensation.

In the event where any Litigation Claim arises, our Company and the relevant member of our Group shall by way of covenant but not as a condition precedent to the liability of the Indemnifiers give or procure that notice thereof is as soon as reasonably practicable given to the Indemnifiers; and, as regards any such Litigation Claim, our Company and the relevant member of our Group shall at the request of the Indemnifiers take such action, or procure that such action be taken, as the Indemnifiers may reasonably request to cause the Litigation Claim to be withdrawn, or to dispute, resist, appeal against, compromise or defend the Litigation Claim and any determination in respect thereof but subject to our Company and the relevant member of our Group being indemnified and secured to its or their reasonable satisfaction by the Indemnifiers against all losses, costs, damages and expenses which may be thereby incurred.

The Indemnifiers have also given indemnities on a joint and several basis in favour of the Company (for itself and as trustee of the Relevant Member) in respect of any and all reasonable legal costs which may be incurred by our Company and/or the Relevant Member in disputing, resisting, appealing against any court action commenced against the Relevant Member at any time during which the Relevant Member remains a subsidiary (directly or indirectly) of our Company and the Relevant Member remains as a shareholder of Sundart Interior on the ground that the entitlement of the Relevant Member to share the profits of Sundart Interior as provided under the SI-JV Agreement and the articles of association of Sundart Interior should not be more than the Relevant Member's shareholding interest in Sundart Interior.

For the purpose of the Deed of Indemnity:

"Damages" means all damages, losses, claims, fines, penalties to be imposed, charges, fees, costs, interests, expenses (including all legal costs and expenses), actions, proceedings, depletion of assets, loss of profit, loss of business, cost of rectification, costs of removal, costs of reinstatement of Property (with reference to the physical

state or the legal status of such Property at the time when such Property's owner or user became a subsidiary or jointly controlled entity of our Company) and any other liability of whatever nature;

"Litigation Claim" means any litigation, arbitration and/or legal proceedings, whether of criminal or administrative or contractual or tortious or otherwise nature, against any member of our Group which was issued and/or accrued and/or arising from any act or non-performance or omission or otherwise of any member of our Group on or before the Effective Date in Hong Kong, Macau, the PRC, Qatar or elsewhere;

"Property" means any properties or premises, whether located in Hong Kong, PRC, Macau, Qatar or elsewhere, which are owned, leased, rented, occupied or used by any member of our Group as at the date of this prospectus, including without limitation those properties set out in the property valuation report, the text of which is contained in Appendix IV to this prospectus;

"Property Claim" means in relation to any Property (i) any property claims or third party claims or claims by the government of the jurisdictions in which the Property is/are located or mortgagee of the Property or chargee of the Property or claims of similar nature (if any) arising out of any breach or non-compliance of any applicable laws, rules and/or regulations affecting the Property and/or of the occupier of the Property and/or breach or non-compliance of other terms, conditions, covenants, restrictions of the relevant agreement (including but not limited to mortgage, legal charge and tenancy agreement) or of any (if any) land use right sale and purchase agreement or holding of any defective real estate title certificate or any other title documents in respect of the Property with reference to the physical state or the legal status of the Property at the time when such Property's owner or occupier became a subsidiary or jointly controlled entity of our Company, or (ii) any eviction of any member of our Group from any Property as a result of any claim referred to in paragraph (i) by any government authority or any third party; and

"Relevant Member" means (i) Sundart (Middle East) or (ii) if subsequent to the date of the Deed of Indemnity, Sundart (Middle East) shall cease to be, and another subsidiary of our Company shall become, a shareholder of Sundart Interior, such other subsidiary of our Company which becomes a shareholder of Sundart Interior.

2. Litigation

Save as disclosed in the section headed "Business – Litigation" in this prospectus, no member of our Group is engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened against any member of our Group.

3. Sponsor

ICBCI has made an application on behalf of our Company to the Listing Committee for listing of, and permission to deal in, the Shares in issue and Shares to be issued as mentioned herein (including any Shares falling to be issued pursuant to the exercise of the Over-allotment Option and pursuant to the exercise of any options which may be granted under the Share Option Scheme).

4. Preliminary expenses

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

5. Promoter

The promoter of our Company is Mr. Wong.

Save as disclosed in this prospectus, within the two years preceding the date of this prospectus, no cash, securities or other benefit had been paid, allotted or given, nor are any such cash, securities or other benefit intended to be paid, allotted or given, to the promoter of our Company in connection with the Global Offering or the related transactions described in this prospectus.

6. Qualifications of experts

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

Name	Qualification
ICBCI	licensed corporation under the SFO to carry out type 1 regulated activity (dealing in securities) and type 6 regulated activity (advising on corporate finance) under the SFO
Jingtian & Gongcheng	PRC lawyers
Rui Afonso Lawyers' Office	Macau lawyers
Simmons & Simmons	Qatar lawyers
Deloitte Touche Tohmatsu	Certified public accountants
Jones Lang LaSalle Sallmanns Limited	Chartered surveyors
Conyers Dill & Pearman	Cayman Islands attorneys-at-law

7. Consents of experts

Each of ICBCI, Jingtian & Gongcheng, Rui Afonso Lawyers' Office, Simmons & Simmons, Deloitte Touche Tohmatsu, Jones Lang LaSalle Sallmanns Limited and Conyers Dill & Pearman has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion of its report and/or letter and/or valuation certificate and/or the references to its name included herein in the form and context in which they are respectively included.

8. Binding effect

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

9. Agency fees or commission received

The Underwriters will receive an underwriting commission, and the Sponsor will receive a documentation fee, as referred to under the section headed “Underwriting – Underwriting arrangements and expenses – Commissions and expenses” in this prospectus.

10. Disclaimers

Save as disclosed in this prospectus:

- (a) none of the Directors nor any of the persons whose names are listed in the section headed “Other information – Consents of experts” in this Appendix VI is interested in the promotion of our Company, or in any assets which have been within the two years immediately preceding the issue of this prospectus, or are proposed to be, acquired or disposed of by or leased to any member of our Group; and
- (b) none of the Directors nor any of the persons whose names are listed in the section headed “Other Information – Consents of experts” in this Appendix VI is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to the business of our Group.

11. Particulars of the Selling Shareholders

The particulars of the Selling Shareholders are set out as follows:

Name	:	Tiger Crown
Place of incorporation	:	BVI
Date of incorporation	:	2 March 2004
Registered office	:	P.O. Box 957 Offshore Incorporations Centre Road Town Tortola British Virgin Islands
Number of Sale Shares to be sold	:	6,936,000 Shares if the Over-allotment Option is not exercised or 10,057,200 Sale Shares if the Over-allotment Option is fully exercised
Name	:	Scenemay Holdings
Place of incorporation	:	BVI
Date of incorporation	:	18 December 2007

Registered office	:	P.O. Box 957 Offshore Incorporations Centre Road Town Tortola British Virgin Islands
Number of Sale Shares to be sold	:	6,936,000 Shares if the Over-allotment Option is not exercised or 10,057,200 Sale Shares if the Over-allotment Option is fully exercised
Name	:	Mr. Ng
Nationality	:	Chinese
Address	:	Room 605 Block C Kornhill Quarry Bay Hong Kong
Number of Sale Shares to be sold	:	6,000,000 Shares if the Over-allotment Option is not exercised or 8,700,000 Sale Shares if the Over-allotment Option is fully exercised
Name	:	Mr. Leung
Nationality	:	Chinese
Address	:	61-63 Third Street Section K Fairview Park Yuen Long New Territories Hong Kong
Number of Sale Shares to be sold	:	2,448,000 Shares if the Over-allotment Option is not exercised or 3,549,600 Sale Shares if the Over-allotment Option is fully exercised
Name	:	Mr. Wong
Nationality	:	Chinese
Address	:	Flat C, 4/F Block 16 Provident Centre 51 Wharf Road North Point Hong Kong
Number of Sale Shares to be sold	:	1,680,000 Shares if the Over-allotment Option is not exercised or 2,436,000 Sale Shares if the Over-allotment Option is fully exercised

12. Miscellaneous

- (a) Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus:
 - (i) no share or loan capital of our Company or any of its subsidiaries has been issued or agreed to be issued fully or partly paid either for cash or for a consideration other than cash;
 - (ii) no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any capital of our Company or any of its subsidiaries;
 - (iii) no founders, management or deferred shares of our Company or any of its subsidiaries have been issued or agreed to be issued;
 - (iv) no share or loan capital of our Company or any of its subsidiaries is under option or is agreed conditionally or unconditionally to be put under option.
- (b) None of ICBCI, Jingtian & Gongcheng, Rui Afonso Lawyers' Office, Simmons & Simmons, Deloitte Touche Tohmatsu, Jones Lang LaSalle Sallmanns Limited and Conyers Dill & Pearman:
 - (i) is interested beneficially or non-beneficially in any shares in any member of our Group; or
 - (ii) has any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any securities in any member of our Group.
- (c) No company within our Group is presently listed on any stock exchange or traded on any trading system.
- (d) All necessary arrangements have been made to enable the Shares to be admitted into CCASS for clearing and settlement.
- (e) There are no arrangements in existence under which future dividends are to be or agreed to be waived.
- (f) 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 within 12 months preceding the date of this prospectus.

13. Bilingual prospectus

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