

**FURTHER INFORMATION ABOUT THE COMPANY AND ITS SUBSIDIARIES****1. Incorporation of the Company**

The Company was incorporated in Bermuda under the Companies Act as an exempted company with limited liability under the name “EGG Technology (Holdings) Limited” on 30 January 2007. Pursuant to written resolutions of the sole member of the Company passed on 10 May 2007, the name of the Company was changed to “Z-Obee Holdings Limited” with effect from 17 May 2007.

The Company has established a principal place of business and head office in Hong Kong at Unit 605, 6th Floor, Yen Sheng Centre, 64 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong and was registered in Hong Kong as an oversea company under Part XI of the Companies Ordinance, with Mr. Wang of Flat B, 31F, Win Shun Mansion, 9 Kin Wah Street, North Point, Hong Kong and Shum Hoi Luen of Room 311, Block K, Kornhill, Quarry Bay, Hong Kong appointed as the authorised representatives of the Company, and each of them has been appointed by the Company for the acceptance of service of process and any documents and notices on behalf of the Company in Hong Kong under Part XI of the Companies Ordinance.

As the Company was incorporated in Bermuda, it operates subject to the Companies Act, the Memorandum of Association and the New Bye-laws. A summary of various provisions of the Memorandum of Association and the New Bye-laws and relevant aspects of Bermuda company law is set out in Appendix IV to this prospectus.

The Company’s registered office is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and its principal place of business in the PRC is located at Room 401, Building 14, West Park of Software Park Hi-Tech Park, Second Road Nanshan, Shenzhen, PRC.

**2. Changes in share capital of the Company**

On 24 September 2009, the Company entered into subscription agreements with Lim Tiong Kheng Steven, Tan Poon Kuan Daniel, Lim Chye Huat Bobby, Chan Kok Khoon, Teo Yong Ping, Ang Ber Hua, Tan Lay Eng @ Mindy Tan and Low Chui Heng, all of them are Independent Third Parties, (collectively, the “Subscribers”) for the allotment and issue of an aggregate of 20,000,000 Shares at S\$0.13 per Share.

On 8 October 2009, the issued and paid-up share capital of the Company was increased to US\$4,140,589 comprising 517,573,662 Shares upon completion of the allotment and issue of 20,000,000 Shares to the Subscribers.

Save as disclosed herein, there has been no alteration in the share capital of the Company within two years immediately preceding the date of this prospectus.

**3. Resolutions of the Shareholders passed at the Company's annual general meeting held on 30 July 2009**

At the annual general meeting held on 30 July 2009, the following resolutions were passed:

- (1) a mandate (the "Issue Mandate") was given to the Directors to allot, issue and deal with Shares whether by way of rights, bonus or otherwise, and/or make or grant offers, agreements or options (collectively, "Instruments") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to the resolution) does not exceed 50% of the total number of issued Shares (excluding treasury shares) in the share capital of the Company at the time of the passing of this resolution, of which the aggregate number of Shares and convertible securities to be issued other than on a pro rata basis to Shareholders shall not exceed 20% of the total number of issued Shares (excluding treasury shares) in the share capital of the Company. Unless revoked or varied by the Company in a general meeting, such authority shall continue in force (a) until the conclusion of the Company's next annual general meeting or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier; or (b) in the case of Shares to be issued in accordance with the terms of convertible securities issued, made or granted pursuant to the Issue Mandate until the issue of such Shares in accordance with the terms of such convertible securities;
- (2) subject to the approval of the Issue Mandate, a mandate (the "Discount Mandate") was granted to the Directors to allot and issue Shares for cash consideration other than on a pro rata basis to Shareholders, at a discount of not more than 20% to the Weighted Average Price, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit, where:

"Weighted Average Price" means the weighted average price of the Shares for trades done on the SGX-ST for the full market day on which the placement or subscription agreement is signed (or if not available, the weighted average price based on the trades done on the preceding market day).

The Discount Mandate, unless revoked or varied by the Company in a general meeting, shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier.

Notwithstanding the above, it shall be noted that the Listing Rules provide that the general mandate obtained from Shareholders in general meeting shall be subject to a restriction that the aggregate number of Shares allotted or agreed to be allotted under the general mandate must not exceed the aggregate of 99,514,732 Shares, representing 20% of the issued share capital of the Company

as at the date of passing of the relevant resolution. Consequently, going forward, the Company will comply with the Listing Rules in relation to the issue of general mandate as the Listing Rules are generally more onerous than the Listing Manual in this aspect.

For the purpose of determining the aggregate number of Shares that may be issued under the authority granted above, the total number of issued Shares (excluding treasury shares) shall be based on the total number of issued Shares (excluding treasury shares) as at the date of passing of the resolution, after adjusting for: (i) new Shares arising from the conversion or exercise of convertible securities; (ii) new Shares arising from exercising share options at the time this resolution is passed; and (iii) any subsequent bonus issue, consolidation or subdivision of Shares.

Pursuant to the Listing Rules, the Listing Manual and the New Bye-laws, the maximum aggregate number of Shares and convertible securities of the Company (other than on a pro rata basis to all Shareholders) which may be issued under the Issue Mandate before the next annual general meeting of the Company is 99,514,732 Shares, representing 20% of the issued share capital of the Company as at the date of grant of the Issue Mandate.

#### **4. Resolutions of the Shareholders passed at the Company's special general meeting held on 11 August 2009**

At a special general meeting of the Company held on 11 August 2009, the following resolutions were passed:

- (1) for the purposes of the Listing Manual and the Companies Act and pursuant to the Memorandum of Association and bye-laws, the Directors be and are authorised to exercise all the powers of the Company to repurchase or otherwise acquire issued Shares not exceeding in aggregate the Maximum Percentage (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:
  - (a) market purchases (each a "Market Purchase") on the SGX-ST transacted through the SGX-ST's ready market; and/or
  - (b) off-market purchases (each an "Off-Market Purchase") effected otherwise than on the SGX-ST in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Listing Manual.

(the "Share Repurchase Mandate")

- (2) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Repurchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest:
- (a) the conclusion of the next annual general meeting of the Company or the date by which such annual general meeting is required to be held; or
  - (b) the date on which Share purchases have been carried out to the full extent mandated; or
  - (c) the date on which the authority conferred by the Share Repurchase Mandate is revoke or varied by an ordinary resolution of the Company in general meeting.

In this resolution:

“Maximum Percentage” means ten per cent (10%) of the issued ordinary share capital of the Company (as at the date of the last annual general meeting of the Company or the date of the Share Repurchase Mandate is approved by Shareholders, whichever is higher) unless the Company has effected a reduction of its share capital in accordance with the applicable provisions under the Companies Act, at any time during the Relevant Period, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered by the capital reduction (excluding any treasury shares that may be held by the Company from time to time).

“Maximum Price” in relation to a Share to be purchased, means the purchase price (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) not exceeding:

- (i) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and
- (ii) in the case of an Off-Market Purchase, 120% of the Average Closing Price of the Shares.

“Average Closing Price” means the average of the closing market prices of a Share over the last five (5) Market Days on which the Shares are transacted on the SGX-ST or, as the case may be, such securities exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the rules of the SGX-ST, for any corporate action that occurs after the relevant five-day period.

“date of the making of the offer” means the date on which the Company makes an offer for the purchase or acquisition of Shares from holders of Shares, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

“Relevant Period” means the period commencing from the date the last annual general meeting of the Company was held before this ordinary resolution is passed, and expiring on the date the next annual general meeting of the Company is held or is required to be held, whichever is the earlier, after the date of this ordinary resolution is passed; and

- (3) the Directors and/or any of them be and are authorised to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this resolution.

**5. Resolutions of the Shareholders passed at the Company’s special general meeting held on 30 December 2009**

At a special general meeting of the Company held on 30 December 2009, the following resolutions were passed to approve:

- (1) the listing of all Shares in issue on the Main Board of the Stock Exchange by way of introduction (the “Introduction”);
- (2) the proposed termination of the Company’s former employee share option scheme and performance share plan;
- (3) the adoption of the Share Option Scheme;
- (4) the proposed adoption of the new share repurchase mandate; and
- (5) the adoption of the New Bye-Laws.

More information on the resolutions can be found in the announcement of the Company released on the SGX-ST on 7 December 2009, the results of the special general meeting announced on 30 December 2009 and the circular to Shareholders dated 7 December 2009.

Pursuant to the announcement of the Company released on the SGX-ST on 14 January 2010, the Company has decided to revise the proposal for the Listing. The Company proposed to proceed with the Listing by way of a proposed public offer and a proposed placement, instead of by way of the Introduction as previously proposed. As the Listing involving the proposed public offer and placement is different from the earlier listing by way of the Introduction, the Directors decided to convene another special general meeting to seek the approval of the Shareholders for, inter alia, the Listing. As such, the resolutions of the Shareholders passed at the Company's special general meeting held on 30 December 2009 would not be taken to have become unconditional as the Company would no longer proceed with the Introduction.

**6. Resolutions of the Shareholders passed at the Company's special general meeting held on 11 February 2010**

At the special general meeting held on 11 February 2010, the following resolutions were passed:

- (1) approval was given for the listing of all Shares in issue on the Stock Exchange and all matters relating thereto; and the Company and the Directors be and were authorised and empowered to take all necessary steps, to do all such acts and things and sign all such documents and deed (including approving any matters in relation to the Listing) as they may consider necessary, desirable or expedient to give effect to or carrying into effect the aforesaid resolution;
- (2) the termination of the former employee share option scheme and the performance share plan was approved and the Directors be and were authorised to do any act or thing or take such steps as may be necessary to facilitate or as may be incidental in connection therewith;
- (3) the Share Option Scheme was approved and adopted and the Directors be and were authorised (i) to establish and administer the Share Option Scheme; (ii) subject to compliance with the requirement of the Listing Rules and Listing Manual, to amend and/or alter and/or modify the Share Option Scheme from time to time provided that such amendments and/or alterations and/or modifications are effected in accordance with the provisions of the Share Option Scheme and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Share Option Scheme, and the Directors be and are authorised to offer and grant options in accordance with the provisions of the Share Option Scheme and to allot, issue or deal with from time to time such number of Shares as may be required to be allotted, issued or deal with pursuant to the exercise of the options under the Share Option Scheme, provided that the aggregate number of Shares to be allotted, issued or dealt with pursuant to the options granted under this Scheme shall not, in aggregate exceed ten per cent. (10%) of the issued share capital of the Company (excluding treasury shares) on the date immediately following completion of the Listing; and

(4) the New Bye-laws were approved and adopted.

More information on the resolutions can be found in the announcement of the Company released on the SGX-ST on 19 January 2010, the results of the special general meeting announced on 11 February 2010 and the circular to Shareholders dated 19 January 2010.

#### **7. Changes in the share capital of subsidiaries of the Company**

The subsidiaries of the Company are listed in the Accountants' Report set out in Appendix I to this prospectus. The alterations in the share capital of each of the Company's subsidiaries which took place within the two years immediately preceding the date of this prospectus are as follows:

##### *Tongqing*

Tongqing was established in the PRC on 20 March 2007 as a wholly foreign owned company with a registered capital of HK\$60,000,000 and with a total investment amount of HK\$120,000,000 and was wholly owned by Max Sunny. On 28 March 2008, Max Sunny injected a sum of HK\$5,387,000 into Tongqing so as to fulfil its registered capital contribution obligations under the articles of Tongqing. After such injection, the paid-up registered capital of Tongqing increased from HK\$54,613,000 to HK\$60,000,000. On 17 July 2009, approval was granted for the increase of the registered capital of Tongqing from HK\$60,000,000 to HK\$90,000,000 and for the increase of total investment amount from HK\$120,000,000 to HK\$180,000,000. On 23 July 2009, Max Sunny injected a sum of HK\$15,000,000 into Tongqing so as to fulfil its additional capital contribution obligations after the increase of registered capital. The actual amount of paid-up capital of Tongqing was HK\$75,000,000 as at the Latest Practicable Date. The shortfall of HK\$15,000,000 has to be paid within one year from the date of grant of the revised Enterprise Legal Person Business Licence of Tongqing (i.e. by 28 July 2010).

##### *PhoneLink*

On 16 February 2009, China Zhenhua (Group) Science & Technology Co., Limited transferred 19% equity interest in PhoneLink to Zeus at the consideration of RMB2,100,000. Upon the completion of such transfer which has already taken place, Zeus held 100% equity interest of PhoneLink.

Save as disclosed above, there has been no alteration in the share capital of any of the subsidiaries of the Company within the two years immediately preceding the date of this prospectus.

## 8. Repurchase by the Company of its own securities

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

### (A) Provisions of the Listing Rules

The Listing Rules permit a company listed on the Stock Exchange to repurchase its securities on the Stock Exchange subject to certain restrictions, the more important of which are summarised below:

#### (i) Shareholders' approval

All proposed repurchases of securities (which must be fully paid up in the case of shares) by a company listed on the Stock Exchange must be approved in advance by an ordinary resolution of the shareholders, either by way of general mandate or by specific approval of a particular transaction.

*(Note: Pursuant to the Shareholders' resolution passed at the special general meeting of the Company on 11 August 2009, the Share Repurchase Mandate was given to the Directors authorising any repurchase by the Company as described above in the paragraph headed "Resolutions of the Shareholders passed at the Company's special general meeting held on 11 August 2009.)*

#### (ii) Source of funds

Repurchases must be funded out of funds legally available for the purpose in accordance with the Memorandum of Association and the New Bye-laws, and the applicable laws and regulations of Hong Kong, Bermuda and Singapore. A dual-listed company on the Stock Exchange and SGX-ST may not repurchase its own securities on the SGX-ST and the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the SGX-ST and/or the trading rules of the Stock Exchange (as the case may be) from time to time.

### (B) Reasons for repurchases

The Directors believe that it is in the best interests of the Company and the Shareholders for the Directors to have general authority from the Shareholders to enable the Company to repurchase Shares in the market at any time, subject to market conditions, during the period when the Share Repurchase Mandate is in force. The Directors believe that the repurchases of Shares will enhance the return on equity of the Company, and will facilitate the return of excess cash and surplus funds to Shareholders in an expedient, effective and cost-efficient manner.



*(C) Funding of repurchases*

The Companies Act permits the Company to purchase or acquire its own Shares out of capital paid up on the purchased Shares, or from funds of the Company which would otherwise be available for dividend or distribution, or out of the proceeds of a fresh issue of Shares made for the purpose of the purchase. Apart from using its internal sources of funds, the Company may obtain or incur borrowings to finance its purchase or acquisition of Shares.

The Directors do not propose to exercise the Share Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Group. The purchase or acquisition of the Shares will only be effected after considering relevant factors such as the working capital requirement, availability of financial resources, the expansion and investment plans of the Group and the prevailing market conditions. The Share Repurchase Mandate will be exercised with a view of enhancing the earnings per Share and/or the net tangible assets value per Share.

The exercise in full of the Share Repurchase Mandate, on the basis of 497,573,662 Shares in issue on the date of the grant of the Share Repurchase Mandate, would result in 49,757,366 Shares being repurchased by the Company during the period in which the Share Repurchase Mandate remains in force.

*(D) General*

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

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

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

The Company had not repurchased any Shares on the SGX-ST or by any other means in the previous six months from the Latest Practicable Date. However, as the Share Repurchase Mandate is not in compliance with the requirements under the Listing Rules, the Share Repurchase Mandate will not be exercised by the Directors after the Listing.

**FURTHER INFORMATION ABOUT THE BUSINESS OF THE GROUP****1. Summary of material contracts**

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

- (i) the sale and purchase agreement dated 16 February 2009 entered into between Zeus (as purchaser) and China Zhenhua (Group) Science & Technology Co., Limited (中國振華(集團) 科技股份有限公司) (as vendor) pursuant to which the vendor agreed to sell, and the purchaser agreed to acquire 19% of the equity interest in PhoneLink for a consideration of RMB2,100,000;
- (ii) the share transfer agreement dated 31 March 2009 between Elastic Glory as the transferor and Manchester International Group Limited as the transferee pursuant to which the transferor transferred its entire equity interest in State Tech and CCDH to the transferee for a consideration of US\$457,721;
- (iii) the share transfer agreement dated 22 May 2009 between Elite Link as the transferor and China Zhenhua (Group) Science & Technology Co., Ltd (中國振華(集團) 科技股份有限公司) as the transferee pursuant to which the transferor transferred 15% of the equity interest in Zhenhua Obee to the transferee for a consideration of RMB3,612,000;
- (iv) the share transfer agreement dated 22 May 2009 between Elite Link as the transferor and Full Wealth (Hong Kong) Limited the transferee pursuant to which the transferor transferred 27% of the equity interest in Zhenhua Obee to the transferee for a consideration of RMB6,501,600;
- (v) the subscription agreement dated 24 September 2009 and made between the Company and Teo Yong Ping pursuant to which the Company has agreed to allot and issue and Teo Yong Ping has agreed to subscribe for, 2,800,000 Shares at a subscription price of S\$0.13 per Share;
- (vi) the subscription agreement dated 24 September 2009 and made between the Company and Lim Chye Huat Bobby pursuant to which the Company has agreed to allot and issue and Lim Chye Huat Bobby has agreed to subscribe for, 3,000,000 Shares at a subscription price of S\$0.13 per Share;
- (vii) the subscription agreement dated 24 September 2009 and made between the Company and Tan Poon Kuan Daniel pursuant to which the Company has agreed to allot and issue and Tan Poon Kuan Daniel has agreed to subscribe for, 2,000,000 Shares at a subscription price of S\$0.13 per Share;

- (viii) the subscription agreement dated 24 September 2009 and made between the Company and Tan Lay Eng@ Mindy Tan pursuant to which the Company has agreed to allot and issue and Tan Lay Eng@ Mindy Tan has agreed to subscribe for, 1,000,000 Shares at a subscription price of S\$0.13 per Share;
- (ix) the subscription agreement dated 24 September 2009 and made between the Company and Lim Tiong Kheng Steven pursuant to which the Company has agreed to allot and issue and Lim Tiong Kheng Steven has agreed to subscribe for, 4,000,000 Shares at a subscription price of S\$0.13 per Share;
- (x) the subscription agreement dated 24 September 2009 and made between the Company and Low Chui Heng pursuant to which the Company has agreed to allot and issue and Low Chui Heng has agreed to subscribe for, 2,500,000 Shares at a subscription price of S\$0.13 per Share;
- (xi) the subscription agreement dated 24 September 2009 and made between the Company and Ang Ber Hua pursuant to which the Company has agreed to allot and issue and Ang Ber Hua has agreed to subscribe for, 2,000,000 Shares at a subscription price of S\$0.13 per Share;
- (xii) the subscription agreement dated 24 September 2009 and made between the Company and Chan Kok Khoon pursuant to which the Company has agreed to allot and issue and Chan Kok Khoon has agreed to subscribe for, 2,700,000 Shares at a subscription price of S\$0.13 per Share; and
- (xiii) the Public Offer Underwriting Agreement.

**2. Further information about the Company's PRC establishments**

The Group has interests in the registered capital of three entities established under the laws of PRC. A summary of the corporate information of these PRC entities is set out as follows:

*(a) Tongqing*

Date of establishment:	20 March 2007
Nature:	wholly foreign-owned enterprise
Total investment amount:	HK\$180,000,000
Registered capital:	HK\$90,000,000
Paid up capital:	HK\$75,000,000
Equity holder:	Max Sunny
Attributable interest to the Group:	100%
Term:	20 years from 20 March 2007 to 20 March 2027
Scope of business:	technical development for network communication products and transmission equipments as well as telecommunication products and equipments. Manufacture of mobile handsets as well as components of mobile handsets and wholesales, import and export and other related business of similar products.

*(b) Zeus*

Date of establishment:	17 August 2004
Nature:	wholly foreign-owned enterprise
Total investment amount:	RMB20,000,000

Registered capital:	RMB20,000,000 (all of which has been paid-up in full)
Equity holder:	Elite Link
Attributable interest to the Group:	100%
Term:	10 years from 17 August 2004 to 17 August 2014
Scope of business:	technology development, wholesale, import and export of telecommunication products, electronic products, digital products software and hardware of computers, relevant facilities and electronic parts; relevant technology service; service after sale.

(c) *PhoneLink*

Date of establishment:	8 March 2005
Nature:	domestic enterprise
Registered capital:	RMB10,000,000 (all of which has been paid-up in full)
Equity holder:	Zeus
Attributable interest to the Group:	100%
Term:	20 years from 8 March 2005 to 7 March 2025
Scope of business:	development and sale of electronic products, communication facilities and relevant products; development, sale of software/hardware of computers and other technology service; integration of network; development, design, installation and maintenance of network; establishment of branch
Information on the branch:	PhoneLink has established a branch in Shanghai, PRC on 6 February 2007. The branch does not have a separate legal status and whose civil liabilities shall be borne by the parent company, i.e. PhoneLink. The business scope of the branch is the same as that of PhoneLink. The term of the branch is from 6 February 2007 to 7 March 2025.

*Business licenses held by the Group*

<b>Name of license</b>	<b>Name of the Company</b>	<b>Issued by</b>	<b>Validity term</b>
Business license	Tongqing	State Administration of Industry and Commerce, Shenzhen Municipal	from 20 March 2007 to 20 March 2027
Business license	Zeus	State Administration of Industry and Commerce, Shenzhen Municipal	from 17 August 2004 to 17 August 2014
Business license	PhoneLink	Pu Dong New Area Branch of Shanghai Administration of Industry and Commerce	from 8 March 2005 to 7 March 2025

*The following licenses are held by Tongqing*

- (1) license for telecommunication equipments to enter into public telecommunication networks (電信設備進網許可證)

<b>No.</b>	<b>Applicant</b>	<b>Model</b>	<b>Name of equipment</b>	<b>Issue date</b>	<b>Issued by</b>
02-8309-803485	Tongqing	VIM E818	Dual-band GSM/GPRS digital mobile phone	16 December 2008	Ministry of Industry and Information
02-8309-803648	Tongqing	VIM M520	Dual-band GSM/GPRS digital mobile phone	24 December 2008	Ministry of Industry and Information
02-8309-900099	Tongqing	VIM D52	Dual-band GSM/GPRS digital mobile phone	12 January 2009	Ministry of Industry and Information
02-8309-901409	Tongqing	VIM F821	Dual-band GSM/GPRS digital mobile phone	10 April 2009	Ministry of Industry and Information
02-8309-901489	Tongqing	VIM F820	Dual-band GSM/GPRS digital mobile phone	21 April 2009	Ministry of Industry and Information
02-8309-902642	Tongqing	VIM R98	Dual-band GSM/GPRS digital mobile phone	24 June 2009	Ministry of Industry and Information

No.	Applicant	Model	Name of equipment	Issue date	Issued by
02-8309-902642	Tongqing	VIM F822	Dual-band GSM/ GPRS digital mobile phone	7 September 2009	Ministry of Industry and Information
02-8309-905253	Tongqing	VIM P26	Dual-band GSM/ GPRS digital mobile phone	14 December 2009	Ministry of Industry and Information
02-8309-100454	Tongqing	VIM E68	CDMA 2000 digital mobile phone	1 February 2010	Ministry of Industry and Information

*Note:* The validity term of the above license is 3 years commencing from the issue date.

(2) Certificate for China compulsory product certification (中國國家強制性產品認證證書)

No.	Applicant	Trademark	Name, model and specification	Issue date	Issued by
2008011606314588	Tongqing	VIM	Dual-band GSM/ GPRS digital mobile phone (VIM E818)	19 December 2008	China Quality Certification centre
2008011606316870	Tongqing	VIM	Dual-band GSM/ GPRS digital mobile phone (VIM M520)	30 December 2008	China Quality Certification centre
2009011606322892	Tongqing	VIM	Dual-band GSM/ GPRS digital mobile phone (VIM D52)	22 January 2009	China Quality Certification centre
2009011606337725	Tongqing	VIM	Dual-band GSM/ GPRS digital mobile phone (VIM F821)	15 April 2009	China Quality Certification centre
2009011606339981	Tongqing	VIM	Dual-band GSM/ GPRS digital mobile phone (VIM F820)	24 April 2009	China Quality Certification centre

No.	Applicant	Trademark	Name, model and specification	Issue date	Issued by
2009011606351738	Tongqing	VIM	Dual-band GSM/GPRS digital mobile phone (VIM R98)	30 June 2009	China Quality Certification centre
2009011606364627	Tongqing	VIM	Dual-band GSM/GPRS digital mobile phone (VIM F822)	10 September 2009	China Quality Certification centre
2009011606382158	Tongqing	VIM	Dual-band GSM/GPRS digital mobile phone (VIM P26)	18 December 2009	China Quality Certification centre
2010011606391469	Tongqing	VIM	CDMA 2000 digital mobile phone (VIM E68)	4 February 2010	China Quality Certification centre

*Note:* The validity of above certificates will be maintained by continuous examination by the issuing institute.

(3) Approval certificate of radio transmission equipment (無線電發射設備核准證)

No.	Applicant	Model	Name of equipment	Issue date	Issued by
2008-4133	Tongqing	VIM E818	GSM/blue tooth mobile phone	21 November 2008	Ministry of Industry and Information
2008-4624	Tongqing	VIM M520	GSM/blue tooth mobile phone	16 December 2008	Ministry of Industry and Information
2008-4992	Tongqing	VIM D52	GSM/blue tooth mobile phone	30 December 2008	Ministry of Industry and Information
2009-1351	Tongqing	VIM F821	GSM/blue tooth mobile phone	8 April 2009	Ministry of Industry and Information
2009-1457	Tongqing	VIM F820	GSM/blue tooth mobile phone	14 April 2009	Ministry of Industry and Information



No.	Applicant	Model	Name of equipment	Issue date	Issued by
2009-2759	Tongqing	VIM R98	GSM/blue tooth mobile phone	23 June 2009	Ministry of Industry and Information
2009-4037	Tongqing	VIM F822	GSM/blue tooth mobile phone	3 September 2009	Ministry of Industry and Information
2009-5520	Tongqing	VIM P26	GSM/blue tooth mobile phone	8 December 2009	Ministry of Industry and Information
2010-0330	Tongqing	VIM E68	CDMA 2000/ bluetooth mobile phone	27 January 2010	Ministry of Industry and Information

*Note:* The validity term of the above license is 5 years commencing from the issue date.

### 3. Intellectual property rights of the Group

#### *Patent*

As at the Latest Practicable Date, the Group had submitted the following patent applications to the State Intellectual Property Bureau of the PRC for the following inventions:

Invention	Country of Registration	Applicant	Application No.	Date of Application	Status
Method of message transfer	PRC	Zeus	200510102338.9	16 December 2005	Publication Notice issued on 20 June 2007
Method of call transfer	PRC	Zeus	200510121323.7	30 December 2005	Publication Notice issued on 28 June 2007
Method of message sending	PRC	Zeus	200510121324.1	30 December 2005	Publication Notice issued on 28 June 2006
Method of automatic message receipt	PRC	Zeus	200610034194.2	10 March 2006	Publication Notice issued on 13 September 2006
Method and installation of automatic voice recorder	PRC	Zeus	200610034193.8	10 March 2006	Publication Notice issued on 30 August 2006
Method and installation of long-distance lock	PRC	Zeus	200610066244.5	30 March 2006	Publication Notice issued on 6 September 2006

<b>Invention</b>	<b>Country of Registration</b>	<b>Applicant</b>	<b>Application No.</b>	<b>Date of Application</b>	<b>Status</b>
Method and installation of address list	PRC	Zeus	200610060213.9	7 April 2006	Publication Notice issued on 6 September 2006
Method of signature on message	PRC	Zeus	200610060210.5	7 April 2006	Publication Notice issued on 15 November 2006
Method of message reminder	PRC	Zeus	200610060211.X	7 April 2006	Publication Notice issued on 6 September 2006
Method of playing background music	PRC	Zeus	200610060212.4	7 April 2006	Publication Notice issued on 6 September 2006
Method and installation of message typing	PRC	Zeus	200610060640.7	22 May 2006	Publication Notice issued on 8 November 2006
Method and installation of long-distance photography	PRC	Zeus	200610060639.4	22 May 2006	Publication Notice issued on 8 November 2006
Method of message recording	PRC	Zeus	200610061057.8	13 June 2006	Publication Notice issued on 27 December 2006
Method of prompt message sending	PRC	Zeus	200610061056.3	13 June 2006	Publication Notice issued on 29 November 2006
Method and installation of battery saving device	PRC	Zeus	200610061058.2	13 June 2006	Publication Notice issued on 29 November 2006
System and method of automatic security alarm	PRC	Zeus	200610061055.9	13 June 2006	Publication Notice issued on 29 November 2006
Method of ring tone composition	PRC	Zeus	200610061389.6	30 June 2006	Publication Notice issued on 13 December 2006
Installation of energy production device through vibration	PRC	Zeus	200610061390.9	30 June 2006	Publication Notice issued on 13 December 2006
Battery charger	PRC	Zeus	200610062294.6	28 August 2006	Publication Notice issued on 14 March 2007

<b>Invention</b>	<b>Country of Registration</b>	<b>Applicant</b>	<b>Application No.</b>	<b>Date of Application</b>	<b>Status</b>
Method of sending mass messages	PRC	Zeus	200610062292.7	28 August 2006	Publication Notice issued on 14 February 2007
Method of ring tone composition	PRC	Zeus	200610062556.9	13 September 2006	Publication Notice issued on 25 April 2007
Method of long distance remote control	PRC	Zeus	200610062763.4	25 September 2006	Publication Notice issued on 14 March 2007
Mobile phone with independent hard disk	PRC	Zeus	200610062764.9	25 September 2006	Publication Notice issued on 14 March 2007
Method of identification	PRC	Zeus	200610063483.5	7 November 2006	Publication Notice issued on 18 April 2007
Method of automatically switching off mobile phone	PRC	Zeus	200710075191.8	26 June 2007	Publication Notice issued on 28 November 2007
Method of text input by mobile phone camera shooting	PRC	Zeus	200710074531.5	24 May 2007	Publication Notice issued on 24 October 2007
Method of encrypting and decrypting messages	PRC	Zeus	200710074532.X	24 May 2007	Publication Notice issued on 24 October 2007
Wireless charging mobile phone, charging device and mechanism of charging	PRC	Zeus	200710075358.0	2 August 2007	Publication Notice issued on 13 February 2008
Method of editing mobile phone messages by computers	PRC	Zeus	200710075359.5	2 August 2007	Publication Notice issued on 13 February 2008
Coding system and its method applied on checking attendance	PRC	Zeus	200710075798.6	21 August 2007	Publication Notice issued on 30 January 2008

<b>Invention</b>	<b>Country of Registration</b>	<b>Applicant</b>	<b>Application No.</b>	<b>Date of Application</b>	<b>Status</b>
Method of checking attendance based on finger print recognition mobile phone	PRC	Zeus	200710075797.1	21 August 2007	Publication Notice issued on 30 January 2008
Method of drawing	PRC	Zeus	200810216853.3	15 October 2008	Publication Notice issued on 11 March 2009
Method of inserting and playing media files	PRC	Zeus	200810217538.2	12 November 2008	Publication Notice issued on 8 April 2009
Method of data exchange in internet interactive game	PRC	Tongqing	200710124408.x	9 November 2007	Publication Date on 16 April 2008
Method of batch processing in mobile short message	PRC	Tongqing	200810142791.6	6 August 2008	Publication Date on 31 December 2008

### *Utility Model*

As at the Latest Practicable Date, the Group had submitted the following utility model applications to the State Intellectual Property Bureau of the PRC for the following utility models:

<b>Utility Model</b>	<b>Country of Registration</b>	<b>Applicant</b>	<b>Application No.</b>	<b>Date of Application</b>	<b>Status</b>
Method of hand held communication	PRC	Zeus	200520120593.1	20 December 2005	Acceptance Notice of Patent Application (專利申請受理通知書) (“ANPA”) issued on 29 December 2005
Ear piece with display screen	PRC	Zeus	200520121330.2	30 December 2005	ANPA issued on 6 January 2006
Mobile phone	PRC	Zeus	200620055996.7	10 March 2006	ANPA issued on 10 March 2006
Installation of message typing device	PRC	Zeus	200620013944.3	22 May 2006	ANPA issued on 22 May 2006

As the Latest Practicable Date, the Group had obtained registrations of the following utility models issued by the State Intellectual Property Bureau of the PRC:

Utility Model	Country of Registration	Applicant	Application No.	Date of Application	Status
Device for safe charging	PRC	Zeus	200520121329.X	30 December 2005	Registration Notice issued on 13 June 2007
Communication device	PRC	Zeus	200520121331.7	30 December 2005	Registration Notice issued on 14 February 2007
Mobile phone	PRC	Zeus	200620018680.0	30 March 2006	Registration Notice issued on 18 July 2007
Wireless frequency signal transmitter	PRC	Zeus	200620013943.9	22 May 2006	Registration Notice issued on 24 October 2007
Installation of flash card reader cum writer	PRC	Zeus	200620014356.1	30 June 2006	Registration Notice issued on 18 July 2007
A device for code input	PRC	Zeus	200720121061.9	26 June 2007	Registration Notice issued on 14 May 2008

#### *Software Product*

As at the Latest Practicable Date, the Group had obtained the following software product registrations from the following agencies:

Software Product	Agency	Applicant	Application No.	Effective Date
Zeus GSM Product 636 v2.1	Science Technology and Information Bureau of Shenzhen, PRC	Zeus	深DGY-2006-0174	16 March 2006
Zeus GSM 616 PC Communication Software v2.0	Science Technology and Information Bureau of Shenzhen, PRC	Zeus	深DGY-2006-0701	17 August 2006
Zeus GSM V1 Debugging Software v2.4	Science Technology and Information Bureau of Shenzhen, PRC	Zeus	深DGY-2006-0702	17 August 2006

Software Product	Agency	Applicant	Application No.	Effective Date
Zeus GSM V8 Debugging Software v2.0	Science Technology and Information Bureau of Shenzhen, PRC	Zeus	深DGY-2006-0796	21 September 2006
Zeus GSM V12 Debugging Software v2.0	Science Technology and Information Bureau of Shenzhen, PRC	Zeus	深DGY-2006-0797	21 September 2006
Zeus GSM BM102 mobile phone communication v3.2	Science Technology and Information Bureau of Shenzhen, PRC	Zeus	深DGY-2008-0238	31 March 2008
Zeus GSM BM100 mobile phone communication v2.6	Science Technology and Information Bureau of Shenzhen, PRC	Zeus	深DGY-2008-0237	31 March 2008
Zeus GSM BM105 mobile phone communication v3.1	Science Technology and Information Bureau of Shenzhen, PRC	Zeus	深DGY-2008-1320	28 November 2008
Zeus GSM BM109 mobile phone communication v2.0	Science Technology and Information Bureau of Shenzhen, PRC	Zeus	深DGY-2008-1321	28 November 2008
Zeus GSM C610 mobile phone communication v3.1	Science Technology and Information Bureau of Shenzhen, PRC	Zeus	深DGY-2008-1322	28 November 2008
Zeus GSM F1325 mobile phone communication v2.1	Science Technology and Information Bureau of Shenzhen, PRC	Zeus	深DGY-2008-1323	28 November 2008
PhoneLink Communication GSM M8 Communication Software v1.43	Shanghai Municipal Informatization Commission, PRC	PhoneLink	沪DGY-2006-0604	10 September 2006

Software Product	Agency	Applicant	Application No.	Effective Date
PhoneLink Communication GSM BM737 v2.1	Shanghai Municipal Informatization Commission, PRC	PhoneLink	沪DGY-2007-1419	31 December 2007
PhoneLink Communication GSM BM755 v2.6	Shanghai Municipal Informatization Commission, PRC	PhoneLink	沪DGY-2007-1417	31 December 2007
PhoneLink Communication GSM BM800 v1.8	Shanghai Municipal Informatization Commission, PRC	PhoneLink	沪DGY-2007-1418	31 December 2007



### *Copyright*

As at the Latest Practicable Date, the Group had obtained the following Certificates of Computer Software Copyright Registration (計算機軟件著作權登記證書) issued by National Copyright Administration of the PRC (中華人民共和國國家版權局) (“NCA”).

Copyright	Issuing authority	Holder of copyright	Number	Date of grant
PhoneLink Communication GSM M8 Communication Software v1.43	NCA	PhoneLink	2006SR13904	12 October 2006
PhoneLink Communication GSM BM755 V2.6	NCA	PhoneLink	2008SR03601	21 February 2008
PhoneLink Communication GSM BM800 V1.8	NCA	PhoneLink	2008SR03600	21 February 2008
PhoneLink Communication GSM BM737 V2.1	NCA	PhoneLink	2008SR03599	21 February 2008


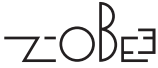
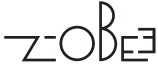
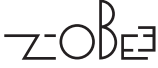


*Trademark*

As of the Latest Practicable Date, the Group had applied for the registrations of the following trademarks to Trademark Office, SAIC:

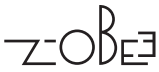
Trademark	Class	Place of Registration	Applicant	Application No.	Date of Application
VIM	38	PRC	Tongqing	6851471	21 July 2008
VIM	35	PRC	Tongqing	6851472	21 July 2008
VIM	9	PRC	Tongqing	6851473	21 July 2008
VIM	25	PRC	Tongqing	6961043	19 September 2008
VIM	42	PRC	Tongqing	6961044	19 September 2008
VIM	41	PRC	Tongqing	6961045	19 September 2008
VIM	18	PRC	Tongqing	6961046	19 September 2008
VIM	14	PRC	Tongqing	6961047	19 September 2008
	18	PRC	Zeus	7019917	27 October 2008
	14	PRC	Zeus	7019918	27 October 2008
	9	PRC	Zeus	7019919	27 October 2008
	42	PRC	Zeus	7019935	27 October 2008
	25	PRC	Zeus	7019936	27 October 2008
偉恩	9	PRC	Tongqing	7474674	16 June 2009
偉恩	14	PRC	Tongqing	7474688	16 June 2009
偉恩	18	PRC	Tongqing	7474703	16 June 2009
偉恩	25	PRC	Tongqing	7474772	16 June 2009
偉恩	35	PRC	Tongqing	7474797	16 June 2009
偉恩	38	PRC	Tongqing	7474805	16 June 2009
偉恩	41	PRC	Tongqing	7477259	17 June 2009
偉恩	42	PRC	Tongqing	7477287	17 June 2009



As at the Latest Practicable Date, the Group was the registered proprietor and beneficial owner of the following trademarks:

Trademark	Class	Place of Registration	Applicant/ Owner	Application No.	Date of Registration	Expiry Date
<b>OBEE</b>	9, 35, 38	Hong Kong	Finet Enterprises	300578205	9 February 2006	8 February 2016
<b>OBEE</b>	9, 35, 38	European Union	Finet Enterprises	004895215	10 February 2006	10 February 2016
<b>OBEE</b>	35	Singapore	Finet Enterprises	T0708802A	26 April 2007	26 April 2017
<b>OBEE</b>	38	Singapore	Finet Enterprises	T0708803Z	26 April 2007	26 April 2017
	9, 35, 38	Hong Kong	Finet Enterprises	300943308	29 August 2007	28 August 2017
	9, 35, 38	European Union	Finet Enterprises	006230452	7 August 2008	28 August 2017
	9	Singapore	Finet Enterprises	T0717884E	29 August 2007	29 August 2017
	35	Singapore	Finet Enterprises	T0717885C	29 August 2007	29 August 2017
	38	Singapore	Finet Enterprises	T0717886A	29 August 2007	29 August 2017
<i>VIM</i>	9, 25, 35, 38	Singapore	Finet Enterprises	T0811915Z	2 September 2008	2 September 2018
<i>VIM</i>	9, 25, 35, 38	Australia	Finet Enterprises	1260242	3 September 2008	3 September 2018
	9, 25, 35, 38	Hong Kong	Finet Enterprises	301294065	26 February 2009	25 February 2019
						
<b>Wei 唯美</b>	9	PRC	Tonging	3758289	28 August 2006	27 August 2016

As at the Latest Practicable Date, the Group had applied for registration of the following trademarks in respect of the classes of goods specified below:

Trademark	Class	Place of Registration	Applicant	Application No.	Date of Application	Status
OBEE	9	Singapore	Finet Enterprises	T0708801C	26 April 2007	Application opposed
OBEE	9	Singapore	Finet Enterprises	T0816347G	22 November 2008	Refunded
OBEE	9	Singapore	Finet Enterprises	T0816348E	22 November 2008	Published on 30 October 2009
OBEE	9, 35, 38	USA	Finet Enterprises	78/817,229	17 February 2006	Application withdrawn
	9, 35, 38	USA	Finet Enterprises	77319761	2 November 2007	Accepted for registration. Published on 4 August 2009
<i>VIM</i>	9, 25, 35, 38	Philippines	Finet Enterprises	04-2009-000677	21 January 2009	Under examination
<i>VIM</i>	9, 25, 35, 38	India	Finet Enterprises	1730439	11 September 2008	Under examination
<i>VIM</i>	9, 25, 35	Indonesia	Finet Enterprises	D002008033560	12 September 2008	Under examination
<i>VIM</i>	38	Indonesia	Finet Enterprises	J002008033561	12 September 2008	Under Examination
<i>VIM</i>	9, 25, 35, 38	Vietnam	Finet Enterprises	4-2008-20227	19 September 2008	Notification issued by National Office of Intellectual Property of Vietnam on 16 December 2008
<i>VIM</i>	9	Malaysia	Finet Enterprises	08017951	5 September 2008	Under examination
<i>VIM</i>	25	Malaysia	Finet Enterprises	08017952	5 September 2008	Accepted for registration (pending advertisement in Government Gazette)
<i>VIM</i>	35	Malaysia	Finet Enterprises	08017953	5 September 2008	Under examination
<i>VIM</i>	38	Malaysia	Finet Enterprises	08017954	5 September 2008	Under examination
<i>VIM</i>	9	South Africa	Finet Enterprises	2008/20606	2 September 2008	Under examination
<i>VIM</i>	25	South Africa	Finet Enterprises	2008/20607	2 September 2008	Under examination

Trademark	Class	Place of Registration	Applicant	Application No.	Date of Application	Status
VIM	35	South Africa	Finet Enterprises	2008/20608	2 September 2008	Under examination
VIM	38	South Africa	Finet Enterprises	2008/20609	2 September 2008	Under examination
VIM	9, 25, 35, 38	Hong Kong	Finet Enterprises	301193959	3 September 2008	Application refused
VIM	9, 25, 35, 38	European Union	Finet Enterprises	007204324	2 September 2008	Application withdrawn
VIM	9, 25, 35, 38	USA	Finet Enterprises	77577553	24 September 2008	Application withdrawn
	9, 25, 35, 38	European Union	Finet Enterprises	008362519	15 June 2009	Under examination
	9, 25, 35, 38	USA	Finet Enterprises	77892414	15 June 2009	Under examination

Also, as disclosed above, the Group had applied for the registration of various trademarks in Hong Kong, the PRC, Singapore, USA, Philippines, India, Indonesia, Vietnam, Malaysia, South Africa, European Union and Australia. As at the Latest Practicable Date, the approvals for the Group's application for registration of the "VIM" text mark in the PRC, Philippines, India, Indonesia, Vietnam, Malaysia, South Africa and European Union were still pending while the applications for registration of the "VIM" text mark in both Singapore and Australia had been approved.

Save as disclosed above, the Company's business or profitability is not materially dependent on any other registered trademark or patent or any other intellectual property rights. As at the Latest Practicable Date, the Group had not given any consent to any other party for the use of any intellectual property rights owned by the Group. The Directors confirm that they are not aware of (i) any material allegations or claims that the names and marks of the products of the Group having infringed the intellectual property rights of other third parties during the Track Record Period; (ii) any material infringement of the Group's intellectual property rights by other third parties during the Track Record Period; and (iii) any litigation or material disputes regarding the intellectual property rights used by the Group during the Track Record Period which may have any material adverse impact on the Group's business.

**FURTHER INFORMATION ABOUT DIRECTORS, SENIOR MANAGEMENT AND SUBSTANTIAL SHAREHOLDERS**
**1. Disclosure of Interests**
*(a) Interests of Directors in the share capital of the Company*

Immediately following completion of the Share Offer, so far as is known to the Directors, the interests or short positions of the Directors in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have taken under such provisions) once the Shares are listed, or which will be required, pursuant to section 352 of the SFO, to be entered in the register required to be kept therein once the Shares are listed, or will be required pursuant to the Model Code for Securities Transactions by Directors of Listing Companies contained in the Listing Rules to be notified to the Company and the Stock Exchange once the Shares are listed, will be as follows:

<b>Name of Directors</b>	<b>Capacity/nature of interests</b>	<b>Number of Shares directly or indirectly held immediately following the completion of the Share Offer</b>	<b>Approximate percentage of issued share capital immediately following the completion of the Share Offer</b>
Wang Shih Zen ( <i>Note</i> )	Interests in controlled corporation	168,110,250(L)	28.23%
Wang Tao	Beneficial owner	91,206,500(L)	15.31%
Lu Shangmin	Beneficial owner	5,300,000(L)	0.89%

(L) denotes long position

*Note:* The entire issued share capital of Wise Premium is legally and beneficially owned by Mr. Wang. As such, Mr. Wang is deemed to be interested in the Shares owned by Wise Premium pursuant to the SFO.

*(b) Interests of Substantial Shareholders in the share capital of the Company*

So far as the Directors are aware, immediately following completion of the Share Offer, the following (not being a Director or chief executive of the Company) will have an interest or short position in the Shares and/or the underlying Shares which would fall to be disclosed to the Company under provisions of Divisions 2 and 3 of Part XV of the SFO, or, directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying right to vote in all circumstances at general meetings of any other members of the Group.

Name of Shareholder	Capacity/nature of interests	Number of Shares directly or indirectly held immediately following the completion of the Share Offer	Approximate percentage of issued share capital immediately following the completion of the Share Offer
Wise Premium (Note)	Beneficial owner	168,110,250	28.23%
Kang Ling Hoi	Deemed interests	168,110,250	28.23%

(L) denotes long position

*Note:* The entire issued share capital of Wise Premium is legally and beneficially owned by Mr. Wang. As such, Mr. Wang is deemed to be interested in the Shares owned by Wise Premium pursuant to the SFO. In addition, as spouse, Ms. Kang Ling Hoi is also deemed to be interested in the Shares held by Mr. Wang.

(c) *Interests in suppliers and customers of the Group*

As at the Latest Practicable Date, so far as the Directors are aware, none of the Directors or their respective associate or persons who are interested in more than 5% of the issued share capital of the Company had an interest in the five largest customers or suppliers of the Group.

**2. Particulars of Directors' service agreements**

(a) *Executive Directors*

**Mr. Wang Shih Zen ("Mr. Wang")** entered into a service agreement with the Company on 24 September 2007, pursuant to which he has been appointed as the Executive Chairman and Chief Executive Officer of the Company commencing from 21 November 2007 for a period of 3 years. Under such service agreement, Mr. Wang is entitled to an annual remuneration of US\$1,000 payable yearly in arrears, and is entitled to a discretionary annual bonus of such amount as the Board may in its absolute discretion determine. All traveling and travel-related expenses, entertainment expenses and out-of-pocket expenses reasonably and properly incurred

by Mr. Wang in the reasonable and proper performance of his duties during such appointment shall be borne by the Company. The Company shall also maintain medical insurance for Mr. Wang according to the statutory requirements in Hong Kong.

**Ms. Wang Tao (“Ms. Wang”)** entered into a service agreement with the Company on 24 September 2007, pursuant to which she has been appointed as the Executive Director of the Company commencing from 21 November 2007 for a period of 3 years. Under such service agreement, Ms. Wang is entitled to a yearly salary of US\$1,000 payable yearly in arrears, and is entitled to a discretionary annual bonus of such amount as the Board may in its absolute discretion determine. All traveling and travel-related expenses, entertainment expenses and out-of-pocket expenses reasonably and properly incurred by Ms. Wang in the reasonable and proper performance of her duties during such appointment shall be borne by the Company. The Company shall also maintain medical insurance for Ms. Wang according to the statutory requirements in Hong Kong.

**Mr. Lu Shangmin (“Mr. Lu”)** entered into a service agreement with the Company on 3 February 2010, pursuant to which he has been appointed as the Executive Director of the Company commencing from 3 March 2009 for a period of 3 years. Under such service agreement, Mr. Lu is entitled to an annual remuneration of US\$1,000 payable yearly in arrears, and is entitled to a discretionary annual bonus of such amount as the Board may in its absolute discretion determine. All traveling and travel-related expenses, entertainment expenses and out-of-pocket expenses reasonably and properly incurred by Mr. Lu in the reasonable and proper performance of his duties during such appointment shall be borne by the Company. The Company shall also maintain medical insurance for Mr. Lu according to the statutory requirements in Hong Kong.

(b) *Non-executive director*

**Mr. David Lim Teck Leong (“Mr. Lim”)** had not entered into a service agreement with the Company as at the Latest Practicable Date. Mr. Lim is entitled to an annual salary of S\$40,000 and his appointment is subject to the normal retirement provisions under the New Bye-laws.

(c) *Independent non-executive Directors*

**Mr. Chan Kam Loon (“Mr. Chan”)** had not entered into a service agreement with the Company as at the Latest Practicable Date. Mr. Chan is entitled to an annual salary of S\$48,000 and his appointment is subject to the normal retirement provisions under the New Bye-laws.

**Mr. Guo Yanjun (“Mr. Guo”)** had not entered into a service agreement with the Company as at the Latest Practicable Date. Mr. Guo is entitled to an annual salary of S\$40,000 and his appointment is subject to the normal retirement provisions under the New Bye-laws.

**Mr. Lo Hang Fong (“Mr. Lo”)** had not entered into a service agreement with the Company as at the Latest Practicable Date. Mr. Lo is entitled to an annual salary of S\$40,000 and his appointment is subject to the normal retirement provisions under the New Bye-laws.

### **3. Directors' remuneration and remuneration policies**

The Group determines its Directors' remuneration based on factors including, but not limited to duties, qualifications, experience and performance of the Directors. For the three years ended 31 March 2007, 31 March 2008, 31 March 2009 and the six months ended 30 September 2009, the Directors' remuneration paid by the Group were approximately US\$27,000, US\$76,000, US\$127,000 and US\$104,000 respectively. Details of the remuneration packages of the Directors are set out under the paragraph headed "Particulars of Directors' service agreements" above.

The Group estimates the aggregate amount of remuneration of the Directors, excluding annual bonus of the executive Directors mentioned above, payable for the year ending 31 March 2010 will be approximately US\$210,000. The Directors confirm that the Company's remuneration policies for Directors will remain the same immediately after the Share Offer.

None of the directors or any past directors of any member of the Group has been paid any sum of money for each of the three years ended 31 March 2009 and the six months ended 30 September 2009:

- (i) as an inducement to join or upon joining the Company; or
- (ii) for loss of office as a director of any member of the Group or of any other notice in connection with the management of the affairs of any member of the Group.

There has been no arrangement under which a Director has waived or agreed to waive any emoluments for each of the three years ended 31 March 2009 and the six months ended 30 September 2009 except for an amount of US\$46,272 waived by one of the Directors for the year ended 31 March 2009. Save as disclosed in this prospectus, no remuneration or benefit in kind have been made or are payable, in respect of the three years ended 31 March 2009 and the six months ended 30 September 2009, by the Group to or on behalf of any of the Directors.

### **4. Personal guarantees**

As at the Latest Practicable Date, none of the Directors had provided any personal guarantees in favour of lenders in connection with banking facilities to the Group.

### **5. Related party transactions**

The Group had not entered into any related party transactions within the two years immediately preceding the date of this prospectus.

**6. Disclaimers**

Save as disclosed in this prospectus, as at the Latest Practicable Date:

- (a) none of the Directors nor any of the persons whose names are listed in the paragraph headed “Consent of experts” under the section headed “Other information” in this Appendix:
  - (i) was interested in the promotion of the Company or in any assets which have within the two years immediately preceding the issue 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; or
  - (ii) was 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;
- (b) none of the persons whose names are listed in the paragraph headed “Consents of experts” under the section headed “Other information” in this Appendix had 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;
- (c) no cash, securities or other benefit had been paid, allotted or given within the two years immediately preceding the date of this prospectus to any promoter of the Company nor was any such cash, securities or benefit intended to be paid, allotted or given on the basis of the Share Offer or related transaction as mentioned in this prospectus; and
- (d) none of the Directors or chief executive of the Company had any interest, any long and short positions in shares and underlying shares, listed or unlisted derivatives of, or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which would 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 would be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which would be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies in the Listing Rules, to be notified to the Company and the Stock Exchange once the Shares are listed;
- (e) there were no existing or proposed service contracts (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)) between the Directors and any member of the Group;
- (f) so far as known to the Directors, none of the Directors was aware of any person (not being a Director or chief executive of the Company) who will immediately following the Share Offer be interested or have a short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or 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 member of the Group; and



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

## SHARE OPTION SCHEME

At the special general meeting of the Company held on 11 February 2010, the former share option scheme and former performance share plan adopted on 24 September 2007 were terminated and the terms of the Share Option Scheme was adopted. There were no outstanding share options granted under the former share option scheme and no schemes granted under the former performance share plan. Therefore, there would not be any impact on the issued share capital of the Company.

The following is a summary of the principal terms of the Share Option Scheme but does not form nor was it intended to be, part of the terms of the Share Option Scheme nor should it taken as affecting the interpretation of the rules of the Share Option Scheme:

### 1. Definitions

- 1.1 In the Share Option Scheme, the following expressions have the following meanings:

“Adoption Date”	means 11 February 2010 (the date on which the Share Option Scheme is conditionally adopted by the resolution of the Shareholders);
“Auditors”	means the auditors of the Company for the time being;
“Business Day”	means a day on which the Stock Exchange and SGX-ST is open for the business of dealing in securities;
“CDP”	means the Central Depository (Pte) Limited of Singapore;
“Committee”	a committee of Directors who are duly authorised and appointed by the Board to administer the Share Option Scheme for the time being and where the Company has established a remuneration committee pursuant to the Code of Corporate Governance under the SGX Listing Manual, the remuneration committee shall administer the Share Option Scheme;
“Controlling Shareholder”	means such terms as defined in the Listing Manual;

“Grantee”	means any Participant who accepts an Offer in accordance with the terms of the Share Option Scheme or (where the context so permits) a person who is entitled to any such Option in consequence of the death of the original Grantee;
“Offer”	means the offer of the grant of an Option made in accordance with paragraph 5;
“Offer Date”	means the date on which an Offer is made to a Participant;
“Option”	means a right to subscribe for Shares granted pursuant to the Share Option Scheme;
“Option Period”	means, in respect of any particular Option, a period of not less than one year and not more than 10 years after the Offer Date to be notified by the Committee to each Grantee which period of time shall commence on the first anniversary of the Offer Date and expire on the last day of such period as determined by the Committee;
“Participants”	means persons eligible to participate in the Share Option Scheme and who are holders of Options;
“Subscription Price”	means the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option as described in paragraph 6;
“Subsidiary”	means, in relation to a company, a company which is for the time being and from time to time a subsidiary within the meaning of Section 2 of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) (as amended from time to time) whether incorporated in Hong Kong or elsewhere; and
“Substantial Shareholder”	as such term is defined under the Listing Manual.

## 2. Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to provide persons who are eligible under the Share Option Scheme and working for the interests of the Group with an opportunity to obtain an equity interest in the Company, thus linking their interest with the interests of the Group and thereby providing them with an incentive to work better for the interests of the Group.

The Share Option Scheme will also help:-

- (A) to motivate each Participant to optimise his performance standards and efficiency and to maintain a high level of contribution to the Group;
- (B) to retain key employees and Group's executive Directors whose contributions are essential to the long-term growth and profitability of the Group; and
- (C) to attract potential employees with relevant skills to contribute to the Group.

## 3. Eligibility

Confirmed employees of the Group (including Group's executive Directors and Group's non-executive Directors) and who are not undischarged bankrupts and have not entered into a composition with their respective creditors on or prior to the relevant Offer Date, shall be eligible to participate in the Share Option Scheme at the absolute discretion of the Committee.

Controlling Shareholder and their Associates (as defined under Listing Manual) shall, if each person meets the eligibility criteria, be eligible to participate in the Share Option Scheme if:-

- (A) the aggregate number of Shares available to Controlling Shareholder and their Associates (as defined under Listing Manual) shall not exceed 25% of the Shares available under the Share Option Scheme;
- (B) the aggregate number of Shares available to each Controlling Shareholder or his Associate (as defined under Listing Manual) shall not exceed 10% of the Shares available under the Share Option Scheme; and
- (C) the separate approval of independent Shareholders is obtained for each Participant in respect of his participation and the number of Shares comprise in the Options and the terms thereof.

There will be no restriction on the eligibility of any Participant to participate in any other share option or share incentive schemes implemented by any other companies within the Group. Subject to the Companies Act, any requirement of the SGX-ST and the Stock Exchange, the terms of eligibility to participate in the Share Option Scheme may be amended from time to time at the absolute discretion of the Board.

#### 4. Duration and administration of the Share Option Scheme

The Share Option Scheme shall be valid and effective for a period of 10 years from the Adoption Date, after which period no further Options will be granted but in respect of all Options which remain exercisable at the end of such period, the provisions of the Share Option Scheme shall remain in full force and effect.

The Share Option Scheme shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board, provided that no member of the Committee shall participate in any deliberation or decision in respect of Options to be granted to him.

#### 5. Grant of Options

On and subject to the terms of the Share Option Scheme and all applicable statutory regulatory requirements, the Committee shall be entitled at any time within 10 years after the Adoption Date to make an Offer to any Participant as the Committee may in its absolute discretion select to subscribe for such number of Shares as the Committee may (subject to paragraph 9) determine at the Subscription Price.

A grant of Options shall not be made after a price sensitive development of the Group has occurred or a price sensitive matter has been the subject of a decision of the Group until the following Business Day after such price sensitive information has been announced pursuant to the requirements of the Listing Rules and the Listing Manual. In particular, during the period of one month immediately preceding the earlier of:

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

and ending on the date of the results announcements, no Option may be granted.

An Offer shall be made to a Participant by letter in such form as the Committee may from time to time determine (the "Offer Letter"), specifying the number of Shares under the Option, the Subscription Price and the Option Period in respect of which the Offer is made and requiring the Participant to undertake to hold the Option on the terms on which it is to be granted and to be bound by the provisions of the Share Option Scheme. The grant of an Option shall be deemed to have been accepted when the duplicate of the Offer Letter comprising acceptance of the Offer duly signed by the Grantee with the number of Shares in respect of which the Offer is accepted clearly stated therein together with a payment or remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof is received by the Company within 21 days from the Offer Date.

Any Offer may be accepted or deemed to have been 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 the SGX-ST or an integral multiple thereof. To the extent that the Offer is not accepted and received by the Company within 21 days, it will be deemed to have been irrevocably declined and the Offer will lapse.

Subject to the provisions of the Share Option Scheme, the Bermuda Companies Act, the Listing Rules and the Listing Manual, the Committee may, when making the Offer, impose any conditions, restrictions or limitations in relation thereto as it may at its absolute discretion think fit.

#### **6. Subscription Price**

Subject to any adjustments, the Subscription Price in respect of each Share issued pursuant to the exercise of Options granted hereunder shall be a price determined by the Committee in its absolute discretion and notified to a Participant (which shall be stated in the Offer Letter) and shall be at least the higher of:

- (A) the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange or the closing price of the Shares as stated in the daily quotations sheet issued by the SGX-ST, whichever is higher, on the Offer Date which must be a Business Day;
- (B) the average closing prices of the Shares as stated in the daily quotations sheet issued by the Stock Exchange or the average closing prices of the Shares as stated in the daily quotations sheet issued by SGX-ST for the five consecutive Business Days immediately preceding the Offer Date, whichever is higher; or
- (C) the nominal value of a Share on the Offer Date.

#### **7. Exercise of Options**

Options granted with the Subscription Price shall only be exercisable in whole or in part (provided that an Option may be exercised in part only in respect of 1,000 Shares or any multiple thereof), at any time, by a Participant after the first anniversary of the Offer Date of that Option provided always that the Options shall be exercised before the tenth anniversary of the relevant Offer Date, or such earlier date as may be determined by the Committee, failing which all unexercised Options shall immediately lapse and become null and void and a Participant shall have no claim against the Company.

An Option shall be personal to the Grantee and shall not be assignable or transferable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber, assign or create any interest (whether legal or beneficial) in favour of any third party over or in relation to any Option or enter into any agreement to do so. Any breach of the foregoing by the Grantee shall entitle the Company to cancel any Option or part thereof granted to such Grantee (to the extent not already exercised) without incurring any liability on the part of the Company.

Unless otherwise determined by the Committee and specified in the Offer Letter at the time of the Offer, there is no performance target required to be achieved before an Option can be exercised. An Option may be exercised in whole or in part (but if in part only, in respect of a board lot or any integral multiple thereof) in the manner as set out in the Offer Letter and other provisions of the Share Option Scheme by the Grantee (or his personal representative(s)), 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 total Subscription Price for the Shares in respect of which the notice is given.

Subject as hereinafter provided and to the restrictions which may be imposed by the Committee, the Option may be exercised by the Grantee at any time during the Option Period provided that:

- (A) in the event that the Grantee ceases to be a Participant for any reason (other than on his death) including the termination of his employment or engagement on one or more of the grounds specified in paragraph 8(E)(ii) below, the Option granted to such Grantee will lapse on the date of such cessation (to the extent not already exercised) and will not be exercisable unless the Committee otherwise determines to grant an extension (which shall not be more than 1 month from the date of cessation) at the absolute discretion of the Committee in which event the Grantee may exercise the Option within such period of extension;
- (B) in the event the Grantee who is an individual dies before exercising the Option in full and none of the events which would be a ground for termination of his employment or engagement under paragraph 8(E)(ii) below arises, the personal representative(s) of the Grantee shall be entitled within a period of 12 months or such longer period as the Committee may at its absolute discretion determine from the date of death to exercise the Option up to the entitlement of such Grantee as at the date of death (to the extent which has become exercisable and not already exercised);
- (C) if a general or partial offer, whether by way of take-over or share re-purchase offer is made to all the holders of Shares (other than by way of Share Option Scheme of arrangement pursuant to paragraph (D) below) (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert (within the meaning of the Codes on Takeovers and Mergers and Share Repurchases of Hong Kong and the Singapore Code on Take-Over and

Mergers) with the offeror) and if such offer becomes or is declared unconditional prior to the expiry of the relevant Option Period, the Grantee (or his personal representative(s)) shall be entitled to exercise the Option in full (to the extent to which it has become exercisable on the date of the notice of the offeror and not already exercised) at any time within one month after the date on which the offer becomes or is declared unconditional;

- (D) if a general or partial offer by way of scheme of arrangement is made to all the holders of Shares and has been approved by the necessary number of holders of Shares at the requisite meetings, the Grantee (or his personal representative(s)) may thereafter (but only until such time as shall be notified by the Company, after which it shall lapse) exercise the Option (to the extent which has become exercisable and not already exercised) to its full extent or to the extent specified in such notice;
- (E) other than a general or partial offer or a scheme of arrangement contemplated in paragraph (D) above, if a compromise or arrangement between the Company and its members or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies, the Company shall give notice thereof to all the Grantees on the same day as it despatches the notice which is sent to each member or creditor of the Company summoning the meeting to consider such a compromise or arrangement, and thereupon each Grantee (or his personal representative(s)) may by notice in writing to the Company accompanied by the remittance of the Subscription Price in respect of the relevant Option (such notice to be received by the Company not later than two Business Days before the proposed meeting) exercise any of his Options (to the extent which has become exercisable and not already exercised) whether in full or in part, but the exercise of an Option as aforesaid shall be conditional upon such compromise or arrangement being sanctioned by the court of competent jurisdiction and becoming effective. 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 referred to above, allot and issue such number of Shares to the Grantee which may fall to be issued on such exercise credited as fully paid and register the Grantee as holder of such Shares. Upon such compromise or arrangement becoming effective, all Options shall lapse except insofar as previously exercised under the Share Option Scheme; and
- (F) if 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 on the same day as or soon after it despatches such notice to each member of the Company give notice thereof to all the Grantees and thereupon, each Grantee (or his respective personal representative(s)) may by notice in writing to the Company, accompanied by the remittance of the Subscription Price in respect of the relevant Option (such notice to be received by the Company not later than two Business Days prior to the proposed general meeting of the Company) exercise the Option (to the extent which has become exercisable and not already exercised) whether in full or in part 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 general meeting referred to above, allot and issue such number of Shares to the Grantee which may fall to be issued on such exercise credited as fully paid and register the Grantee as holder of such Shares.

- (G) If a Participant ceases to be employed by the Group by reason of his:
- (a) ill health, injury or disability, in each case, as certified by a medical practitioner approved by the Committee;
  - (b) redundancy;
  - (c) retirement at or after the legal retirement age; or
  - (d) retirement before the legal retirement age with the consent of the Committee;

or for any other reason approved by the Committee, he may, at the absolute discretion of the Committee, exercise any unexercised Option within the relevant Option Period.

The Shares to be allotted and issued upon the exercise of an Option will be subject to all the provisions of the Memorandum of Association and the New Bye-laws for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue on the date of their allotment and issue (the "Exercise Date") and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the Exercise Date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the Exercise Date. Shares allotted and issued upon the exercise of an Option shall not carry voting rights until the name of the Grantee has been duly entered into the register of members of the Company as the holder thereof.

#### **8. Lapse of option**

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

- (A) the expiry of the Option Period;
- (B) the expiry of the periods referred to in paragraphs 7(A), (B), (E), or (G) where applicable;



- (C) subject to the court of competent jurisdiction not making an order prohibiting the offeror from acquiring the remaining Shares in the offer, the expiry of the period referred to in paragraph 7(C);
- (D) subject to the scheme of arrangement as referred to in paragraph 7(D) becoming effective, the expiry of the period referred to in paragraph 7(D);
- (E)
  - (i) subject to the expiry of the period of extension (if any) referred to in paragraph 7(A), the date on which the Grantee ceases to be a Participant for any reason other than his death or the termination of his employment or engagement on one or more grounds specified in paragraph (ii) below. A transfer of employment from one company to another company within the Group shall not be considered a cessation of employment; and
  - (ii) the date on which the Grantee ceases to be a Participant by reason of the termination of his employment or engagement on the grounds that he has been guilty of misconduct, or has been in breach of a material term of the relevant employment contract or engagement contract, or appears either to be unable to pay or have no reasonable prospect to be able to pay debts, or has committed any act of bankruptcy, or has become insolvent, or has been served a petition for bankruptcy or winding-up, or has made any arrangements or composition with his creditors generally, or has been convicted of any criminal offence or (if so determined by the Board, the board of the relevant Subsidiary or the board of the relevant associated company of the Company, as the case may be) on any other ground on which an employer or a sourcing party would be entitled to terminate his employment or engagement at common law or pursuant to any applicable laws or under the Grantee's service contract or supply contract with the Company, the relevant Subsidiary or the relevant associated company of the Company (as the case may be);
- (F) the date of the commencement of the winding-up of the Company referred to in paragraph 7(F);
- (G) the date on which the Grantee transfer or assigns any Options to other persons; or
- (H) the date on which the Option is cancelled by the Board as provided under the provisions of the Share Option Scheme.

If an Option shall lapse, the Committee shall notify the Grantee in writing of such lapse.

**9. Maximum number of Shares available for subscription**

Subject to the following paragraph:

- (A) The total number of Shares which may be allotted and issued upon exercise of all Options to be granted under this Share Option Scheme and any other share option scheme of the Company must not exceed the aggregate of 59,557,366 Shares, representing 10 per cent. (the “Share Option Scheme Mandate Limit”) of the Shares in issue immediately following completion of the Listing (as defined in this prospectus) unless the Company obtains a fresh approval from the Shareholders pursuant to paragraph 9(B) below. Options lapsed in accordance with paragraph 8 shall not be counted for the purpose of calculating the Share Option Scheme Mandate Limit;
- (B) The Company may seek approval of the Shareholders in general meeting to renew the Share Option Scheme Mandate Limit such that the total number of Shares in respect of which options may be granted by the Directors under the Share Option Scheme and any other share option schemes of the Company shall not exceed 10 per cent. (the “Renewal Limit”) of the issued share capital of the Company at the date of approval to renew such limit. Options previously granted under the Share Option Scheme (including those outstanding, cancelled, lapsed in accordance with the Share Option Scheme or exercised Options) shall not be counted for the purpose of calculating the Renewal Limit. The Company shall send a circular to the Shareholders containing the information required under the Listing Rules and the Listing Manual for the purpose of seeking the approval of the Shareholders for the Renewal Limit;
- (C) The Company may authorise the Directors to grant Options to specified Participants beyond the Share Option Scheme Mandate Limit or the Renewal Limit if the grant of such Options is specifically approved by the Shareholders in general meeting. In such case, the Company must send a circular to the Shareholders in connection with the general meeting at which their approval will be sought containing a generic description of the specified Participants who may be granted such Options, the number and terms of the Option to be granted, the purpose of granting Options to the specified Participants with an explanation as to how the terms of the Options serve such purpose, the information and the disclaimer required under the Listing Rules and the Listing Manual and such further information as may be required by the Stock Exchange and SGX-ST from time to time.

Notwithstanding anything in above paragraph, the maximum number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the Share Option Scheme and any other share-based incentive Share Option Schemes of the Company shall not exceed 15 per cent. of the total number of Shares in issue (excluding treasury shares) from time to time. No Options shall be granted under the Share Option Scheme or any other share-based incentive scheme of the Company or any of its Subsidiaries which will result in the limit being exceeded.

Subject to paragraph 3 above, the total number of Shares issued and to be issued upon exercise of the Options granted and to be granted pursuant to the Share Option Scheme and any other share-based incentive scheme of the Group to each Participant (including both exercised and outstanding options) in any 12-month period up to and including the date of grant of the Options must not exceed 1 per cent. of the total number of Shares in issue.

Any further grant of Options in excess of the 1 per cent. limit must be subject to the approval of the Shareholders in general meeting, at which such Participant and his associates must abstain from voting. A circular shall be sent to the Shareholders with disclosure of the identity of the Participant, the number and terms of the Options to be granted and any Options previously granted to such Participant. The number and terms (including the exercise price) of options to be granted to such Participant under the circumstances set out in this paragraph shall be fixed before the Shareholders' approval. The date of the board meeting of the Company for proposing such further grant shall be taken as the Offer Date for the purpose of calculating the Subscription Price.

Any grant of Options to a Participant who is a Director, chief executive, or Substantial Shareholder (as defined in the Listing Rules) of the Company, or any of their respective associates (including discretionary trust in which any Connected Persons are beneficiary) must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the relevant Grantee). Where the Committee proposes to grant any Option to a Participant who is a Substantial Shareholder (as defined in the Listing Rules) or an independent non-executive Director, or any of their respective associates and such Option which if exercised in full, would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted pursuant to the Share Option Scheme and other share-based incentive scheme of the Company (including Option exercised and outstanding) to such Participant in the 12-month period up to and including the date of grant being proposed by the Committee (the "Relevant Grant Date"):

- (i) representing in aggregate more than 0.1 per cent. of the total number of Shares in issue at the Relevant Grant Date; and
- (ii) having an aggregate value, based on the higher of closing prices of the Shares as stated in the Stock Exchange's and as stated in the SGX-ST's daily quotations sheet on the Relevant Grant Date and if the Relevant Grant Date is not a Business Day, the Business Day immediately preceding the Relevant Grant Date, in excess of HK\$5,000,000,

such proposed grant of Options must be approved by the Shareholders by way of a poll in general meeting with the Participant concerned and all connected persons abstaining from voting in favour. The Company must send a circular to the Shareholders which must contain:

- (i) details of the number and terms (including Subscription Price) of the Options to be granted to each Participant, which must be fixed before the Shareholders' meeting and the date of the Board meeting for proposing such further grant is to be taken as the date of grant for the purposes of calculating the Subscription Price;
- (ii) a recommendation from the independent non-executive Directors (excluding independent non-executive Director who is the relevant Grantee) to the independent Shareholders as to voting; and
- (iii) the information and disclaimer required under the Listing Rules and the Listing Manual and the information as may be required by the Stock Exchange and SGX-ST from time to time.

The Relevant Grant Date shall be taken as the date of grant of the Option(s) to the relevant Participant for the purpose of this paragraph.

#### **10. Reorganisation of capital structure**

In the event of any alteration in the capital structure of the Company whilst any Option remains exercisable or the Share Option Scheme remains in effect, and such event arises from a capitalisation issue, rights issue or other offer of securities to the Shareholders (including any securities convertible into share capital or warrants or options to subscriber for any share capital of the Company, but excluding Options under the Share Option Scheme and options under any other similar employee share option scheme of the Company, repurchase, sub-division or consolidation of the Shares or reduction of capital in the Company or otherwise howsoever then, in any such case (other than in the case of capitalisation of profits or reserves), the Committee shall instruct the Auditor or the independent financial adviser (acting as experts and not as arbitrators) to certify in writing:

- (A) the adjustment to the number or nominal amount of Shares to which the Share Option Scheme or any option(s) relates (insofar as it is/ they are unexercised); the Subscription Price; the maximum number of Shares referred to in paragraph 9(A); the method of the exercise of the Options, and/or any combination thereof, as an independent financial adviser appointed by the Company or the Auditors shall certify in writing to the Committee, either generally or as regards any particular Grantee, to be in their opinion fair and reasonable, provided that (i) any such alterations shall give a Grantee the same proportion of the issued share capital of the Company as that to which he was previously entitled; (ii) any such alteration shall be made on the basis that the aggregate Subscription Price payable by a Grantee on the full exercise of any Option shall remain as nearly as possible the same (but shall not be greater than) as it was before such event; (iii) no such alterations shall be

made the effect of which would be to enable any Share to be issued at less than its nominal value; (iv) the issue of securities of the Company as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment; and (v) such alterations shall not be to the advantage in any respect of the Grantee without specific prior approval of the Shareholders.

- (B) in respect of any such adjustment, other than any made on capitalisation issue, the independent financial adviser or the Auditors must confirm to the Committee in writing that the adjustment so made satisfies the requirements of Rule 17.03(13) of the Listing Rules and Rule 850 of the Listing Manual, the supplementary guidance issued by the Stock Exchange on 5 September 2005, any relevant provisions of the Listing Rules, Listing Manual and any guidance/interpretation issued by Stock Exchange and the note thereto from time to time.

The capacity of the independent financial adviser or the Auditors in this paragraph is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final, conclusive and binding on the Company and the Grantees.

Unless the Committee considers an adjustment to be appropriate, the issue of securities as consideration for a private placement of securities or in connection with an acquisition of any assets or upon the exercise of any options or conversion of any loan stock or any other securities convertible into Shares or subscription rights of any warrants, or the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST or the Stock Exchange during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force, shall not normally be regarded as a circumstances requiring adjustment under this paragraph.

## **11. Share capital**

The Board shall make available sufficient authorised but unissued share capital of the Company to meet subsisting requirements on the exercise of Options.

## **12. Disputes**

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

**13. Alteration of the Share Option Scheme**

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

- (a) any modification or alteration which shall alter adversely the rights attaching to any Option granted prior to such modification or alteration and which in the opinion of the Committee, materially alters the rights attaching to any Option granted prior to such modification or alteration, may only be made with the consent in writing of such number of Participants who, if they exercised their Options in full, would thereby become entitled to not less than three-quarters (3/4) in nominal amount of all the Shares which would fall to be allotted upon exercise in full of all outstanding Options;
- (b) any modification or alteration which would be to the advantage of Participants under the Share Option Scheme or to extend the class of persons eligible for the grant of options shall be subject to the prior approval of the Shareholders in general meeting;
- (c) no modification or alteration shall be made without compliance with the Listing Manual, Listing Rules and such other regulatory authorities as may be necessary; and
- (d) matters contained in Rules 844 to 849, and Rules 853 to 854 of the Listing Manual.

Except with the prior approval of a resolution of the Shareholders in general meeting, with Grantees and their Associates (as defined under Listing Manual) abstaining from voting, for the purposes of paragraph 13(a), the opinion of the Committee as to whether any modification or alteration would adversely affect the rights attaching to any Option shall be final, binding and conclusive.

Any alterations to the terms and conditions of the Share Option Scheme, which are of a material nature or any change to the terms of options granted, shall be approved by the Stock Exchange and the Shareholders, except where the alterations take effect automatically under the existing terms of the Share Option Scheme.

Any change to the authority of the Committee or Share Option Scheme administrators in relation to any alteration to the terms of the Share Option Scheme must be approved by the Shareholders at general meeting.

Notwithstanding anything to the contrary contained in this paragraph, the Committee may at any time by resolution (and without other formality, save for the prior approval of the shareholders, the SGX-ST and Stock Exchange) amend or alter the Share Option Scheme in any way to the extent necessary or desirable, in the opinion of the Committee, to cause the

Share Option Scheme to comply with, or take into account, any statutory provision (or any amendment or modification thereto, including amendment of or modification to the Companies Act) or the provision or the regulations of any regulatory or other relevant authority or body (including the SGX-ST and the Stock Exchange).

#### **14. Termination**

The Company by an ordinary resolution in general meeting or the Committee may at any time terminate the operation of the Share Option Scheme and in such event no further Options shall be offered. Options granted prior to such termination and not then exercised shall continue to be valid and exercisable subject to and in accordance with the Share Option Scheme, the Listing Rules and the Listing Manual.

#### **15. Cancellation of Options granted**

The Committee may, with the consent of the relevant Grantee, at any time at its absolute discretion cancel any Option granted but not exercised. Where the Company cancels Options and offers new Options to the same Option holder, the offer of such new Options may only be made under this Share Option Scheme with available Options (to the extent not yet granted and excluding the cancelled Options) within the limit approved by the Shareholders as mentioned herein.

The Options carry no rights to vote at general meeting of shareholders of the Company, and are not entitled to receive dividends. The Shares to be allotted and issued upon the exercise of an Option will be subject to all the provisions of the Memorandum of Association and the New Bye-laws and will rank *pari passu* in all respects with the fully paid Shares in issue on the date of their allotment and issue (the "Exercise Date") and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the Exercise Date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the Exercise Date. Shares allotted and issued upon the exercise of an Option shall not carry voting rights until the name of the Grantee has been duly entered into the register of members of the Company as the holder thereof.

#### **16. Miscellaneous**

The Share Option Scheme shall not form part of any employment contract, service contract, supply contract or engagement contract between any member of the Group and any Participant and the rights and obligations of any Participant under the terms of his office or employment or engagement any member of the Group shall not be affected by his participation in the Share Option Scheme or any right which he may have to participate in it and the Share Option Scheme shall afford such a Participant no additional rights to compensation or damages in consequence of the termination of such office or employment or engagement for any reason.

The Share Option Scheme and all Options granted hereunder shall be governed by and construed in accordance with the Companies Act, the Listing Rules, the Listing Manual and the laws of Hong Kong in force from time to time.

Notwithstanding any provisions herein contained and subject to the Companies Act, the Board, the Committee and the Company shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in respect of any matter under or in connection with the Share Option Scheme, including but not limited to the Company's delay in allotting and issuing the Shares or in applying for or procuring the listing of the new Shares on the SGX-ST or the Stock Exchange. Grantee who are Shareholders are to abstain from voting on any Shareholders' resolution relating to the Share Option Scheme.

No directors are trustees of the Share Option Scheme or have a direct or indirect interest in the trustees of the Share Option Scheme.

### **17. Present status of the Options**

Application has been made to the Listing Committee of the Stock Exchange for the approval of the Share Option Scheme, the subsequent grant of Options under the Share Option Scheme and the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of any Options which may be granted under the Share Option Scheme which shall represent 10% of the Shares in issue as at the date of adoption of the Share Option Scheme.

As at the date of this prospectus, no Options have been granted or agreed to be granted under the Share Option Scheme.

### **18. Value of Options**

The Directors consider it inappropriate to disclose the value of Options which may be granted under the Share Option Scheme as if they had been granted as at the Latest Practicable Date. Any such valuation will have to be made on the basis of certain option pricing model or other methodology, which depends on various assumptions including, the exercise price, the exercise period, interest rate, expected volatility and other variables. As no Options have been granted, certain variables are not available for calculating the value of the options. The Directors believe that any calculation of the value of the options as at the Latest Practicable Date based on a number of speculative assumptions would not be meaningful and would be misleading to investors.

## **OTHER INFORMATION**

### **1. Litigation**

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



**2. Sponsor**

The Sponsor has made an application on behalf of the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in the Shares in issue as mentioned in this prospectus, and any Shares which may fall to be allotted and issued upon exercise of the options which may be granted under the Share Option Scheme.

**3. Preliminary expenses**

The estimated preliminary expenses of the Company in relation to its incorporation are approximately HK\$40,000 and have been paid-up by the Company.

**4. Qualifications of experts**

The qualifications of the experts who have given opinions and/or whose names are included in this prospectus are as follows:

<b>Name</b>	<b>Qualification</b>
SinoPac	A corporation licensed to conduct type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO
RSM Nelson Wheeler	Certified Public Accountants
Haihua Yongtai Law Firm	the PRC legal advisers
Conyers Dill & Pearman	Bermuda Barristers and Attorneys
BMI Appraisals Limited	Professional property valuer

**5. Consents of experts**

Each of SinoPac, RSM Nelson Wheeler, Haihua Yongtai Law Firm, Conyers Dill & Pearman and BMI Appraisals Limited has given and has not withdrawn its written consent to the issue of this prospectus with copy of its reports, valuation, letters or opinions (as the case may be) and the references to each of their respective names or summary of opinions included herein in the form and context in which it appears.

**6. Register of members and branch register of members**

Subject to the provisions of the Companies Act, the principal register of members of the Company will be maintained in Bermuda and a branch register of members of the Company will be maintained in Hong Kong. Unless the Directors otherwise agree, all transfers and other documents of title of

Shares which are traded on the Stock Exchange must be lodged for registration with and registered by, the Company's branch share registrar in Hong Kong and may not be lodged in Bermuda.

#### **7. Promoter**

The promoter of the Company is Ms. Wang Tao.

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

#### **8. Taxation of holders of Shares**

##### *(a) Hong Kong*

The sale, purchase and removal of Shares registered with the Company's Hong Kong register of members will be subject to Hong Kong stamp duty, the current rate charged on each of the purchaser and the seller is 0.1% of the consideration of or the fair value of, the Shares being sold or transferred, whichever is the higher. Profits from dealings in the Shares arising in or derived from Hong Kong may also be subject to Hong Kong profits tax.

##### *(b) Bermuda*

Under present Bermuda law, transfers and other dispositions of Shares are exempt from Bermuda stamp duty.

##### *(c) Consultation with professional advisers*

Potential holders of Shares are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of or dealing in, Shares or exercising any rights attaching to them. It is emphasised that none of the Company, the Directors or the other parties involved in the Share Offer can accept responsibility for any tax effect on, or liabilities of, holders of Shares resulting from their subscription for, purchase, holding or disposal of or dealing in, Shares or exercising any rights attaching to them.

#### **9. Binding effect**

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

**10. Share register and transfer office**

The Company's register of members will be maintained in Hong Kong by its registrar and transfer office, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong. Unless the Directors otherwise agree, all transfers and other documents of title to Shares must be lodged for registration with and registered by the share registrar and transfer office in Hong Kong.

**11. Miscellaneous**

- (a) Save as disclosed in this prospectus:
- (i) within the two years immediately preceding the date of this prospectus, no share or loan capital of the Company or any of its subsidiaries has been issued or agreed to be issued fully or partly paid either for cash or for a consideration other than cash;
  - (ii) 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 founders, management or deferred shares of the Company or any of its subsidiaries have been issued or agreed to be issued;
  - (iv) within the two years immediately preceding the date of this prospectus, no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any capital of the Company or any of its subsidiaries;
  - (v) within the two years preceding the date of this prospectus, no commission has been paid or payable to any persons for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any shares of the Company or any of its subsidiary;
  - (vi) there is no arrangement under which future dividends are waived or agreed to be waived;
  - (vii) 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 immediately preceding the date of this prospectus; and
  - (viii) the Directors confirm that there has been no material adverse change in the financial or trading position or prospects of the Group since 30 September 2009 (being the date to which the latest audited consolidated financial statements of the Group were made up).

- (b) None of SinoPac, RSM Nelson Wheeler, Haihua Yongtai Law Firm, Conyers Dill & Pearman or BMI Appraisals Limited:
- (i) is interested beneficially or non-beneficially in any shares in any member of the Group; or
- (ii) has any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any shares in any member of the Group.
- (c) Save for the Company, no company within the Group is presently listed on any stock exchange or traded on any trading system.
- (d) All necessary arrangements have been made to enable the Shares to be admitted into CCASS for clearing and settlement.

## 12. Particulars of the Selling Shareholder

Name	Address	Description	Number of Sale Shares
Wang Tao ( <i>Note</i> )	Unit 29G, Block 2, Fu Tian Yuan Dong Hua Yuan Shenzhen PRC	Individual	36,000,000

*Note:* Ms. Wang Tao is an executive Director.

## 13. Bilingual Prospectus

The English language and the 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).