

A. FURTHER INFORMATION ABOUT OUR COMPANY AND OUR SUBSIDIARIES**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 November 27, 2007. The Company has established a place of business in Hong Kong at Unit 6-8, 23/F, Greenfield Concordia Plaza, 1 Science Museum Road, Tsim Sha Tsui, Kowloon, Hong Kong and has been registered as a non-Hong Kong company in Hong Kong under Part XI of the Hong Kong Companies Ordinance. Mr. Wong Wun Ming has been appointed as the authorized representative of our Company for the acceptance of process and notices on behalf of the Company in Hong Kong.

As our Company was incorporated in the Cayman Islands, it operates subject to the Companies Law and to its constitution, which comprises the Memorandum and the Articles. A summary of certain relevant parts of its constitution and certain relevant aspects of the Companies Law is set out in Appendix VI to this prospectus.

2. Changes in share capital of our Company***(a) Increase in authorized share capital***

The authorized share capital of the Company as at the date of its incorporation was HK\$100,000 divided into 1,000,000 Shares of HK\$0.10 each. On November 27, 2007, one Share was allotted and issued at par, credited as fully paid, to the subscriber to the Memorandum and Articles and such Share was subsequently transferred to Growing Group on the same day.

On November 27, 2007, the Company allotted and issued 6,249 Shares of HK\$0.10 each to Growing Group credited as fully paid, 1,250 Shares of HK\$0.10 each to Gainday Holdings credited as fully paid, 1,250 Shares of HK\$0.10 each to Better Luck Group credited as fully paid and 1,250 Shares of HK\$0.10 each to Tin Sun Holdings credited as fully paid.

On September 26, 2008, the Company further allotted and issued 625 Shares of HK\$0.10 each to Growing Group credited as fully paid, 125 Shares of HK\$0.10 each to Gainday Holdings credited as fully paid, 125 Shares of HK\$0.10 each to Better Luck Group credited as fully paid and 125 Shares of HK\$0.10 each to Tin Sun Holdings credited as fully paid.

On September 29, 2008, Growing Group transferred a total of 825 Shares of the Company consisting of 275 Shares to Gainday Holdings for a consideration of HK\$27.5, 275 Shares to Better Luck Group for a consideration of HK\$27.5 and 275 Shares to Tin Sun Holdings for a consideration of HK\$27.5. Following completion of the share transfer, Growing Group held 6,050 Shares, Gainday Holdings held 1,650 Shares, Better Luck Group held 1,650 Shares and Tin Sun Holdings held 1,650 Shares and the respective shareholdings of Growing Group, Gainday Holdings, Better Luck Group and Tin Sun Holdings in the Company were 55%, 15%, 15% and 15%.

On September 21, 2009, Growing Group, Gainday Holdings, Better Luck Group and Tin Sun Holdings transferred 6,050 Shares, 1,650 Shares, 1,650 Shares and 1,650 Shares, respectively, cumulating to a total of 11,000 Shares to Galaxy Earnest Limited in consideration of issuance of 550 shares, 150 shares, 150 shares and 150 shares by Galaxy Earnest Limited to Growing Group, Gainday Holdings, Better Luck Group and Tin Shun Holdings.

Following completion of the share transfers, the Company was wholly owned by Galaxy Earnest Limited, whereas Galaxy Earnest Limited is owned by Growing Group as to 55%, Gainday Holdings as to 15%, Better Luck Group as to 15% and Tin Sun Holdings as to 15%. The respective ultimate beneficial interests of the Controlling Shareholders in the Company remained unchanged in the proportions of 55%, 15%, 15% and 15%.

On October 9, 2009, the authorized share capital of our Company was increased from HK\$100,000 divided into 1,000,000 Shares of HK\$0.1 each to HK\$1,200,000,000 divided into 12,000,000,000 Shares of HK\$0.1 each and the capitalization issue was approved pursuant to the resolution in writing of the shareholders of our Company passed on October 9, 2009 below.

Immediately following completion of the Global Offering and the Capitalization Issue but not taking into account of any Shares which may be sold pursuant to the exercise of the Over-allotment Option or any options which may be granted under the Share Option Scheme, the authorized share capital of our Company will be HK\$1,200,000,000 divided into 12,000,000,000 Shares of which 6,000,000,000 Shares will be issued fully paid or credited as fully paid, and 6,000,000,000 Shares will remain unissued.

Other than pursuant to the exercise of any options which may be granted under the Share Option Scheme, there is no present intention to issue any of the authorized but unissued share capital of our Company and, without the prior approval of the members in general meeting, no issue of Shares will be made which would effectively alter the control of our Company.

(b) Founder shares

Our Company has no founder shares, management shares or deferred shares. Save as disclosed herein and in paragraphs 2 and 3 of this Appendix, there has been no alteration in the share capital of our Company since its incorporation.

3. Resolutions in writing of the sole shareholder of our Company passed on October 9 and 16, 2009

Pursuant to the resolutions in writing passed by the sole shareholder of our Company on October 9 and 16, 2009 conditional on (i) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in this prospectus (including any Shares which may be sold by the Selling Shareholder pursuant to the exercise of the Over-allotment Option or options which may be granted under the Share Option

Scheme) and (ii) the obligations of the Underwriters under the Underwriting Agreement becoming unconditional and not being terminated in accordance with the terms therein or otherwise, in each case on or before such dates as may be specified in the Underwriting Agreement:

- (i) our Company approved and adopted our Memorandum and Articles of Association;
- (ii) the authorized share capital of our Company was increased from HK\$100,000 to HK\$1,200,000,000 by the creation of an additional 11,999,000,000 Shares of HK\$0.1 each;
- (iii) the Global Offering was approved and the Directors were authorized to allot and issue the new Shares under the Global Offering;
- (iv) the Share Option Scheme, the principal terms of which are set out in the paragraph headed “1. Share Option Scheme” under the section headed “D. Other information” in this Appendix, were approved and adopted and the Directors were authorized to grant options to subscribe for Shares thereunder and to allot, issue and deal with Shares pursuant to the exercise of options granted under the Share Option Scheme;
- (v) the Directors were authorized to issue and allot 5,099,989,000 Shares to the then existing Shareholders of the Company in proportion as nearly as possible without involving any fractional Shares to their then existing shareholdings in the Company credited as fully paid up at par by way of a capitalization of an amount of HK\$509,998,900 standing to the credit of the share premium account of the Company;
- (vi) a general unconditional mandate was given to the Directors to allot, issue and deal with (including the power to make or grant offers, agreements, options and other rights, and issue warrants and other securities which would or might require Shares to be allotted and issued), otherwise than pursuant to a rights issue or pursuant to any scrip dividend scheme or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles or pursuant to the grant of options under the Share Option Scheme or other similar arrangement or pursuant to a specific authority granted by the Shareholders in general meeting, unissued Shares with an aggregate nominal value not exceeding 20% of the aggregate of the total nominal amount of the share capital of the Company in issue, as enlarged by the Global Offering and the Capitalization Issue, such mandate to remain in effect until the conclusion of the next annual general meeting of the Company, or the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable laws to be held, or until revoked or varied by an ordinary resolution of the Shareholders in general meeting, whichever occurs first;
- (vii) a general unconditional mandate was given to the Directors authorizing them to exercise all powers of the Company to repurchase on the Stock Exchange or on any other stock exchange on which the Shares may be listed and which is recognized by the SFC and the Stock Exchange for this purpose such number of Shares as will represent up to 10% of the aggregate nominal amount of the share capital of the Company in issue, as enlarged by the Global Offering and the Capitalization Issue, such mandate to remain in effect until the conclusion of the next annual general meeting of the Company, or the expiration of the period within which the next annual general meeting of the Company is required by the

Articles or any applicable laws to be held, or until revoked or varied by an ordinary resolution of the Shareholders in general meeting, whichever occurs first;

- (viii) the general unconditional mandate mentioned in paragraph (vii) above was extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to or in accordance with such mandate of an amount representing the aggregate nominal amount of the Shares in the capital of the Company purchased by the Company pursuant to the mandate to repurchase Shares referred to in paragraph (viii) above.

4. Corporate reorganization

The companies comprising the Group underwent a reorganization to rationalize the business and the structure of our Company in anticipation of the Global Offering. Following the Reorganization, our Company became the holding company. For further information about our Reorganization, please refer to the section headed “History and Reorganization” in this prospectus.

5. Changes in share capital of subsidiaries

Our Company's subsidiaries are referred to in the Accountant's Report, the text of which is set out in Appendix I to this prospectus. The following sets out the changes to the share capital of the subsidiaries of our Company during the two years preceding the date of this prospectus:

Profit Surplus Investments (Incorporated in the British Virgin Islands on 21.11.2007)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
21.11.2007	New Shares Issue	Growing Group as allottee	6,250 shares	US\$6,250	Growing Group – 6,250 shares (62.5%)
		Better Luck Group as allottee	1,250 shares	US\$1,250	Better Luck Group – 1,250 shares (12.5%)
		Gainday Holdings as allottee	1,250 shares	US\$1,250	Gainday Holdings – 1,250 shares (12.5%)
		Tin Sin Holdings as allottee	1,250 shares	US\$1,250	Tin Sin Holdings – 1,250 shares (12.5%)
			<i>Remarks</i> Profit Surplus Investments issued (1) 6,250 shares to Growing Group, (2) 1,250 shares to Better Luck Group, (3) 1,250 shares to Gainday Holdings and (4) 1,250 shares to Tin Sin Holdings		
12.02.2008	New Shares Issue	Growing Group as allottee	625 shares	HK\$79,200,000	Growing Group – 6,875 shares (62.5%)
		Better Luck Group as allottee	125 shares	US\$125	Better Luck Group – 1,375 shares (12.5%)
		Gainday Holdings as allottee	125 shares	US\$125	Gainday Holdings – 1,375 shares (12.5%)
		Tin Sin Holdings as allottee	125 shares	US\$125	Tin Sin Holdings – 1,375 shares (12.5%)
			<i>Remarks</i> Profit Surplus Investments issued (1) 625 shares to Growing Group, (2) 125 shares to Better Luck Group, (3) 125 shares to Gainday Holdings and (4) 125 shares to Tin Sin Holdings		

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
05.09.2008	New Shares Issue	Growing Group as allottee	62.5 shares	500,000 shares of Ming Fat Hong Kong	Growing Group – 6,937.5 shares (62.5%)
		Better Luck Group as allottee	12.5 shares	100,000 shares of Ming Fat Hong Kong	Better Luck Group – 1,387.5 shares (12.5%)
		Gainday Holdings as allottee	12.5 shares	100,000 shares of Ming Fat Hong Kong	Gainday Holdings – 1,387.5 shares (12.5%)
		Tin Sun Holdings as allottee	12.5 shares	100,000 shares of Ming Fat Hong Kong	Tin Sun Holdings – 1,387.5 shares (12.5%)
			<p><i>Remarks</i></p> <p>In consideration of transfer of 800,000 shares of Ming Fat Hong Kong by Wong Wun Ming, 100,000 shares of Ming Fat Hong Kong by Huang Li Shui, 100,000 shares of Ming Fat Hong Kong by Huang Qingzhu and 100,000 shares of Ming Fat Hong Kong by Huang Lianchun to Profit Surplus Investments, Profit Surplus Investments issued (1) 62.5 shares to Growing Group, (2) 12.5 shares to Better Luck Group and (3) 12.5 shares to Gainday Holdings and (4) 12.5 shares to Tin Sun Holdings.</p>		
26.09.2008	Share Transfer	Growing Group, Better Luck Group, Gainday Holdings and Tin Sun Holdings as Transferors	11,100 shares	Note In consideration of Growing Group, Better Luck Group, Gainday Holdings and Tin Sun Holdings transferring all their shares in Profit Surplus Investments, Fit Top Group and Add High International to the Company, the Company issued a total of 1,000 shares to Growing Group (625 shares), Better Luck Group (125 shares), Gainday Holdings (125 shares) and Tin Sun Holdings (125 shares).	The Company – 11,100 shares (100%)
		The Company as Transferee			

Fit Top Group (Incorporated in the British Virgin Islands on 30.10.2007)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
30.10.2007	New Shares Issue	Growing Group as allottee	6,250 shares	US\$6,250	Growing Group – 6,250 shares (62.5%)
		Better Luck Group as allottee	1,250 shares	US\$1,250	Better Luck Group – 1,250 shares (12.5%)
		Gainday Holdings as allottee	1,250 shares	US\$1,250	Gainday Holdings – 1,250 shares (12.5%)
		Tin Sin Holdings as allottee	1,250 shares	US\$1,250	Tin Sin Holdings – 1,250 shares (12.5%)
26.09.2008	Share Transfer	Growing Group, Better Luck Group, Gainday Holdings and Tin Sin Holdings as Transferors The Company as Transferee	10,000 shares	Note In consideration of Growing Group, Better Luck Group, Gainday Holdings and Tin Sin Holdings transferring all their shares in Profit Surplus Investments, Fit Top Group and Add High International to the Company, the Company issued a total of 1,000 shares to Growing Group (625 shares), Better Luck Group (125 shares), Gainday Holdings (125 shares) and Tin Sin Holdings (125 shares).	The Company – 10,000 shares (100%)

Add High International (Incorporated in the British Virgin Islands on 30.10.2007)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
30.10.2007	New Shares Issue	Growing Group as allottee	6,250 shares	US\$6,250	Growing Group – 6,250 shares (62.5%)
		Better Luck Group as allottee	1,250 shares	US\$1,250	Better Luck Group – 1,250 shares (12.5%)
		Gainday Holdings as allottee	1,250 shares	US\$1,250	Gainday Holdings – 1,250 shares (12.5%)
		Tin Sun Holdings as allottee	1,250 shares	US\$1,250	Tin Sun Holdings – 1,250 shares (12.5%)
26.09.2008	Share Transfer	Growing Group, Better Luck Group, Gainday Holdings and Tin Sun Holdings as Transferors The Company as Transferee	10,000 shares	Note In consideration of Growing Group, Better Luck Group, Gainday Holdings and Tin Sun Holdings transferring all their shares in Profit Surplus Investments, Fit Top Group and Add High International to the Company, the Company issued a total of 1,000 shares to Growing Group (625 shares), Better Luck Group (125 shares), Gainday Holdings (125 shares) and Tin Sun Holdings (125 shares).	The Company – 10,000 shares (100%)

Ming Fat Hong Kong (Incorporated in Hong Kong on 25.10.2000)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
12.02.2008	New Shares Issue				Mr. Wong Wun Ming – 500,000 shares (0.625%) Mr. Huang Qingzhu – 100,000 shares (0.125%) Mr. Huang Li Shui – 100,000 shares (0.125%) Mr. Huang Lianchun – 100,000 shares (0.125%)
		Profit Surplus Investments as allottee	79,200,000 shares	HK\$79,200,000	Profit Surplus Investments – 79,200,000 shares (99%)
			<i>Remarks</i> The Company issued 79,200,000 new shares to Profit Surplus Investments		
05.09.2008	Share Transfer	Mr. Wong Wun Ming, Mr. Huang Li Shui, Mr. Huang Qingzhu & Mr. Huang Lianchun as Transferors			
		Profit Surplus Investments as Transferee	800,000 shares	100 shares of Profit Surplus Investments	Profit Surplus Investments – 80,000,000 shares (100%)
			<i>Remarks</i> (1) Mr. Wong Wun Ming transferred 500,000 shares to Profit Surplus Investments, (2) Mr. Huang Li Shui transferred 100,000 shares to Profit Surplus Investments, (3) Mr. Huang Qingzhu transferred 100,000 shares to Profit Surplus Investments and (4) Mr. Huang Lianchun transferred 100,000 shares to Profit Surplus Investments; in consideration of the share transfer, Profit Surplus Investments issued 62.5 shares to Growing Group, 12.5 shares to Better Luck Group, 12.5 shares to Gainday Holdings and 12.5 shares to Tin Sun Holdings.		

HK Full Bright Holdings (Incorporated in Hong Kong on 04.12.2007)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
17.12.2007	New Shares Issue	Add High International as allottee	1,000 shares	HK\$1,000	Add High International – (1,000 shares)

Note: HK Full Bright Holdings was incorporated on December 4, 2007 and on December 17, 2007 the one subscriber share was transferred to Add High International and a further 999 shares were allotted to Add High International.

HKMF Shui Fung Electronics Technology (Incorporated in the PRC on 28.09.2004)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
2.01.2008	Share Transfer	Mr. Wong Wun Ming as Transferor Fit Top Group as Transferee	2,000,000 shares <i>Remarks</i> Mr. Wong Wun Ming transferred 2,000,000 shares to Fit Top Group	HK\$1,970,000	Fit Top Group – 2,000,000 shares (100%)

H.K. Ming Shing Assets Management Group Limited (Incorporated in Hong Kong on 10.09.2009)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
10.09.2009	New Shares Issue	Ming Fat Hong Kong as allottee	10,000 shares	HK\$10,000	Ming Fat Hong Kong (100%)

Mingfa Group (Incorporated in the PRC on 06.11.2001)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
26.12.2007	Further Capital Contribution	Ming Fat Hong Kong as investor making capital contribution	HK\$78,000,000	HK\$78,000,000	Ming Fat Hong Kong – HK\$129,000,000 (100%)
11.04.2008	Further Capital Contribution	Ming Fat Hong Kong as investor making capital contribution	HK\$130,000,000	HK\$130,000,000	Ming Fat Hong Kong – HK\$259,000,000 (100%)

Xiamen Mingfa (Incorporated in the PRC on 07.01.1998)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
04.01.2008	Equity Interest Transfer	Mr. Wong Wun Ming, Mr. Huang Qingzhu, Mr. Huang Li Shui & Mr. Huang Lianchun as Transferors Mingfa Group as Transferee	RMB80,000,000	RMB80,000,000	Mingfa Group – RMB80,000,000 (100%)
			<p><i>Remarks</i></p> <p>(1) Mr. Wong Wun Ming transferred the equity interests of RMB40,415,000 to Mingfa Group,</p> <p>(2) Mr. Huang Qingzhu transferred the equity interests of RMB29,585,000 to Mingfa Group,</p> <p>(3) Mr. Huang Li Shui transferred the equity interests of RMB8,000,000 to Mingfa Group and</p> <p>(4) Mr. Huang Lianchun transferred the equity interests of RMB2,000,000 to Mingfa Group.</p>		

Mingfa Industrial Raw Material (JS) (Incorporated in the PRC on 21.06.2005)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
10.04.2008 ⁽¹⁾	Further Capital Contribution	Ming Fat Hong Kong as investor making capital contribution	US\$20,000,000 (not yet fully paid up) ⁽²⁾	US\$20,000,000	Ming Fat Hong Kong – US\$30,000,000 (100%)

Notes:

- (1) This is the date on which the board resolution was passed. The capital increase has yet to take effect pending the registration and approval by the relevant PRC government authorities.
- (2) As at the Latest Practicable Date, we have already paid up US\$4,028,005.62.

Mingfa Group Real Estate (ZZ) (Incorporated in the PRC on 13.02.2007)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
13.02.2007	Capital Contribution	Ming Fat Hong Kong as investor making capital contribution	HK\$19,000,000	HK\$19,000,000	Ming Fat Hong Kong – HK\$19,000,000 (95%)
		Mingfa Group as investor making capital contribution	HK\$1,000,000	HK\$1,000,000	Mingfa Group – HK\$1,000,000 (5%)

Mingfa Group Real Estate (YZ) (Incorporated in the PRC on 18.10.2006)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
18.10.2006	Capital Contribution	Ming Fat Hong Kong as investor making capital contribution	US\$9,500,000	US\$9,500,000	Ming Fat Hong Kong – US\$9,500,000 (95%)
		Mingfa Group as investor making capital contribution	US\$500,000	US\$500,000	Mingfa Group – US\$500,000 (5%)
28.12.2007 (Note)	Further Capital Contribution	Ming Fat Hong Kong as investor making capital contribution	US\$30,000,000 (Not yet paid up)	US\$30,000,000	Ming Fat Hong Kong – US\$39,500,000 (98.75%) Mingfa Group – US\$500,000 (1.25%)

Note: This is the date on which the board resolution was passed. The capital increase has yet to take effect pending the registration and approval by the relevant PRC government authorities.

Mingfa Group Real Estate (HF) (Incorporated in the PRC on 01.11.2005)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
20.02.2007 (Note)	Further Capital Contribution	Ming Fat Hong Kong as investor making capital contribution	US\$19,990,000 (not yet paid up)	US\$19,990,000	Ming Fat Hong Kong – US\$29,490,000 (98.33%) Mingfa Group – US\$500,000 (1.67%)

Note: This is the date on which the board resolution was passed. The capital increase has yet to take effect pending the registration and approval by the relevant PRC government authorities.

Mingfa Hotel (XM)
(Incorporated in the PRC on 14.12.1999)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
17.12.2007	Equity Interest Transfer	Mr. Huang Qingzhu as Transferor Mingfa Group as Transferee	RMB3,000,000	RMB3,000,000	Mingfa Group – RMB 10,000,000 (100%)
			<i>Remarks</i> Mr. Huang Qingzhu transferred the equity interests of RMB3,000,000 to Mingfa Group		

Xiamen Mingsheng Investment Management (XM) (Incorporated in the PRC on 18.04.2006)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
18.04.2006	Capital Contribution	Ming Fat Hong Kong as investor making capital contribution	HK\$850,000	HK\$850,000	Ming Fat Hong Kong – HK\$850,000 (50%)
		Kiu Lok Property Management as investor making capital contribution	HK\$850,000	HK\$850,000	Kiu Lok Property Management – HK\$850,000 (50%)
29.08.2008	Equity Interest Transfer	Kiu Lok Property Management as Transferor			
		Ming Fat Hong Kong as Transferee	HK\$850,000	HK\$850,000	Ming Fat Hong Kong – HK\$1,700,000 (100%)
			<i>Remarks</i> Kiu Lok Property Management transferred the equity interests of HK\$850,000 to Ming Fat Hong Kong		
04.09.2009	Further Capital Contribution	Ming Fat Hong Kong as investor making capital contribution	HK\$66,300,000	HK\$66,300,000	Ming Fat Hong Kong – HK\$68,000,000 (100%)

Mingfa Seafood Logistics (NA) (Incorporated in the PRC on 12.06.2008)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
12.06.2008	Capital Contribution	Mingfa Group as investor making capital contribution	RMB6,000,000	RMB6,000,000	Mingfa Group – RMB6,000,000 (100%)

Hengxin Real Estate (NA) (Incorporated in the PRC on 28.11.2006)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
28.11.2006	Capital Contribution	Zhang Sang Hui as investor making capital contribution	RMB4,500,000	RMB4,500,000	Zhang Sang Hui – RMB4,500,000 (56.25%)
		Xu Xi Shui as investor making capital contribution	RMB3,500,000	RMB3,500,000	Xu Xi Shui – RMB3,500,000 (43.75%)
06.06.2007	Equity Interest Transfer	Zhang Sang Hui as Transferor			
		Dai Qing Lin as Transferee	RMB4,500,000	RMB4,500,000	Dai Qing Lin – RMB4,500,000 (56.25%) Xu Xi Shui – RMB3,500,000 (43.75%)
			<i>Remarks</i> Zhang Sang Hui transferred the equity interests of RMB4,500,000 to Dai Qing Lin.		
10.06.2008	Equity Interest Transfer	Dai Qing Lin & Xu Xi Shui as Transferors			
		Mingfa Group as Transferee	RMB8,000,000	RMB8,000,000	Mingfa Group – RMB8,000,000 (100%)
			<i>Remarks</i> (1) Dai Qing Lin transferred the equity interests of RMB4,500,000 to Mingfa Group and (2) Xu Xi Shui transferred the equity interests of RMB3,500,000 to Mingfa Group.		

Mingfa Group Shanghai Industry (Incorporated in the PRC on 10.01.2007)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
10.01.2007	Capital Contribution	Mingfa Group as investor making capital contribution	RMB20,000,000	RMB20,000,000	Mingfa Group – RMB20,000,000 (100%)

Longxiang Real Estate (XM) (Incorporated in the PRC on 29.06.2001)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
21.04.2008	Equity Interest Transfer	Yuan Chang Real Estate (XM) and Cheng Zhu Investment (XM) as Transferors Mingfa Group as transferee	RMB25,000,000	RMB25,000,000	Mingfa Group – RMB25,000,000 (50%) Yuan Chang Real Estate (XM) – RMB20,000,000 (40%) Cheng Zhu Investment (XM) – RMB5,000,000 (10%)

Remarks

(1) Yuan Chang Real Estate (XM) transferred the equity interests of RMB20,000,000 to Mingfa Group and
(2) Cheng Zhu Investment (XM) transferred the equity interests of RMB5,000,000 to Mingfa Group

Mingfa Xinghewan Hotel (NJ) (Incorporated in the PRC on 17.12.2007)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
17.12.2007	Capital Contribution	Ming Fat Hong Kong as investor making capital contribution	US\$ 12,500,000	US\$ 12,500,000	Ming Fat Hong Kong – US\$12,500,000 (100%)

Nan'an Honglai Town Construction (NA) (Incorporated in the PRC on 18.10.1999)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
11.12.2007	Equity Interest Transfer	Nan'an Construction (FJ) and Honglai Town Electric Pumping Station (NA) as Transferors Xiamen Mingfa as Transferee	RMB8,080,000	RMB8,080,000	Xiamen Mingfa – RMB8,080,000 (100%)
			<i>Remarks</i> (1) Nan'an Construction (NJ) transferred the equity interests of RMB6,464,000 to Xiamen Mingfa and (2) Honglai Town Electronic Pumping Station (NA) transferred the equity interests of RMB1,616,000 to Xiamen Mingfa.		
6.7.2009	Further Capital Contribution	Xiamen Mingfa as investor making capital contribution	RMB22,000,000	RMB22,000,000	Xiamen Mingfa – RMB30,080,000 (100%)

Mingfa Hotel (QZ) (Incorporated in the PRC on 25.08.1998)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
03.07.2008	Equity Interest transfer	Tai Shan Trading Company as Transferor Ming Fat Hong Kong as Transferee	RMB10,000,000	RMB10,000,000	Ming Fat Hong Kong – RMB10,000,000 (33%) Xiamen Mingfa RMB20,000,000 (67%)
			<i>Remarks</i> Tai Shan Trading Company transferred the equity interests of RMB10,000,000 to Ming Fat Hong Kong		

Chunhe Electronic (NJ) (Incorporated in the PRC on 11.04.2007)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
11.04.2007	Capital Contribution	Mingfa Technological and Commercial Town Construction (NJ) as investor making capital contribution	RMB9,500,000	RMB9,500,000	Mingfa Technological and Commercial Town Construction (NJ) – RMB9,500,000 (95%)
		Mr. Huang Lianchun as investor making capital contribution	RMB500,000	RMB500,000	Mr. Huang Lianchun – RMB500,000 (5%)
04.12.2007	Equity Interest Transfer	Huang Lianchun as Transferor			
		Mingfa Technological and Commercial Town Construction (NJ) as Transferee	RMB500,000	RMB500,000	Mingfa Technological and Commercial Town Construction (NJ) – RMB10,000,000 (100%)
			<i>Remarks</i> Mr. Huang Lianchun transferred the equity interests of RMB500,000 to Mingfa Technological and Commercial Town Construction (NJ).		

Lichang Light and Electronic Technology (NJ) (Incorporated in the PRC on 10.04.2007)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
10.04.2007	Capital Contribution	Mingfa Technological and Commercial Town Construction (NJ) as investor making capital contribution	RMB11,400,000	RMB11,400,000	Mingfa Technological and Commercial Town Construction (NJ) – RMB11,400,000 (95%)
		Mr. Huang Qingzhu as investor making capital contribution	RMB600,000	RMB600,000	Mr. Huang Qingzhu – RMB600,000 (5%)
04.12.2007	Equity Interest Transfer	Mr. Huang Qingzhu as Transferor			
		Mingfa Technological and Commercial Town Construction (NJ) as Transferee	RMB600,000	RMB600,000	Mingfa Technological and Commercial Town Construction (NJ) – RMB12,000,000 (100%)
			<i>Remarks</i> Mr. Huang Qingzhu transferred the equity interests of RMB600,000 to Mingfa Technological and Commercial Town Construction (NJ)		

Lianchang Engineering (NJ) (Incorporated in the PRC on 13.04.2007)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
13.04.2007	Capital Contribution	Mingfa Technological and Commercial Town Construction (NJ) as investor making capital contribution	RMB14,250,000	RMB14,250,000	Mingfa Technological and Commercial Town Construction (NJ) – RMB14,250,000 (95%)
		Mr. Huang Hai Biao as investor making capital contribution	RMB750,000	RMB750,000	Mr. Huang Hai Biao – RMB750,000 (5%)
03.12.2007	Equity Interest Transfer	Mr. Huang Hai Biao as Transferor			
		Mingfa Technological and Commercial Town Construction (NJ) as transferee	RMB750,000	RMB750,000	Mingfa Technological and Commercial Town Construction (NJ) – RMB15,000,000 (100%)
			<i>Remarks</i> Mr. Huang Hai Biao transferred the equity interests of RMB750,000 to Mingfa Technological and Commercial Town Construction (NJ)		

Mingfa Group Real Estate (HA) (Incorporated in the PRC on 28.01.2008)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
28.01.2008	Capital Contribution	Mingfa Group Real Estate (NJ) as investor making capital contribution	RMB10,000,000	RMB10,000,000	Mingfa Group Real Estate (NJ) – RMB10,000,000 (100%)

Mingwah Property Development (WX) (Incorporated in the PRC on 12.12.2006)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
12.12.2006	Capital Contribution	Ming Wah Hong Kong as investor making capital contribution	RMB9,800,000	RMB9,800,000	Ming Wah Hong Kong – RMB9,800,000 (49%)
		Xi Zhang Cun Town Construction (WX) as investor making capital contribution	RMB10,200,000	RMB10,200,000	Xi Zhang Cun Town Construction (WX) – RMB10,200,000 (51%)
18.08.2008	Equity Interest Transfer	Xi Zhang Cun Town Construction (WX) as Transferor			
		Ming Wah Hong Kong as Transferee	RMB10,200,000	RMB10,200,000	Ming Wah Hong Kong – RMB20,000,000 (100%)

Remarks
Xi Zhang Cun Town Construction (WX) transferred equity interests of RMB10,200,000 to Ming Wah Hong Kong

Hanxiang Real Estate (ZJ) — Zhenjiang Hanxiang Real Estate Co., Ltd (鎮江漢翔房地產有限公司)
(Incorporated in the PRC on 16. 3. 2005)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
01.06.2007	Capital Decrease	Chen Tiehan	The registered capital reduced from US\$20,000,000 to US\$1,900,000	N/A	Chen Tiehan – US\$1,900,000 (100%)
16.06.2008	Equity Interest Transfer	Chen Tiehan as Transferor			
		Wing Lung Holdings (HK) Limited as transferee	US\$760,000	Note: Since these were transfers between independent third parties, the transfer consideration is unknown	Wing Lung Holdings (HK) Limited – US\$760,000 (40%)
		U.S. Group Consolidator (HK) Limited as transferee	US\$570,000		U.S. Group Consolidator (HK) Limited – US\$570,000 (30%)
		Peace Extend International Limited as transferee	US\$570,000		Peace Extend International Limited – US\$570,000 (30%)
15.08.2008	Merger	Zhenjiang Han Fu Real Estate Development Co., Ltd. (鎮江漢富房地產開發有限公司) merged with Hanxiang Real Estate (ZJ)		N/A	Wing Lung Holdings (HK) Limited – US\$760,000 (40%)
		Zhenjiang San Bo Real Estate Co., Ltd. (鎮江三寶房地產有限公司) were merged with Hanxiang Real Estate (ZJ)			U.S. Group Consolidator (HK) Limited – US\$570,000 (30%) Peace Extend International Limited – US\$570,000 (30%)
15.08.2008	Further Capital Contribution	Wing Lung Holdings as investor making capital contribution	US\$2,822,600	US\$2,822,600	Wing Lung Holdings – US\$3,582,600 – (40%)
		U.S. Group as investor making capital contribution	US\$2,116,950	US\$2,116,950	U.S. Group – US\$2,686,950 (30%)
		Peace Extend as investor making capital contribution	US\$2,116,950	US\$2,116,950	Peace Extend – US\$2,686,950 (30%)

<u>Date</u>	<u>Nature of change</u>	<u>Parties</u>	<u>No. of shares / amount of registered capital involved</u>	<u>Consideration</u>	<u>Shareholdings after such change</u>
08.09.2008	Equity Interest Transfer	Wing Lung Holdings (HK) Limited as transferor	US\$3,582,600		
		U.S. Group Consolidator (HK) Limited as transferor	US\$2,686,950		
		Peace Extend International Limited as transferor	US\$2,686,950		
		Ming Fat Hong Kong as transferee		RMB124,611,200	Ming Fat Hong Kong – US\$8,956,500 (100%)
			<i>Remarks</i> (1) Wing Lung Holdings (HK) Limited transferred the equity interests of USD3,582,600 to Ming Fat Hong Kong, (2) U.S. Group Consolidator (HK) Limited transferred the equity interests of USD2,686,950 to Ming Fat Hong Kong and (3) Peace Extend International Limited transferred the equity interests of USD2,686,950 to Ming Fat Hong Kong		

Save as set out above and in the section headed “History and Reorganization”, there has been no alteration in the share capital of any of the Subsidiaries of our Company within the two years immediately preceding the date of this prospectus.

6. Information on the PRC Subsidiaries and associate companies

1. Name: Mingfa Group
Nature: Wholly foreign-owned enterprise
Date of Incorporation: November 6, 2001
Term: 50 years from November 6, 2001 until November 5, 2051
Registered capital: HK\$259,000,000
Attributable interest of the Group: 100%
Registered Owner: Ming Fat Hong Kong
Name of Directors: Mr. Wong Wun Ming, Mr. Huang Qingzhu, Mr. Huang Lianchun, Mr. Huang Li Shui
Legal Representatives: Mr. Wong Wun Ming

2. Name: Xiamen Mingfa
Nature: Limited liability company
Date of Incorporation: January 7, 1998
Term: 50 years from January 7, 1998 until January 7, 2048
Registered capital: RMB80,000,000
Attributable interest of the Group: 100%
Registered Owner: Mingfa Group
Name of Directors: Mr. Wong Wun Ming, Mr. Huang Qingzhu, Mr. Huang Lianchun, Mr. Huang Li Shui
Legal Representatives: Mr. Wong Wun Ming

3. Name: Mingfa Industrial Raw Material (JS)
Nature: Wholly foreign-owned enterprise
Date of Incorporation: June 21, 2005
Term: 30 years from June 21, 2005 until June 20, 2035
Registered capital: US\$10,000,000
Attributable interest of the Group: 100%
Registered Owner: Ming Fat Hong Kong
Name of Directors: Mr. Wong Wun Ming, Mr. Huang Qingzhu, Mr. Huang Lianchun
Legal Representatives: Mr. Wong Wun Ming

4. Name: Mingfa Technological and Commercial Town Construction (NJ)
Nature: Wholly foreign-owned enterprise
Date of Incorporation: September 9, 2005
Term: 50 years from September 9, 2005 until September 8, 2055
Registered capital: US\$29,980,000
Attributable interest of the Group: 100%
Registered Owner: Ming Fat Hong Kong
Name of Directors: Mr. Wong Wun Ming
Legal Representatives: Mr. Wong Wun Ming

5. Name: Mingfa Group Real Estate (ZZ)
Nature: Sino-foreign equity joint venture
Date of Incorporation: February 13, 2007
Term: 30 years from February 13, 2007 until February 12, 2037
Registered capital: HK\$20,000,000
Attributable interest of the Group: 100%
Registered Owner: Ming Fat Hong Kong (95%), Mingfa Group (5%)
Name of Directors: Mr. Wong Wun Ming, Mr. Huang Qingzhu, Mr. Huang Lianchun
Legal Representatives: Mr. Wong Wun Ming

6. Name: Mingfa Group Real Estate Exploiture (WX)
Nature: Sino-foreign equity joint venture
Date of Incorporation: December 12, 2003
Term: 52 years from December 12, 2003 until July 10, 2055
Registered capital: RMB30,000,000
Attributable interest of the Group: 70%
Registered Owner: Ming Fat Hong Kong (65%), Mingfa Group (5%), Mr. Xu He Shan (30%)
Name of Directors: Mr. Wong Wun Ming, Mr. Huang Lianchun, Mr. Xu He Shan
Legal Representatives: Mr. Wong Wun Ming
7. Name: Mingfa Group Real Estate (YZ)
Nature: Sino-foreign equity joint venture
Date of Incorporation: October 18, 2006
Term: 50 years from October 18, 2006 until October 17, 2056
Registered capital: US\$10,000,000
Attributable interest of the Group: 100%
Registered Owner: Ming Fat Hong Kong 95%, Mingfa Group 5%
Name of Directors: Mr. Wong Wun Ming, Mr. Huang Qingzhu, Mr. Huang Lianchun
Legal Representatives: Mr. Wong Wun Ming
8. Name: Mingfa Group Real Estate (HF)
Nature: Sino-foreign equity joint venture
Date of Incorporation: November 1, 2005
Term: 30 years from November 1, 2005 until November 1, 2035
Registered capital: US\$10,000,000
Attributable interest of the Group: 100%
Registered Owner: Ming Fat Hong Kong 95%, Mingfa Group 5%
Name of Directors: Mr. Wong Wun Ming, Mr. Huang Qingzhu, Mr. Huang Lianchun
Legal Representatives: Mr. Wong Wun Ming
9. Name: Mingfa Group Real Estate (NJ)
Nature: Sino-foreign equity joint venture
Date of Incorporation: July 12, 2002
Term: 50 years from July 12, 2002 until July 11, 2052
Registered capital: US\$10,000,000
Attributable interest of the Group: 100%
Registered Owner: Ming Fat Hong Kong (90%), Mingfa Group (10%)
Name of Directors: Mr. Wong Wun Ming, Mr. Huang Qingzhu, Mr. Huang Lianchun
Legal Representatives: Mr. Wong Wun Ming
10. Name: Pearl Spring Hotel (NJ)
Nature: Sino-foreign equity joint venture
Date of Incorporation: September 15, 2004
Term: 50 years from September 15, 2004 until September 14, 2054
Registered capital: US\$5,000,000
Attributable interest of the Group: 100%
Registered Owner: Ming Fat Hong Kong (51%), Mingfa Group Real Estate (NJ) (49%)
Name of Directors: Mr. Wong Wun Ming, Mr. Huang Qingzhu, Mr. Huang Lianchun
Legal Representatives: Mr. Wong Wun Ming

11. Name: Mingfa Hotel (XM)
Nature: Limited liability company
Date of Incorporation: December 14, 1999
Term: 50 years from December 14, 1999 until December 13, 2049
Registered capital: RMB10,000,000
Attributable interest of the Group: 100%
Registered Owner: Mingfa Group (100%)
Name of Directors: Mr. Huang Qingzhu
Legal Representatives: Mr. Huang Qingzhu
12. Name: Riverview Mansion Hotel (NJ)
Nature: Wholly foreign-owned enterprise
Date of Incorporation: September 16, 2004
Term: 50 years from September 15, 2004 until September 15, 2054
Registered capital: US\$2,880,000
Attributable interest of the Group: 100%
Registered Owner: Ming Fat Hong Kong (100%)
Name of Directors: Mr. Wong Wun Ming, Mr. Huang Lianchun, Mr. Huang Li Shui
Legal Representatives: Mr. Wong Wun Ming
13. Name: Mingfa Real Estate (XM)
Nature: Wholly foreign-owned enterprise
Date of Incorporation: October 21, 1994
Term: 63 years from October 21, 1994 until June 26, 2057
Registered capital: RMB16,680,000
Attributable interest of the Group: 100%
Registered Owner: Ming Fat Hong Kong (100%)
Name of Directors: Mr. Wong Wun Ming, Mr. Huang Qingzhu, Mr. Huang Li Shui
Legal Representatives: Mr. Huang Qingzhu
14. Name: Xiamen Mingsheng Investment Management (XM)
Nature: Wholly foreign-owned enterprise
Date of Incorporation: April 18, 2006
Term: 10 years from April 18, 2006 until April 17, 2016
Registered capital: HK\$68,000,000
Attributable interest of the Group: 100%
Registered Owner: Ming Fat Hong Kong (100%)
Name of Directors: Mr. Wong Wun Ming, Mr. Huang Qingzhu, Mr. Huang Liangchun, Mr. Huang Li Shui and Ms. Chen Bi Hua
Legal Representatives: Mr. Huang Qingzhu
15. Name: Mingfa Furniture (XM)
Nature: Sino-foreign equity joint venture
Date of Incorporation: September 5, 1994
Term: 50 years from September 5, 1994 until September 4, 2044
Registered capital: RMB8,880,000
Attributable interest of the Group: 100%
Registered Owner: Mingfa Group (70%), Ming Fat Hong Kong (30%)
Name of Directors: Mr. Wong Wun Ming, Mr. Huang Qingzhu, Mr. Huang Li Shui
Legal Representatives: Mr. Huang Qingzhu

16. Name: Mingfa Furniture Manufacturing (NJ)
Nature: Wholly foreign-owned enterprise
Date of Incorporation: October 27, 2005
Term: 50 years from October 27, 2005 until October 26, 2055
Registered capital: US\$2,000,000
Attributable interest of the Group: 100%
Registered Owner: Ming Fat Hong Kong (100%)
Name of Directors: Mr. Wong Wun Ming, Mr. Huang Qingzhu, Mr. Huang Lianchun
Legal Representatives: Mr. Wong Wun Ming
17. Name: Mingfa Seafood Logistics (NA)
Nature: Limited liability company
Date of Incorporation: June 12, 2008
Term: 50 years from June 12, 2008 until June 11, 2058
Registered capital: RMB 6,000,000
Attributable interest of the Group: 100%
Registered Owner: Mingfa Group (100%)
Name of Directors: Mr. Huang Qingzhu
Legal Representatives: Mr. Huang Qingzhu
18. Name: Hengxin Real Estate (NA)
Nature: Limited liability company
Date of Incorporation: November 28, 2006
Term: 10 years from November 28, 2006 until November 27, 2016
Registered capital: RMB 8,000,000
Attributable interest of the Group: 100%
Registered Owner: Mingfa Group (100%)
Name of Directors: Mr. Huang Qingzhu
Legal Representatives: Mr. Huang Qingzhu
19. Name: Mingfa Group Shanghai Industry
Nature: Limited liability company
Date of Incorporation: January 10, 2007
Term: 10 years from January 10, 2007 until January 9, 2017
Registered capital: RMB 20,000,000
Attributable interest of the Group: 100%
Registered Owner: Mingfa Group (100%)
Name of Directors: Mr. Wong Wun Ming
Legal Representatives: Mr. Wong Wun Ming
20. Name: Longxiang Real Estate (XM)
Nature: Limited liability company
Date of Incorporation: June 29, 2001
Term: 10 years from June 29, 2001 until June 28, 2011
Registered capital: RMB 50,000,000
Attributable interest of the Group: 50%
Registered Owner: Mingfa Group (50%), Yuan Chang Real Estate (XM) (40%), Cheng Zhu Investment (XM) (10%)
Name of Directors: Mr. Hou Changcai, Mr. Huang Qingzhu, Mr. Chen Huawen
Legal Representatives: Mr. Hou Changcai

21. Name: Mingfa Chemical Warehousing (NJ)
Nature: Wholly foreign-owned enterprise (pending de-registration)
Date of Incorporation: September 7, 2005
Term: 30 years from September 7, 2005 until September 6, 2035
Registered capital: USD 7,250,000
Attributable interest of the Group: 50%
Registered Owner: Ming Fat Hong Kong (50%), Tai San International (50%)
Name of Directors: Mr. Wong Wun Ming
Legal Representatives: Mr. Wong Wun Ming
22. Name: Mingfa Xinghewan Hotel (NJ)
Nature: Wholly foreign-owned enterprise
Date of Incorporation: December 17, 2007
Term: 30 years from December 17, 2007 until December 16, 2037
Registered capital: USD 12,500,000
Attributable interest of the Group: 100%
Registered Owner: Ming Fat Hong Kong (100%)
Name of Directors: Mr. Wong Wun Ming
Legal Representatives: Mr. Wong Wun Ming
23. Name: Leun Fung Furniture City (XM)
Nature: Sino-foreign equity joint venture
Date of Incorporation: September 15, 1993
Term: 50 years from September 15, 1993 until September 15, 2043
Registered capital: RMB30,000,000
Attributable interest of the Group: 100%
Registered Owner: Ming Fat Hong Kong (70%), Xiamen Mingfa (30%)
Name of Directors: Mr. Wong Wun Ming, Mr. Huang Qingzhu, Mr. Huang Li Shui
Legal Representatives: Mr. Huang Qingzhu
24. Name: Honglai Town Construction (NA)
Nature: limited liability company
Date of Incorporation: October 18, 1999
Term: 20 years from October 18, 1999 until October 17, 2019
Registered capital: RMB30,080,000
Attributable interest of the Group: 100%
Registered Owner: Xiamen Mingfa (100%)
Name of Directors: Mr. Huang Qingzhu
Legal Representatives: Mr. Huang Qingzhu
25. Name: Mingfa Hotel (QZ)
Nature: Sino-foreign equity joint venture
Date of Incorporation: August 25, 1998
Term: 50 years from August 25, 1998 until August 25, 2048
Registered capital: RMB30,000,000
Attributable interest of the Group: 100%
Registered Owner: Xiamen Mingfa (67%), Ming Fat Hong Kong (33%)
Name of Directors: Mr. Wong Wun Ming, Mr. Huang Qingzhu, Mr. Huang Li Shui
Legal Representatives: Mr. Huang Qingzhu

26. Name: Chunhe Electronic (NJ)
Nature: Limited liability company
Date of Incorporation: April 11, 2007
Term: 50 years from April 11, 2007 until April 10, 2057
Registered capital: RMB10,000,000
Attributable interest of the Group: 100%
Registered Owner: Mingfa Technological and Commercial Town Construction (NJ) (100%)
Name of Directors: Mr. Huang Lianchun
Legal Representatives: Mr. Huang Lianchun
27. Name: Lichang Light and Electronic Technology (NJ)
Nature: Limited liability company
Date of Incorporation: April 10, 2007
Term: 50 years from April 10, 2007 until April 9, 2057
Registered capital: RMB12,000,000
Attributable interest of the Group: 100%
Registered Owner: Mingfa Technological and Commercial Town Construction (NJ) (100%)
Name of Directors: Mr. Huang Qingzhu
Legal Representatives: Mr. Huang Qingzhu
28. Name: Lianchang Engineering (NJ)
Nature: Limited liability company
Date of Incorporation: April 13, 2007
Term: 50 years from April 13, 2007 until April 12, 2057
Registered capital: RMB15,000,000
Attributable interest of the Group: 100%
Registered Owner: Mingfa Technological and Commercial Town Construction (NJ) (100%)
Name of Directors: Mr. Huang Hai Biao
Legal Representatives: Mr. Huang Hai Biao
29. Name: Mingfa Group Real Estate (HA)
Nature: Limited liability company
Date of Incorporation: January 28, 2008
Term: 20 years from January 28, 2008 until January 27, 2028
Registered capital: RMB10,000,000
Attributable interest of the Group: 100%
Registered Owner: Mingfa Group Real Estate (NJ) (100%)
Name of Directors: Mr. Wong Wun Ming
Legal Representatives: Mr. Wong Wun Ming
30. Name: Mingwah Property Development (WX)
Nature: Wholly foreign-owned enterprise
Date of Incorporation: December 12, 2006
Term: 12 years from December 12, 2006 until December 11, 2018
Registered capital: RMB20,000,000
Attributable interest of the Group: 100%
Registered Owner: Ming Wah Hong Kong (100%)
Name of Directors: Mr. Huang Qingzhu
Legal Representatives: Mr. Huang Qingzhu

31. Name: Jianqin Real Estate (XM)
Nature: Wholly foreign-owned enterprise
Date of Incorporation: May 16, 2002
Term: 50 years from May 16, 2002 until May 15, 2052
Registered capital: HK\$8,000,000
Attributable interest of the Group: 100%
Registered Owner: Ming Wah Hong Kong (100%)
Name of Directors: Ms. Chen Bi Hua, Mr. Huang Lianchun, Mr. Huang Hai Biao
Legal Representatives: Ms. Chen Bi Hua
32. Name: Rui Feng Electronics Technology (XM)
Nature: Wholly foreign-owned enterprise
Date of Incorporation: December 16, 2004
Term: 30 years from December 16, 2004 until December 15, 2034
Registered capital: HK\$10,000,000
Attributable interest of the Group: 100%
Registered Owner: Ming Wah Hong Kong (100%)
Name of Directors: Ms. Chen Bi Hua
Legal Representatives: Ms. Chen Bi Hua
33. Name: Mingfa Technological Light and Electronic Industry (NJ)
Nature: Wholly foreign-owned enterprise (pending de-registration)
Date of Incorporation: May 19, 2006
Term: 50 years from May 19, 2006 until May 19, 2056
Registered capital: US\$10,000,000
Attributable interest of the Group: 100%
Registered Owner: Ming Wah Hong Kong (50%), HKMF Shui Fung Electronics Technology (50%)
Name of Directors: Mr. Wong Wun Ming
Legal Representatives: Mr. Wong Wun Ming
34. Name: Hanxiang Real Estate (ZJ)
Nature: Wholly foreign-owned enterprise
Date of Incorporation: March 16, 2005
Term: 50 years from March 16, 2005 to March 15, 2055
Registered capital: USD8,956,500
Attributable interest of the Group: 100%
Registered Owner: Ming Fat Hong Kong
Name of Directors: Mr. Wong Wun Ming, Mr. Huang Qingzhu, Mr. Huang Lianchun
Legal Representatives: Mr. Wong Wun Ming

7. Repurchase by the Company of Shares

(a) *Provisions of the Listing Rules*

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

(i) *Shareholders' approval*

All proposed repurchases of securities on the Stock Exchange by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of shareholders, either by way of general mandate or by specific approval of a particular transaction.

Pursuant to the written resolution passed by the sole shareholder of the Company on October 9, 2009, a general unconditional mandate (the "Repurchase Mandate") was granted to the Directors authorizing the repurchase by the Company on the Stock Exchange, or on any other stock exchange on which the Shares may be listed and which is recognized by the SFC and the Stock Exchange for this purpose, of Shares with an aggregate nominal amount not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue, as enlarged by the Global Offering and the Capitalization Issue, at any time until the conclusion of the next annual general meeting of the Company, the expiration of the period within which the next annual general meeting of the Company is required by an applicable law or the Articles to be held or when such mandate is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting, whichever is the earliest.

(ii) *Source of funds*

Repurchases must be funded out of funds legally available for the purpose in accordance with the Articles of the Company and the laws of the Cayman Islands. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

(b) *Reasons for repurchases*

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

(c) *Funding of repurchases*

In repurchasing securities, the Company may only apply funds legally available for such purpose in accordance with the Articles of the Company and the applicable laws of the Cayman Islands.

It is presently proposed that any repurchase of Shares will be made out of the profits of the Company or the proceeds of a fresh issue of shares made for the purpose of the purchase or, if authorized by the Articles and subject to the Companies Law, out of capital and, in the case of any premium payable on the purchase, out of the profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorized by the Articles and subject to the Companies Law, out of capital.

The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse impact on the working capital requirements of the Company or its gearing levels which, in the opinion of the Directors, are from time to time appropriate for the Company.

(d) *Share capital*

Exercise in full of the Repurchase Mandate, on the basis of 6,000,000,000 Shares in issue immediately after the Global Offering could accordingly result in up to 600,000,000 Shares being repurchased by the Company during the period prior to:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Articles to be held; or
- (iii) the revocation or variation of the Repurchase Mandate by an ordinary resolution of the Shareholders in general meeting, whichever occurs first.

(e) *General*

None of the Directors or, 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 to sell any Shares to the Company or its Subsidiaries.

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

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

If as a result of a securities repurchase pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code as a result of any such increase.

The Directors are not aware of any consequences of the repurchases which would give rise under the Takeovers Code. Any repurchase of Shares which results in the number of Shares held by the public being reduced to less than the prescribed percentage of the Shares then in issue may only be implemented with the approval of the Stock Exchange to waive the Listing Rules requirements regarding the public shareholding referred to above. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent that, in the circumstances, there is insufficient public float as prescribed under the Listing Rules.

B. FURTHER INFORMATION ABOUT THE BUSINESS

1. Summary of material contracts

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

- (a) an equity transfer agreement dated November 5, 2007 and entered into between Yuan Chang Real Estate (XM), Cheng Zhu Investment (XM) and Mingfa Group whereby Mingfa Group acquired a total of 50% equity interest in Longxiang Real Estate (XM) for a total consideration of RMB25 million pursuant to the terms and conditions thereof;
- (b) an equity transfer agreement dated November 22, 2007 and entered into between Mingfa Group and Mr. Huang Qingzhu (黃慶祝) whereby Mr. Huang Qingzhu (黃慶祝) acquired a 55% equity interest in Mingfa Property Development (XM) for a consideration of RMB1.1 million pursuant to the terms and conditions thereof;
- (c) an equity transfer agreement dated November 22, 2007 and entered into between Kiu Lok Property Management and Ming Fat Hong Kong whereby Ming Fat Hong Kong acquired a 50% equity interest in Xiamen Mingsheng Investment Management (XM) for a consideration of HK\$0.85 million pursuant to the terms and conditions thereof;
- (d) an equity transfer agreement dated November 30, 2007 and entered into between Mr. Huang Lianchun (黃連春) and Mingfa Technological and Commercial Town Construction (NJ) whereby Mingfa Technological and Commercial Town Construction (NJ) acquired a 5% equity interest in Chunhe Electronic (NJ) for a consideration of RMB0.5 million pursuant to the terms and conditions thereof;

- (e) an equity transfer agreement dated November 30, 2007 and entered into between Mr. Huang Qingzhu (黃慶祝) and Mingfa Technological and Commercial Town Construction (NJ) whereby Mingfa Technological and Commercial Town Construction (NJ) acquired a 5% equity interest in Lichang Light and Electronic Technology (NJ) for a consideration of RMB0.6 million pursuant to the terms and conditions thereof;
- (f) an equity transfer agreement dated November 30, 2007 and entered into between Mr. Huang Haibiao (黃海彪) and Mingfa Technological and Commercial Town Construction (NJ) whereby Mingfa Technological and Commercial Town Construction (NJ) acquired a 5% equity interest in Lianchang Engineering (NJ) for a consideration of RMB0.75 million pursuant to the terms and conditions thereof;
- (g) an equity transfer agreement dated December 5, 2007 and entered into between Nan'an Construction (FJ) and Xiamen Mingfa whereby Xiamen Mingfa acquired a 80% equity interest in Honglai Town Construction (NA) for a consideration of RMB6.464 million pursuant to the terms and conditions thereof;
- (h) an equity transfer agreement dated December 5, 2007 and entered into between Honglai Town Electric Pumping Station (NA) and Xiamen Mingfa whereby Xiamen Mingfa acquired a 20% equity interest in Honglai Town Construction (NA) for a consideration of RMB1.616 million pursuant to the terms and conditions thereof;
- (i) an equity transfer agreement dated December 12, 2007 and entered into between Mr. Huang Qingzhu (黃慶祝) and Mingfa Group whereby Mingfa Group acquired a 30% equity interest in Mingfa Hotel (XM) for a consideration of RMB3 million pursuant to the terms and conditions thereof;
- (j) an equity transfer agreement dated December 13, 2007 and entered into between Mingfa Group and Mr. Huang Lianchun (黃連春) whereby Mr. Huang Lianchun (黃連春) acquired a 55% equity interest in Mingfa Decoration and Designing Construction (XM) for a consideration of RMB5.5 million pursuant to the terms and conditions thereof;
- (k) an equity transfer agreement dated December 22, 2007 and entered into between Mr. Wong Wun Ming (黃煥明) and Mingfa Group whereby Mingfa Group acquired a 50.5% equity interest in Xiamen Mingfa for a consideration of RMB40.4 million pursuant to the terms and conditions thereof;
- (l) an equity transfer agreement dated December 22, 2007 and entered into between Mr. Huang Lianchun (黃連春) and Mingfa Group whereby Mingfa Group acquired a 2.5% equity interest in Xiamen Mingfa for a consideration of RMB2 million pursuant to the terms and conditions thereof;
- (m) an equity transfer agreement dated December 22, 2007 and entered into between Mr. Huang Qingzhu (黃慶祝) and Mingfa Group whereby Mingfa Group acquired a 37% equity interest in Xiamen Mingfa for a consideration of RMB29.6 million pursuant to the terms and conditions thereof;

- (n) an equity transfer agreement dated December 22, 2007 and entered into between Mr. Huang Li Shui (黃麗水) and Mingfa Group whereby Mingfa Group acquired a 10% equity interest in Xiamen Mingfa for a consideration of RMB8 million pursuant to the terms and conditions thereof;
- (o) an equity transfer agreement dated January 8, 2008 and entered into between Ming Fat Hong Kong and H.K. Pingan Group Company Limited (香港平安集團有限公司) whereby H.K. Pingan Group Company Limited acquired a 60% equity interest in Mingfa Group Construction Material (NJ) for a consideration of US\$1.2 million pursuant to the terms and conditions thereof;
- (p) an equity transfer agreement dated January 8, 2008 and entered into between Mingfa Group and H.K. Pingan Group Company Limited (香港平安集團有限公司) whereby H.K. Pingan Group Company Limited acquired a 5% equity interest in Mingfa Group Construction Material (NJ) for a consideration of US\$0.1 million pursuant to the terms and conditions thereof;
- (q) an equity transfer agreement dated January 8, 2008 and entered into between Ming Fat Hong Kong and Goldrich (H.K.) International Development Limited (金富(香港)國際發展有限公司) whereby Goldrich (H.K.) International Development Limited acquired a 46% equity interest in Mingfa Group Qianqiuye Concrete Product (NJ) for a consideration of RMB9.2 million pursuant to the terms and conditions thereof;
- (r) an equity transfer agreement dated January 8, 2008 and entered into between Mingfa Group and Bloom Luck Holdings Limited (隆福集團有限公司) whereby Bloom Luck Holdings Limited acquired a 5% equity interest in Mingfa Group Qianqiuye Concrete Product (NJ) for a consideration of RMB1 million pursuant to the terms and conditions thereof;
- (s) an equity transfer agreement dated January 18, 2008 and entered into between Tai San Trading Co. (泰山貿易公司) and Ming Fat Hong Kong whereby Ming Fat Hong Kong acquired a 33% equity interest in Mingfa Hotel (QZ) for a consideration of RMB10 million pursuant to the terms and conditions thereof;
- (t) an agreement dated January 18, 2008 made between Xiamen Mingfa and Dai Tung Piece Goods Company, Limited (大通疋頭有限公司) in relation to the cancellation of the share transfer agreement dated November 15, 2004 made between Xiamen Mingfa and Dai Tung Piece Goods Company, Limited (大通疋頭有限公司) pursuant to the terms and conditions thereof;
- (u) a business and assets transfer agreement dated January 25, 2008 made between Ms. Chen Bihua (陳碧華), HK Full Bright Holdings and HKMF Shui Fung Electronics Technology pursuant to which all of the business, assets, goodwill, liabilities under the trade name of Ming Wah Hong Kong held by Ms. Chen Bihua to HK Full Bright Holdings and HKMF Shui Fung Electronics Technology pursuant to the terms and conditions thereof. The consideration for the transfer was equivalent to the net asset value as shown in the financial statement of Ming Wah Hong Kong as at September 30, 2007;
- (v) a deed of set-off entered into between Ming Fat Hong Kong, Profit Surplus Investments, Growing Group and Mr. Wong Wun Ming alias Huang Huanming dated February 12,

2008, pursuant to which Ming Fat Hong Kong issued 79,200,000 shares to Profit Surplus Investments for a consideration of HK\$79,200,000, Profit Surplus Investments issued 625 shares to Growing Group and Growing Group issued 100 shares to Mr. Wong Wun Ming whereby the shareholder's loan of HK\$79,200,000 owed by Ming Fat Hong Kong to Mr. Wong Wun Ming was deemed cancelled and set off;

- (w) an equity transfer agreement dated May 25, 2008 and entered into between Dai Qing Lin (戴清林), Xu Xi Shui (徐溪水) and Mingfa Group whereby Mingfa Group acquired a total of 100% equity interest in Hengxin Real Estate (NA) for a total consideration of RMB8 million pursuant to the terms and conditions thereof;
- (x) an equity transfer contract dated May 25, 2008 and entered into between Dai Qing Lin (戴清林), Xu Xi Shui (徐溪水), Nan'an Honglai town government (南安市洪瀨鎮人民政府) and Mingfa Group whereby Mingfa Group acquired 100% equity interest in Hengxin Real Estate (NA) and the rights and interests in relation to the development and operation of the Hongliu highway settlement estate redevelopment pursuant to the terms and conditions thereof;
- (y) a creditor's right transfer agreement dated June 30, 2008 and entered into between Mr. Wong Wun Ming and Mingfa Industrial Raw Material (JS) whereby Mingfa Industrial Raw Material (JS) transferred to Mr. Wong Wun Ming for a consideration of RMB5,000,000 for the creditor's right in relation to the debt of RMB5,000,000 and the interest in connection therewith owed by Ming Fat International Oil and Fat Chemical (Taixing) Company Limited (明發國際油脂化工(泰興)有限公司) to Mingfa Industrial Raw Material (JS) pursuant to the terms and conditions thereof;
- (z) a creditor's right transfer agreement dated June 30, 2008 and entered into between Mr. Wong Wun Ming and Leun Fung Furniture City (XM) whereby Leun Fung Furniture City (XM) transferred to Mr. Wong Wun Ming for a consideration of RMB246,187 for the creditor's right in relation to the debt of RMB246,187 and the interest in connection therewith owed by Leun Fung (Xiamen) Real Estate Development Company Limited (聯豐(廈門)房地產開發有限公司) to Leun Fung Furniture City (XM) pursuant to the terms and conditions thereof;
- (aa) a creditor's right transfer agreement dated June 30, 2008 and entered into between Mr. Wong Wun Ming and Mingfa Group Real Estate (NJ) whereby Mingfa Group Real Estate (NJ) transferred to Mr. Wong Wun Ming for a consideration of RMB35,000,000 for the creditor's right in relation to the debt of RMB35,000,000 and the interest in connection therewith owed by Ming Fat International Oil and Fat Chemical (Taixing) Company Limited (明發國際油脂化工(泰興)有限公司) to Mingfa Group Real Estate (NJ) pursuant to the terms and conditions thereof;
- (bb) a creditor's right transfer agreement dated June 30, 2008 and entered into between Mr. Wong Wun Ming and Xiamen Mingfa whereby Xiamen Mingfa transferred to Mr. Wong Wun Ming for a consideration of RMB12,204,581 for the creditor's right in relation to the debt of RMB12,204,581 and the interest in connection therewith owed by Leun Fung (Xiamen) Real Estate Development Company Limited (聯豐(廈門)房地產開發有限公司) to Xiamen Mingfa pursuant to the terms and conditions thereof;

- (cc) an equity transfer agreement dated August 30, 2008 and entered into between U.S. Group Consolidator (HK) Limited (長龍運通有限公司), Wing Lung Holdings (H.K.) Limited (永隆集團(香港)有限公司) and Peace Extend International Limited (安弘國際有限公司) and Ming Fat Hong Kong whereby Ming Fat Hong Kong acquired 30%, 40% and 30% equity interest respectively from them in Hanxiang Real Estate (ZJ) pursuant to the terms and conditions thereof;
- (dd) a contract dated September 1, 2008 and entered into between U.S. Group Consolidator (HK) Limited (長龍運通有限公司), Wing Lung Holdings (H.K.) Limited (永隆集團(香港)有限公司), Peace Extend International Limited (安弘國際有限公司), Ming Fat Hong Kong, Mingfa Group and Hanxiang Real Estate (ZJ) in relation to acquisition of interest in Hanxiang Real Estate (ZJ) for a total consideration of RMB124,611,200 pursuant to the terms and conditions thereof;
- (ee) a sale and purchase agreement dated September 5, 2008 made between the Controlling Shareholders and Profit Surplus Investments pursuant to which the Controlling Shareholders transferred all 800,000 shares of Ming Fat Hong Kong held by them to Profit Surplus Investments pursuant to the terms and conditions thereof. In consideration for the transfer, Profit Surplus Investments issue 62.5 shares to Growing Group, 12.5 shares to Gainday Holdings, 12.5 shares to Better Luck Group and 12.5 shares to Tin Sun Holdings;
- (ff) a sale and purchase agreement dated September 26, 2008 made between the Company, Growing Group, Gainday Holdings, Better Luck Group and Tin Sun Holdings, pursuant to which Growing Group, Gainday Holdings, Better Luck Group and Tin Sun Holdings transferred the entire issued share capital in Profit Surplus Investments, Fit Top Group and Add High International to the Company pursuant to the terms and conditions thereof. In consideration for the transfer, the Company issued 625 shares to Growing Group, 125 shares to Gainday Holdings, 125 shares to Better Luck Group and 125 shares to Tin Sun Holdings;
- (gg) a deed of settlement dated September 29, 2008 entered into between Mr. Wong Wun Ming alias Huang Huan Ming (黃煥明), Mr. Huang Qingzhu (黃慶祝), Mr. Huang Li Shui (黃麗水), Mr. Huang Lianchun (黃連春), Ms. Chen Bihua (陳碧華) (collectively, the “Related Parties”), the Company and the list of companies (non-PRC companies) set out in the schedule 1 therein being Ming Fat Holdings (Hong Kong) Limited, Hong Kong Ming Wah Investment Development Company, Hong Kong Ming Fat Shui Fung Electronics Technology Co. Limited, Fit Top Group Limited and Hong Kong Full Bright Holdings Limited (collectively, the “Group Companies”) in relation to the settlement and set-off of the Related Parties’ loan due to the Group Companies against the indebtedness amount due from the Group Companies to the Related Parties pursuant to the terms and conditions thereof;
- (hh) an agreement dated December 4, 2008 and entered into between Mingfa Group and Powerlong Group Development Co. Ltd. (寶龍集團發展有限公司) in relation to the allocation of certain investment properties located at the Xiamen Mingfa Shopping Mall pursuant to the terms and conditions thereof;
- (ii) an agreement dated August 29, 2009 made between Xiamen Mingfa and Dai Tung Piece Goods Company, Limited (大通疋頭有限公司) in relation to the cancellation and waiver of the compensation with the amount of RMB20,000,000 payable by Xiamen Mingfa to Dai





Tung Piece Goods Company, Limited (大通疋頭有限公司), in furtherance of the agreement dated January 18, 2008 made between Xiamen Mingfa and Dai Tung Piece Goods Company, Limited (大通疋頭有限公司) pursuant to the terms and conditions thereof;




- (jj) a deed of indemnity dated October 9, 2009 by Mr. Wong Wun Ming (黃煥明) alias Huang Huanming, Mr. Huang Qingzhu (黃慶祝), Mr. Huang Li Shui (黃麗水) and Mr. Huang Lianchun (黃連春) in favor of the Company (for itself and as trustee for each of its subsidiaries stated therein) containing the indemnities referred to in the paragraph headed “Estate Duty and Tax Indemnity” in this Appendix;
- (kk) a deed of indemnity dated October 9, 2009 by Mr. Wong Wun Ming, Mr. Huang Qingzhu (黃慶祝), Mr. Huang Li Shui (黃麗水) and Mr. Huang Lianchun (黃連春) in favor of the Company and Mingfa Group containing the indemnity in respect of the possible loss that may be suffered by the Company in connection with the “Transfer of Right to Use Properties” contracts with terms of 50 years as referred to in the section headed “Business — Legal and Compliance Matters”;
- (ll) a placing agreement dated October 13, 2009 entered into between the Company, Rong Qiao Development Company Limited (融僑實業發展有限公司), Deutsche Bank and Merrill Lynch Far East Limited, pursuant to which Rong Qiao Development Company Limited (融僑實業發展有限公司) agreed to subscribe for such number of Offer Shares (rounded down to the nearest board lot) as may be purchased with HK\$100 million at the Offer Price;
- (mm) a letter agreement dated October 13, 2009 and entered into among BOCOM International, the Company, the Selling Shareholder, Deutsche Bank and Merrill Lynch Far East Limited in relation to the Hong Kong Underwriting Agreement;
- (nn) a letter agreement dated October 13, 2009 and entered into among BOCOM International, the Company, the Selling Shareholder, Deutsche Bank and Merrill Lynch International in relation to the International Underwriting Agreement;
- (oo) a supplemental deed of indemnity dated October 16, 2009 by the Controlling Shareholders in favour of the Company and Mingfa Group pursuant to which, the Controlling Shareholders have agreed, amongst others, to set aside RMB150 million worth of their Shares in an escrow account in order to ensure that they will have more than sufficient financial resources to honor the indemnity provided under the deed of indemnity dated October 9, 2009 itemized as (kk) above;
- (pp) a Hong Kong underwriting agreement dated October 20, 2009 entered into by us, the Selling Shareholder, Mr. Wong Wun Ming, the Joint Lead Managers and the Hong Kong Underwriters in relation to a public offer in Hong Kong consisting initially of 90,000,000 Shares of the Company (subject to adjustment);
- (qq) a letter agreement dated October 30, 2009 and entered into among BOCOM International, Deutsche Bank, Merrill Lynch International and the Company in relation to, among other things, the underwriting arrangement; and
- (rr) the Hong Kong Underwriting Agreement.


2. Intellectual property rights

(a) Trademarks






As at the Latest Practicable Date, the Group was the registered owner of the following trademark:

<u>Trademark</u>	<u>Registered owner</u>	<u>Place of registration</u>	<u>Class</u>	<u>Items covered</u>	<u>Registration number</u>	<u>Validity period</u>
明發  明发集团 MINGFA GROUP	Xiamen Mingfa	PRC	36	Rental of real estate; real estate brokerage; housing agencies; real estate agencies; real estate management; leasing of apartments; management of apartments; housing (apartments); rental of offices (real estate).	1479963	November 21, 2000 – November 20, 2010
明發  明发集团 MINGFA GROUP	Xiamen Mingfa	PRC	37	construction framework supervision; construction information; construction; factory construction; indoor decoration; building cleaning (interior); interior and exterior painting; plastering; manufacture (repair) of furniture, installation and repair of electrical appliances.	1495384	December 21, 2000 – December 20, 2010
明發  明发集团 MINGFA GROUP	Xiamen Mingfa	PRC	42	housing (hostel, accommodation with provision of meals); provision of banquet, restaurant, hotel, bar, teahouse, holiday outdoor camp service, provision of exhibition facilities, engineering, architecture.	1495462	December 21, 2000 – December 20, 2010
明發  明发集团 MINGFA GROUP	Xiamen Mingfa	PRC	25	Apparel; baby pants; full set of baby clothing; hats; leggings; socks; neckties; scarf; apparel straps (clothing).	1525342	February 21, 2001 – February 20, 2011

<u>Trademark</u>	<u>Registered owner</u>	<u>Place of registration</u>	<u>Class</u>	<u>Items covered</u>	<u>Registration number</u>	<u>Validity period</u>
明發  明发集团 MINGFA GROUP	Xiamen Mingfa	PRC	20	Furniture; office furniture; washing basins (furniture); spring mattress; mattress; coffee table; bed; mini-wooden furniture; working table (furniture); non-metallic door device.	1532963	March 7, 2001 – March 6, 2011
明發集團  明发集团 MINGFA GROUP	Xiamen Mingfa	PRC	19	Non-metallic buildings; movable non-metallic buildings; pavilion (construction); aquariums (construction); shed; non-metal building coating surface materials; cement; stone plates; non-metal bricks; non-metal construction materials.	1536669	March 14, 2001 – March 13, 2011
明發集團  明发集团 MINGFA GROUP	Xiamen Mingfa	PRC	35	promotion of sales (as an agent) in form of supermarkets (markets); convenient stores; department stores; ancillary services of department stores management; promotion of sales (as an agent) necessities; merchant goods exhibitions; distribution of samples; commercial shop window displays; advertisement; import and export agencies; promotion of sales (as an agent); organizing commercial and advertisement trade fair.	3881582	June 28, 2006 – June 27, 2016

<u>Trademark</u>	<u>Registered owner</u>	<u>Place of registration</u>	<u>Class</u>	<u>Items covered</u>	<u>Registration number</u>	<u>Validity period</u>
 明发集团 MINGFA GROUP	Xiamen Mingfa	PRC	35	promotion of sales (as an agent) in form of supermarkets (markets); convenient stores; department stores; ancillary services of department stores management; promotion of sales (as an agent) necessities; merchant goods exhibitions; distribution of samples; commercial shop window displays; advertisement; import and export agencies; promotion of sales (as an agent); organizing commercial and advertisement trade fair.	3881583	June 7, 2006 – June 6, 2016
明發商業廣場	Xiamen Mingfa	PRC	35	promotion of sales (as an agent) in form of supermarkets (markets); convenient stores; department stores; ancillary services of department stores management; promotion of sales (as an agent) necessities; merchant goods exhibitions; distribution of samples; commercial shop window displays; advertisement; import and export agencies; promotion of sales (as an agent); organizing commercial and advertisement trade fair.	3881584	June 28, 2006 – June 27, 2016

As at the Latest Practicable Date, the Group has filed application for the following trademarks:

<u>Trademark</u>	<u>Registration Applicant</u>	<u>Place of Registration</u>	<u>Class</u>	<u>Items covered</u>	<u>Registration Number</u>	<u>Date of Application</u>
		Hong Kong	1, 2, 3, 4, 6, 11, 19, 20, 21, 35, 36, 37	Notes 1 - 12	301417301	September 1, 2009
	Xiamen Mingfa	PRC	36	Note 11	6337674	October 24, 2007
	Xiamen Mingfa	PRC	37	Note 12	5768252	December 6, 2006
	Xiamen Mingfa	PRC	36	Note 11	5768251	December 6, 2006
	Xiamen Mingfa	PRC	41	Note 13	5768253	December 6, 2006

Notes:

- Class 1 includes chemicals used in industry, science and photography, as well as in agriculture, horticulture and forestry; unprocessed artificial resins, unprocessed plastics; manures; fire extinguishing compositions; tempering and soldering preparations; chemical substances for preserving foodstuffs; tanning substances; adhesives used in industry.
- Class 2 includes paints, varnishes, lacquers; preservatives against rust and against deterioration of wood; colorants; mordants; raw natural resins; metals in foil and powder form for painters, decorators, printers and artists.
- Class 3 includes bleaching preparations and other substances for laundry use; cleaning, polishing, scouring and abrasive preparations; soaps; perfumery, essential oils, cosmetics, hair lotions; dentifrices.
- Class 4 includes industrial oils and greases; lubricants; dust absorbing, wetting and binding compositions; fuels (including motor spirit) and illuminants; candles and wicks for lighting.
- Class 6 includes common metals and their alloys; metal building materials; transportable buildings of metal; materials of metal for railway tracks; non-electric cables and wires of common metal; ironmongery, small items of metal hardware; pipes and tubes of metal; safes; goods of common metal not included in other classes; ores.
- Class 11 includes apparatus for lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes.
- Class 19 includes building materials (non-metallic); non-metallic rigid pipes for building; asphalt, pitch and bitumen; non-metallic transportable buildings; monuments, not of metal.
- Class 20 includes furniture, mirrors, picture frames; goods (not included in other classes) of wood, cork, reed, cane, wicker, horn, bone, ivory, whalebone, shell, amber, mother-of-pearl, meerschaum and substitutes for all these materials, or of plastics.
- Class 21 includes household or kitchen utensils and containers; combs and sponges; brushes (except paint brushes); brush-making materials; articles for cleaning purposes; steelwool; unworked or semi-worked glass (except glass used in building); glassware, porcelain and earthenware not included in other classes.
- Class 35 includes advertising; business management; business administration; office functions.

11. Class 36 includes insurance; financial affairs; monetary affairs; real estate affairs.
12. Class 37 includes building construction; repair; installation services.
13. Class 41 includes education, training, entertainment, culture and sports activities.

(b) Domain Names

As at the Latest Practicable Date, the Group was the registered owner of the following domain names:

<u>Registrant</u>	<u>Domain Name</u>	<u>Date of registration</u>	<u>Expiry Date</u>
Mingfa Group Real Estate (NJ)	cn-mf.com	June 4, 2004	June 4, 2011
Mingfa Group Real Estate (NJ)	mfcity.com.cn	September 3, 2004	September 3, 2015
Mingfa Group Real Estate (NJ)	waitanzhongxing.cn	May 7, 2008	May 7, 2010
Xiamen Mingfa	ming-fa.com	May 31, 2009	May 31, 2014

Save as disclosed herein, there are no other trade or service marks, patents, other intellectual or industrial property rights which are material to the business of the Group.

C. FURTHER INFORMATION ABOUT DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

1. Directors

(a) *Disclosure of interest — interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company and its associated corporations*

Immediately following completion of the Global Offering (taking no account of any Shares which may be sold by the Selling Shareholder pursuant to the exercise of the Over-allotment Option), the interests and short positions of the Directors and chief executive of our Company in the Shares, underlying Shares and debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO (including interests and short positions which they have taken or are deemed to have taken under such provisions of the SFO) once the Shares are listed, or will be required, pursuant to section 352 of the SFO, to be recorded in the register required pursuant to the Model Code for Securities Transactions by Directors of Listed Companies in the Listing Rules to be notified to our Company and the Stock Exchange once the Share are listed, will be as follows:-

The Company

<u>Name of Director</u>	<u>Nature of Interest</u>	<u>Total Number of Ordinary Shares⁽¹⁾</u>	<u>Approximate percentage of Interest in the Company</u>
Mr. Wong Wun Ming	Interest of a controlled corporation	5,100,000,000 Shares	85%

Notes:

- (1) All interests in the Shares are long positions
- (2) The disclosed interest represents the interest in the Company held by Galaxy Earnest Limited which is in turn 55% owned by the Growing Group directly wholly-owned by Mr. Wong Wun Ming
- (3) Galaxy Earnest Limited is wholly owned by Growing Group, Gainday Holdings, Better Luck Group and Tin Sun Holdings in the respective proportions of 55%, 15%, 15% and 15%. Pursuant to the SFO, Growing Group is deemed to be interested in the Shares in which Galaxy Earnest Limited is currently interested.

Associated Corporation — Galaxy Earnest Limited

<u>Name of Director</u>	<u>Nature of Interest</u>	<u>Total Number of ordinary Shares in the Associated Corporation</u>	<u>Approximate percentage of Interest in the Associated Corporation</u>
Mr. Wong Wun Ming	Interest of a controlled corporation Note ⁽¹⁾	6,050 shares	55%
Mr. Huang Li Shui	Interest of a controlled corporation Note ⁽²⁾	1,650 shares	15%
Mr. Huang Qingzhu	Interest of a controlled corporation Note ⁽³⁾	1,650 shares	15%
Mr. Huang Lianchun	Interest of a controlled corporation Note ⁽⁴⁾	1,650 shares	15%

Notes:

- (1) The disclosed interest represents the interest in the associated corporation held by Growing Group, a company which is directly wholly-owned by Mr. Wong Wun Ming
- (2) The disclosed interest represents the interest in the associated corporation held by Better Luck Group, a company which is directly wholly-owned by Mr. Huang Li Shui
- (3) The disclosed interest represents the interest in the associated corporation held by Gainday Holdings, a company which is directly wholly-owned by Mr. Huang Qingzhu
- (4) The disclosed interest represents the interest in the associated corporation held by Tin Sun Holdings, a company which is directly wholly-owned by Mr. Huang Lianchun

(b) Particulars of service contracts

Each of the executive Directors has entered into a service contract with the Company for a term of three years commencing from the Listing Date until terminated by not less than three months' notice in writing served by either party on the other. Each of the executive Directors is entitled to their respective basic salaries set out below.

Each of the independent non-executive Directors has entered into a service contract with the Company for a term of three years commencing from the Listing Date. Each of the independent non-executive Directors is entitled to their respective annual fees set out below. The appointments are subject to the provisions of retirement and rotation of Directors under the Articles.

(c) Directors' remuneration

The aggregate amount of fee, salaries, housing allowances, other allowances and benefits in kind paid by the Group during the three years ended December 31, 2008 and the six months ended June 30, 2009 was approximately RMB1,020,000, RMB982,000, RMB941,000 and RMB469,000 respectively.

Under the arrangement currently in force, the aggregate amount of emoluments payable by the Group to the Directors for the year ending December 31, 2009 will be approximately RMB950,000.

Further details of the terms of the above service contracts are set out in the paragraph headed "Particulars of Service Contracts" in the subsection headed "Directors" in this section.

2. Substantial Shareholders

So far as the Directors are aware, immediately following the completion of the Global Offering (but without taking into account Shares which may be sold by the Selling Shareholder pursuant to the exercise of the Over-allotment Option) and the Capitalization Issue, the following persons, not being the Directors or chief executive of the Company, will have an interest or short position in the Shares and the underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group:

(i) Long and short positions in the Shares and underlying Shares

<u>Name of Shareholder</u>	<u>Nature of Interest</u>	<u>Number of Shares held</u>	<u>Approximate shareholding percentage (%)</u>
Galaxy Earnest Limited ^{Note(1)}	Beneficial owner	5,100,000,000	85%
Growing Group ^{Note(1)}	Interest of a controlled corporation	5,100,000,000	85%
Ms. Chen Bihua ^{Note(1)}	Interest of spouse	5,100,000,000	85%

Notes:

- (1) Galaxy Earnest Limited is wholly owned by Growing Group, Gainday Holdings, Better Luck Group and Tin Sun Holdings in the respective proportions of 55%, 15%, 15% and 15%.
- (2) Pursuant to the SFO, Growing Group is deemed to be interested in the Shares in which Galaxy Earnest Limited is currently interested, i.e. 85%. Mr. Wong Wun Ming owns 100% interest in the issued share capital of Growing Group. Ms. Chen Bihua is the spouse of Mr. Wong Wun Ming and therefore is deemed to be interested in the Shares in which Mr. Wong Wun Ming is deemed to be interested for the purpose of SFO and vice versa. Pursuant to the SFO, Mr. Wong Wun Ming and Ms. Chen Bihua are deemed to be interested in the Shares in which Growing Group is currently interested.

(ii) Interests in other members of our Group

<u>Name of interested party</u>	<u>Name of other member of our Group</u>	<u>Number of shares/Amount of registered capital</u>	<u>Approximately percentage of shareholding (%)</u>
Mr. Xu He Shan	Mingfa Group Real Estate Exploiture (WX)	RMB9,000,000	30%
Yuan Chang Real Estate (XM)	Longxiang Real Estate (XM)	RMB20,000,000	40%
Cheng Zhu Investment (XM)	Longxiang Real Estate (XM)	RMB5,000,000	10%
Tai Shan International	Mingfa Chemical Warehousing (NJ)	US\$3,625,000	50%
Mr. Huang Yasan	HKMF Hua Qing Investment	45,000,000 shares	15%
Econotime Group Limited	HKMF Hua Qing Investment	45,000,000 shares	15%

3. Agency fees or commissions received

Save as disclosed in this prospectus, no commissions, discounts, brokerages or other special terms were granted within the two years preceding the date of this prospectus in connection with the issue or sale of any capital of any member of the Group.

4. Disclaimers

Save as disclosed herein:

- (a) none of the Directors or chief executive of the Company has any interest or short position in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of the SFO) which will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies once the Shares are listed;
- (b) none of the Directors or experts referred to under the heading “Consents of experts” in this Appendix has any direct or indirect interest in the promotion of the Company, or in any assets which have within the two years immediately preceding the date of this prospectus been acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group;
- (c) none of the Directors or experts referred to under the heading “Consents of experts” in this Appendix is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to the business of the Group taken as a whole;
- (d) none of the Directors has any existing or proposed service contracts with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation));
- (e) taking no account of Shares which may be taken up under the Global Offering, none of the Directors knows of any person (not being a Director or chief executive of the Company) who will, immediately following completion of the Global Offering, have an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of SFO or be interested, directly or indirectly, in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group;
- (f) none of the experts referred to under the heading “Consents of experts” in this Appendix has any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and

- (g) so far as is known to the Directors, none of the Directors, their respective associates (as defined under the Listing Rules) or shareholders of the Company who are interested in more than 5% of the issued share capital of the Company has any interests in the five largest customers or the five largest suppliers of the Group.

D. OTHER INFORMATION

1. Share Option Scheme

The following is a summary of the principal terms of the Share Option Scheme conditionally adopted by the written resolutions of the sole shareholder of the Company passed on October 9, 2009.

(a) Purpose

The Share Option Scheme is a share incentive scheme and is established to recognize and acknowledge the contributions the Eligible Participants (as defined in paragraph (b) below) have had or may have made to the Group. The Share Option Scheme will provide the Eligible Participants an opportunity to have a personal stake in the Company with the view to achieving the following objectives:

- (i) motivating the Eligible Participants to optimize their performance efficiency for the benefit of the Group; and
- (ii) attracting and retaining or otherwise maintaining on-going business relationships with the Eligible Participants whose contributions are or will be beneficial to the long-term growth of the Group.

(b) Who may join

The Board may, at its discretion, offer to grant an option to subscribe for such number of new Shares as the Board may determine at an exercise price determined in accordance with paragraph (f) below to the following persons (“**Eligible Participants**”):

- (i) any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries;
- (ii) any Directors (including non-executive Directors and independent non-executive Directors) of the Company or any of its subsidiaries;
- (iii) any advisers, consultants, suppliers, customers and agents to the Company or any of its subsidiaries; and
- (iv) such other persons who, in the sole opinion of the Board, will contribute or have contributed to the Group, the assessment criteria of which are:
 - (aa) contribution to the development and performance of the Group;
 - (bb) quality of work performed for the Group;
 - (cc) initiative and commitment in performing his/her duties; and
 - (dd) length of service or contribution to the Group.

(c) *Acceptance of an offer of options*

An option shall be deemed to have been granted and accepted by the grantee and to have taken effect when the duplicate offer document constituting acceptance of the options duly signed by the grantee, together with a remittance in favor of the Company of HK\$1.00 by way of consideration for the grant thereof, is received by the Company on or before the relevant acceptance date. Such payment shall in no circumstances be refundable. Any offer to grant an option to subscribe for Shares 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 a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate offer document constituting acceptance of the option. To the extent that the offer to grant an option is not accepted by any prescribed acceptance date, it shall be deemed to have been irrevocably declined.

Subject to paragraphs (l), (m), (n), (o) and (p), an option shall be exercised in whole or in part and, other than where it is exercised to the full extent outstanding, shall be exercised in integral multiples of such number of Shares as shall represent one board lot for dealing in Shares on the Stock Exchange for the time being, by the grantee by giving notice in writing to the Company stating that the 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 exercise price for the Shares in respect of which the notice is given.

Within 21 days after receipt of the notice and the remittance and, where appropriate, receipt of the certificate by the auditors to the Company or the approved independent financial adviser as the case may be pursuant to paragraph (r), the Company shall allot and issue the relevant number of Shares to the grantee credited as fully paid and issue to the grantee certificates in respect of the Shares so allotted.

The exercise of any option shall be subject to the Shareholders in general meeting approving any necessary increase in the authorized share capital of the Company.

(d) *Maximum number of Shares*

The maximum number of Shares in respect of which options may be granted (including Shares in respect of which options, whether exercised or still outstanding, have already been granted) under the Share Option Scheme and under any other share option schemes of the Company must not in aggregate exceed 10% of the total number of Shares in issue on the Listing Date, being 600,000,000 Shares (the “Scheme Limit”), excluding for this purpose Shares which would have been issuable pursuant to options which have lapsed in accordance with the terms of the Share Option Scheme (or any other share option schemes of the Company). Subject to the issue of a circular by the Company and the approval of the Shareholders in general meeting and/or such other requirements prescribed under the Listing Rules from time to time, the Board may:

(i) renew this limit at any time to 10% of the Shares in issue (the “**New Scheme Limit**”) as at the date of the approval by the Shareholders in general meeting; and/or (ii) grant options beyond the

Scheme Limit to Eligible Participants specifically identified by the Board. The circular issued by the Company to the Shareholders shall contain a generic description of the specified Eligible Participants who may be granted such options, the number and terms of the options to be granted, the purpose of granting options to the specified Eligible Participants with an explanation as to how the options serve such purpose, the information required under Rule 17.02(2)(d) and the disclaimer required under Rule 17.02(4) of the Listing Rules.

Notwithstanding the foregoing, the Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company at any time shall not exceed 30% of the Shares in issue from time to time (the “**Maximum Limit**”). No options shall be granted under any schemes of the Company (including the Share Option Scheme) if this will result in the Maximum Limit being exceeded. The maximum number of Shares in respect of which options may be granted shall be adjusted, in such manner as the auditors of the Company or an approved independent financial adviser shall certify to be appropriate, fair and reasonable in the event of any alteration in the capital structure of the Company in accordance with paragraph (r) below whether by way of capitalization issue, rights issue, open offer (if there is a price-dilutive element), consolidation, sub-division of shares or reduction of the share capital of the Company but in no event shall exceed the limit prescribed in this paragraph.

(e) Maximum number of options to any one individual

The total number of Shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of the Company (including both exercised, outstanding options and Shares which were the subject of options which have been granted and accepted under the Share Option Scheme or any other scheme of the Company but subsequently cancelled (the “**Cancelled Shares**”)) to each Eligible Participant in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue as at the date of grant. Any further grant of options in excess of this 1% limit shall be subject to:

- (i) the issue of a circular by the Company containing the identity of the Eligible Participant, the numbers of and terms of the options to be granted (and options previously granted to such participant) the information as required under Rules 17.02(2)(d) and the disclaimer required under 17.02(4) of the Listing Rules; and
- (ii) the approval of the Shareholders in general meeting and/or other requirements prescribed under the Listing Rules from time to time with such Eligible Participant and his associates (as defined in the Listing Rules) abstaining from voting. The numbers and terms (including the exercise price) of options to be granted to such participant must be fixed before the Shareholders’ approval and the date of the Board meeting at which the Board proposes to grant the options to such Eligible Participant shall be taken as the date of grant for the purpose of calculating the subscription price of the Shares. The Board shall forward to such Eligible Participant an offer document in such form as the Board may from time to time determine or, alternatively, documents accompanying the offer document which state, among other things:
 - (aa) the Eligible Participant’s name, address and occupation;

- (bb) the date on which an option is offered to an Eligible Participant which must be a date on which the Stock Exchange is open for the business of dealing in securities;
- (cc) the date upon which an offer for an option must be accepted;
- (dd) the date upon which an option is deemed to be granted and accepted in accordance with paragraph (c);
- (ee) the number of Shares in respect of which the option is offered;
- (ff) the subscription price and the manner of payment of such price for the Shares on and in consequence of the exercise of the option;
- (gg) the date of the notice given by the grantee in respect of the exercise of the option;
- (hh) the method of acceptance of the option which shall, unless the Board otherwise determines, be as set out in paragraph (c); and
- (ii) such other terms and conditions (including, without limitation, any minimum period for which an option must be held before it can be exercised and/or any performance targets which must be achieved before the option can be exercised) relating to the offer of the option which in the opinion of the Board are fair and reasonable but not being inconsistent with the Share Option Scheme and the Listing Rules.

(f) *Price of Shares*

The subscription price of a Share in respect of any particular option granted under the Share Option Scheme shall be such price as the Board in its absolute discretion shall determine, save that such price will not be less than the highest of:

- (i) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheets on the date of grant, which must be a day on which the Stock Exchange is open for the business of dealing in securities;
- (ii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five Business Days immediately preceding the date of grant; and
- (iii) the nominal value of a Share.

(g) *Granting options to connected persons*

Any grant of options to a Director, chief executive or substantial shareholder (as defined in the Listing Rules) of the Company or any of their respective associates (as defined in the Listing Rules) is required to be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Options). If the Board proposes to grant options to a substantial shareholder or any independent non-executive Director or their respective associates (as defined in the Listing Rules) which will result in the number of Shares issued and to be issued upon

exercise of options granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:

- (i) representing in aggregate over 0.1% of the Shares in issue; and
- (ii) having an aggregate value in excess of HK\$5 million or such other sum as may be from time to time provided under the Listing Rules, based on the closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange at the date of each grant, such further grant of options will be subject to the approval of the independent non-executive Directors as referred to in this paragraph, the issue of a circular by the Company and the approval of the Shareholders in general meeting on a poll at which all connected persons (as defined in the Listing Rules) of the Company shall abstain from voting in favor, and/or such other requirements prescribed under the Listing Rules from time to time. Any vote taken at the meeting to approve the grant of such options shall be taken as a poll.

The circular to be issued by the Company to the Shareholders pursuant to the above paragraph shall contain the following information:

- (i) the details of the number and terms (including the exercise price) of the options to be granted to each selected Eligible Participant, which must be fixed before the Shareholders' meeting and the date of the Board meeting for proposing such further grant shall be taken as the date of grant for the purpose of calculating the exercise price of such options;
- (ii) a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options) to the independent Shareholders as to voting;
- (iii) the information required under Rule 17.02(2)(c) and (d) and the disclaimer required under Rule 17.02(4) of the Listing Rules; and
- (iv) the information required under Rule 2.17 of the Listing Rules.

(h) *Restrictions on the times of grant of Options*

A grant of options may not be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision until such price sensitive information has been announced pursuant to the requirements of the Listing Rules. In particular, no options may be granted during the period commencing one month immediately preceding the earlier of:

- (i) the date of the Board meeting (such date to first be notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or other interim period (whether or not required under the Listing Rules); and
- (ii) the deadline for the Company to publish an announcement of the results for any year, or half-year, or quarterly or other interim period (whether or not required under the Listing Rules);

and ending on the date of actual publication of the results announcement.

(i) *Rights are personal to grantee*

An option is personal to the grantee. No grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favor of any third party over or in relation to any option or attempt so to do (save that the grantee may nominate a nominee in whose name the Shares issued pursuant to the Share Option Scheme may be registered). Any breach of the foregoing shall entitle the Company to cancel any outstanding options or any part thereof granted to such grantee.

(j) *Time of exercise of option and duration of the Share Option Scheme*

An option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the option is deemed to be granted and accepted and prior to the expiry of ten years from that date. The period during which an option may be exercised will be determined by the Board in its absolute discretion, save that no option may be exercised more than ten years after it has been granted. No option may be granted more than ten years after the date of approval of the Share Option Scheme by the shareholders of the Company (the “**Adoption Date**”). Subject to earlier termination by the Company in general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of ten years from the Adoption Date.

(k) *Performance target*

A grantee may be required to achieve any performance targets as the Board may then specify in the grant before any options granted under the Share Option Scheme can be exercised.

(l) *Rights on ceasing employment/death*

If the grantee of an option ceases to be an Eligible Participant:

- (i) by any reason other than death, ill-health, injury, disability or termination of his relationship with the Company and/or any of its subsidiaries on one of more of the grounds specified in paragraph (m) below, the grantee may exercise the option up to the entitlement of the grantee as at the date of cessation (to the extent not already exercised) within a period of one month (or such longer period as the Board may determine) from such cessation which date shall be the last actual working day with the Company or the relevant subsidiary whether salary is paid in lieu of notice or not, failing which it will lapse (or such longer period as the Company may determine); or
- (ii) by reason of death, ill-health, injury or disability (all evidenced to the satisfaction of the Board) and none of the events which would be a ground for termination of his relationship with the Company and/or any of its subsidiaries under paragraph (m) has occurred, the grantee or his personal representative(s) may exercise the option within a period of 12 months (or such longer period as the Board may determine) from the date of cessation of being an Eligible Participant or death to exercise the Options in full (to the extent not already exercised).

(m) *Rights on dismissal*

If the grantee of an option ceases to be an Eligible Participant on the grounds that he has been guilty of serious misconduct, or has committed any act of bankruptcy or has become insolvent or has made any arrangements or composition with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty, his option will lapse and not be exercisable after the date of termination of his employment.

(n) *Rights on takeover*

If a general offer is made to all the Shareholders (or all such Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror (as defined in the Takeovers Code)) and such offer becomes or is declared unconditional during the option period of the relevant option, the grantee of an option shall be entitled to exercise the option in full (to the extent not already exercised) at any time within 14 days after the date on which the offer becomes or is declared unconditional.

(o) *Rights on winding-up*

In the event that a notice is given by the Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall forthwith give notice thereof to all grantees and thereupon, each grantee (or his legal personal representative(s)) shall be entitled to exercise all or any of his options (to the extent not already exercised) at any time not later than two Business Days prior to the proposed general meeting of the Company referred to above by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given, whereupon the Company shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of the proposed general meeting, allot the relevant Shares to the grantee credited as fully paid.

(p) *Rights on compromise or arrangement between the Company and its members or creditors*

If a compromise or arrangement between the Company and its members or creditors is proposed for the purposes of a scheme for the reconstruction of the Company or its amalgamation with any other companies pursuant to the laws of the jurisdiction in which the Company was incorporated, the Company shall give notice to all the grantees of the options on the same day as it gives notice of the meeting to its members or creditors summoning the meeting to consider such a scheme or arrangement and any grantee may by notice in writing to the Company accompanied by a remittance for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given (such notice to be received by the Company no later than two Business Days prior to the proposed meeting), exercise the option to its full extent or to the extent specified in the notice and the Company shall as soon as possible and in any event no later than the Business Day immediately prior to the date of the proposed meeting, allot and issue such number of Shares to the grantee which falls to be issued on such exercise of the option credited as fully paid and register the grantee as holder thereof.

With effect from the date of such meeting, the rights of all grantees to exercise their respective options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all options shall, to the extent that they have not been exercised, lapse and determine. If for any reason such compromise or arrangement does not become effective and is terminated or lapses, the rights of grantees to exercise their respective options shall with effect from such termination be restored in full but only upon the extent not already exercised and shall become exercisable.

(q) *Ranking of Shares*

The Shares to be allotted upon the exercise of an option will not carry voting rights until completion of the registration of the grantee (or any other person) as the holder thereof. Subject to the aforesaid, Shares allotted and issued on the exercise of options will rank *pari passu* and shall have the same voting, dividend, transfer and other rights (including those arising on liquidation) as are attached to the other fully-paid Shares in issue on the date of exercise, save that they will not rank for any dividend or other distribution declared or recommended or resolved to be paid or made by reference to a record date falling on or before the date of exercise.

(r) *Effect of alterations to capital*

In the event of any alteration in the capital structure of the Company whilst any option may become or remains exercisable, whether by way of capitalization issue, rights issue, open offer (if there is a price-dilutive element), consolidation, subdivision or reduction of share capital of the Company, such corresponding alterations (if any) shall be made in the number of Shares subject to any outstanding options and/or the subscription price per Share of each outstanding option and/or the Scheme Limit, the New Scheme Limit and the Maximum Limit as the auditors of the Company or an independent financial adviser shall certify in writing to the Board to be in their/his opinion fair and reasonable in compliance with Rule 17.03(13) of the Listing Rules and the note thereto and the supplementary guidance attached to the letter from the Stock Exchange dated September 5, 2005 to all issues relating to share option schemes. The capacity of the auditors of the Company or the approved independent financial adviser, as the case may be, in this paragraph is that of experts and not arbitrators and their certificate shall, in the absence of manifest error, be final and conclusive and binding on the Company and the grantees.

Any such alterations will be made on the basis that a grantee shall have the same proportion of the equity capital of the Company (as interpreted in accordance with the supplementary guidance attached to the letter from the Stock Exchange dated September 5, 2005 to all issues relating to share option schemes) for which any grantee of an option is entitled to subscribe pursuant to the options held by him before such alteration provided that no such alteration shall be made if the effect of which would be to enable a Share to be issued at less than its nominal value. The issue of securities as consideration in a transaction is not to be regarded as a circumstance requiring any such alterations.

(s) ***Expiry of option***

An option shall lapse automatically and shall not be exercisable (to the extent not already exercised) on the earliest of:

- (i) the date of expiry of the option as may be determined by the Board;
- (ii) the expiry of any of the periods referred to in paragraphs (l), (m), (n) or (o);
- (iii) the date upon which the scheme of arrangement of the Company referred to in paragraph (p) becomes effective;
- (iv) subject to paragraph (o), the date of commencement of the winding-up of the Company;
- (v) the date upon which the grantee ceases to be an Eligible Participant by reason of such grantee's resignation from the employment of the Company or any of its subsidiaries or the termination of his or her employment or contract on the grounds that he or she has been guilty of serious misconduct, or has committed any act of bankruptcy or is unable to pay his or her debts or has become insolvent or has made any arrangement or has compromised with his or her creditors generally, or has been convicted of any criminal offence involving his or her integrity or honesty or has been in breach of contract. A resolution of the Board to the effect that the employment of a grantee has or has not been terminated on one or more of the grounds specified in this paragraph shall be conclusive;
or
- (vi) the date upon which the Board shall exercise the Company's right to cancel the option at any time after the grantee commits a breach of paragraph (i) above or the options are cancelled in accordance with paragraph (u) below.

(t) ***Alteration of the Share Option Scheme***

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

- (i) any alteration to the advantage of the grantees or the Eligible Participants (as the case may be) in respect of the matters contained in Rule 17.03 of the Listing Rules; or
- (ii) any material alteration to the terms and conditions of the Share Option Scheme or any change to the terms of options granted;

shall first be approved by the Shareholders in general meeting provided that if the proposed alteration shall adversely affect any option granted or agreed to be granted prior to the date of alteration, such alteration shall be further subject to the grantees' approval in accordance with the terms of the Share Option Scheme. The amended terms of the Share Option Scheme must still comply with Chapter 17 of the Listing Rules and any change to the authority of the Board in relation to any alteration to the terms of the Share Option Scheme must be approved by Shareholders in general meeting.

(u) *Cancellation of Options*

Any cancellation of options granted but not exercised must be approved by the grantees of the relevant options in writing. For the avoidance of doubt, such approval is not required in the event that any option is cancelled pursuant to paragraph (i).

(v) *Termination of the Share Option Scheme*

The Company may by resolution in general meeting or the Board may at any time terminate the Share Option Scheme and in such event no further option shall be offered but the provisions of the Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any option granted prior thereto or otherwise as may be required in accordance with the provisions of the Share Option Scheme.

Options granted prior to such termination but not yet exercised at the time of termination shall continue to be valid and exercisable in accordance with the Share Option Scheme.

(w) *Administration of the Board*

The Share Option Scheme shall be subject to the administration of the Board whose decision as to all matters arising in relation to the Share Option Scheme or its interpretation or effect (save as otherwise provided herein) shall be final and binding on all parties.

(x) *Conditions of the Share Option Scheme*

The Share Option Scheme is conditional on:

- (i) the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Shares which may fall to be issued pursuant to the exercise of options to be granted under the Share Option Scheme;
- (ii) the obligations of the Underwriters under the Underwriting Agreement becoming unconditional (including, if relevant, as a result of the waiver of any such condition(s) by the Lead Manager (for itself and on behalf of the Underwriters)) and not being terminated in accordance with the terms of the Underwriting Agreement or otherwise; and
- (iii) the commencement of dealings in the Shares on the Stock Exchange.

If the conditions in paragraph (x) above are not satisfied within 12 calendar months from the Adoption Date:

- (i) the Share Option Scheme shall forthwith determine;
- (ii) any option granted or agreed to be granted pursuant to the Share Option Scheme and any offer of such a grant shall be of no effect; and

(iii) no person shall be entitled to any rights or benefits or be under any obligations under or in respect of the Share Option Scheme or any option granted thereunder.

(y) *Disclosure in annual and interim reports*

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

As at the Latest Practicable Date, no option had been granted or agreed to be granted under the Share Option Scheme.

Application has been made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of the options to be granted under the Share Option Scheme, being 600,000,000 Shares in total.

2. **Waivers from compliance with the Listing Rule 8.12**

Pursuant to Rule 8.12 of the Listing Rules, we must have a sufficient management presence in Hong Kong. This normally means that at least two of our executive Directors must be ordinarily resident in Hong Kong.

Given that our business and operations are primarily located, managed and conducted in the PRC and none of our executive Directors is ordinarily resident in Hong Kong, we consider that it would be unduly burdensome for us to maintain management presence in Hong Kong in order to comply with the requirement under Rule 8.12 of the Listing Rules.

Accordingly, we have applied to the Stock Exchange for and the Stock Exchange has granted a waiver from strict compliance with the requirements of Rule 8.12 of the Listing Rules. In order to maintain effective communication with the Stock Exchange, we have put in place the following measures:

- (1) pursuant to Rule 3.05 of the Listing Rules, we have appointed two authorized representatives who will act as one of our principal channels of communication with the Stock Exchange. The two authorized representatives appointed are Mr. Wong Wun Ming (“**Mr. Wong**”), an executive director, and Mr. Poon Wing Chuen (“**Mr. Poon**”), the company secretary of the Company. Mr. Poon is ordinarily resident in Hong Kong. Each of the authorized representatives is authorized by the board of directors of the Company to communicate on behalf of the Company with the Stock Exchange. They will be available to meet with the Stock Exchange on reasonable notice as and when required and will be readily contactable by the Stock Exchange;

- (2) our authorized representatives will have the means to contact all members of the Board (including the Independent non-executive Directors), promptly at all times and as and when the Stock Exchange wishes to contact the Directors for any matters;
- (3) Mr. Wong, being the authorized representative who is not ordinarily resident in Hong Kong, has confirmed that he is a Hong Kong permanent resident and he holds valid travel documents such that he is able to make himself available in Hong Kong on reasonable notice if required by the Stock Exchange. All the other Directors also confirmed that they hold valid travel documents that enable them to meet the Stock Exchange in Hong Kong on reasonable notice if required by the Stock Exchange;
- (4) pursuant to Rule 3A.19 of the Listing Rules, we have appointed Guotai Junan Capital Limited as our compliance adviser for the period commencing on the Listing Date and ending on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year commencing after the Listing Date to provide us with professional advice on continuing obligations under the Listing Rules and to act as the alternative channel of communication with the Stock Exchange; and
- (5) we shall promptly inform the Stock Exchange if there are any changes to the authorized representatives of the Company.

3. Estate duty and tax indemnity

Each of the Indemnifiers has entered into a deed of indemnity with and in favor of the Company (for itself and as trustee for each of its present subsidiaries) (being the contract referred to in paragraph (jj) of the subsection headed “Summary of Material Contracts” in this Appendix) to provide indemnities on a joint and several basis against, among other things, any estate duty, death duty, inheritance tax, succession duty or any other similar tax or duty which is or becomes payable by the Company or any of its subsidiaries by the operation of any estate duty, death duty, inheritance tax, succession duty or any other similar legislation in Hong Kong or the PRC or any other relevant jurisdiction as a result or in consequence of any event or transaction occurring on or before the date upon which the Global Offering becomes unconditional (the “**Relevant Date**”).

The deed of indemnity also contain indemnities given jointly and severally by the Indemnifiers in respect of taxation resulting from income, profits or gains earned, accrued or received on or before the Relevant Date which might be payable by any member of the Group. The Indemnifiers shall be under no liability under the deed of indemnity in respect of taxation:

- (a) to the extent that provision has been made for such taxation in the combined audited accounts of the Company as set out in the accountant’s reports set out in Appendix I to this prospectus and for each of the three years ended December 31, 2008 and the six months ended June 30, 2009 respectively;
- (b) for which any member of the Group is liable as a result of any event occurring or income or profits earned, accrued or received or alleged to have been earned, accrued or received or transactions entered into in the ordinary course of business or in the ordinary course of acquiring and disposing of capital assets after the Relevant Date;

- (c) to the extent that such taxation or liability would not have arisen but for any act or omission by any member of the Group (whether alone or in conjunction with some other act, omission or transaction, whenever occurring) voluntarily effected without the prior written consent or agreement of the Indemnifiers, otherwise than in the ordinary course of business after the Relevant Date or carried out, made or entered into pursuant to a legally binding commitment created after the Relevant Date;
- (d) to the extent that such taxation or liability is discharged by another person who is not the Company or any members of the Group and that the Company or such Group member is not required to reimburse such person in respect of the discharge of the taxation or liability; and
- (e) to the extent that the relevant taxation claim arises or is incurred as a consequence of any retrospective change in the law or the interpretation or practice thereof by the Hong Kong Inland Revenue Department or the tax authorities or any other authority in any part of the world coming into force after the Relevant Date or to the extent that such claim arises or is increased by an increase in the rates of taxation after the Relevant Date with retrospective effect.

4. Litigation

Saved as disclosed in the section headed “Business — Legal Proceedings” of this prospectus, as at the Latest Practicable Date, no member of the Group was 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 by or against any member of the Group.

5. Sponsors

The Joint Sponsors have made an application on behalf of the Company to the Listing Committee of the Stock Exchange for a listing of, and permission to deal in, all the Shares in issue and to be issued as mentioned in this prospectus.

6. Preliminary expenses

The preliminary expenses of the Company are estimated to be approximately HK\$38,000 and are payable by the Company.

7. Promoter

The promoters of the Company are the Controlling Shareholders. Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus, no cash, securities or other benefit has been paid, allotted or given nor are any proposed to be paid, allotted or given to any promoters in connection with the Global Offering and the related transactions described in this prospectus.

8. Qualification of experts

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

<u>Name</u>	<u>Qualifications</u>
Deutsche Bank AG, Hong Kong branch	Licensed to conduct Type 1 (Dealing in Securities), Type 4 (Advising on Securities), Type 6 (Advising on Corporate Finance) and Type 9 (Asset Management) of the regulated activities under the SFO, acting as one of the Joint Sponsors of the Global Offering
Merrill Lynch Far East Limited	Licensed to conduct Type 1 (Dealing in Securities), Type 4 (Advising on Securities), Type 6 (Advising on Corporate Finance), Type 7 (Providing Automated Trading Services) and Type 9 (Asset Management) of the regulated activities under the SFO, acting as one of the Joint Sponsors of the Global Offering
PricewaterhouseCoopers	Certified Public Accountants
Maples and Calder	Cayman Islands attorneys-at-law
Grandall Legal Group (Shanghai)	Qualified PRC lawyers
DTZ Debenham Tie Leung Limited	Professional Property valuers and surveyors

9. Consents of experts

Each of the Joint Sponsors, PricewaterhouseCoopers, Maples and Calder, Grandall Legal Group (Shanghai) and DTZ Debenham Tie Leung Limited has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion of its report and/or letter and/or valuation certificate and/or opinion and/or the references to its name included herein in the form and context in which it is respectively included.

10. 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 Hong Kong Companies Ordinance so far as applicable.

11. Particulars of the Selling Shareholder

The particulars of the Selling Shareholder are as follows:

Name: Galaxy Earnest Limited
Description: Corporation
Address: P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands
Sale Shares: up to 135,000,000 being offered pursuant to the Over-allotment Option

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 the Company or any of its subsidiaries has been issued or agreed to be issued or is proposed to be fully or partly paid either for cash or for a consideration other than cash;
 - (ii) no share or loan capital of the Company or any of its subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
 - (iii) no commissions, discounts, brokerages or other special terms have been granted or agreed to be granted in connection with the issue or sale of any share or loan capital of the Company or any of its subsidiaries; and
 - (iv) no commission has been paid or is payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any share in the Company or any of its subsidiaries;
- (b) Save as disclosed in this prospectus, there are no founder, management or deferred shares nor any debentures in the Company or any of its subsidiaries and no amount or benefit had been paid or given within the two immediately preceding years or is intended to be paid or given to any promoter;
- (c) None of the persons named in the sub-paragraph headed “Consents of Experts” in this Appendix is interested beneficially or otherwise in any shares of any member of the Group or has any right or option (whether legally enforceable or not) to subscribe for or nominate persons to subscribe for any securities in any member of the Group;
- (d) The Directors confirm that there has been no material adverse change in the financial or trading position or prospects of the Group since June 30, 2009 (being the date to which the latest audited combined financial statements of the Group were made up);
- (e) There has not been any interruption in the business of the Group which may have or has had a significant effect on the financial position of the Group in the 12 months preceding the date of this prospectus;
- (f) The register of members of the Company will be maintained in Hong Kong by Computershare Hong Kong Investor Services Limited. Unless the Directors otherwise agree, all transfer and

other documents of title of Shares must be lodged for registration with and registered by the Company's share register in Hong Kong and may not be lodged in the Cayman Islands. All necessary arrangements have been made to enable the Shares to be admitted to CCASS;

- (g) No company within the Group is presently listed on any stock exchange or traded on any trading system;
- (h) The Directors have been advised that, under the Companies Law, the use of a Chinese name pre-approved by the Registrar of Companies in the Cayman Islands by the Company in conjunction with its English name does not contravene the Companies Law; and
- (i) The English text of this prospectus shall prevail over the Chinese text.

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).