

**FURTHER INFORMATION ABOUT OUR COMPANY****Incorporation of our Company**

Our Company was incorporated in the Cayman Islands under the Cayman Islands Companies Law as an exempted company with limited liability on 17 July 2009. Our Company has established a place of business in Hong Kong at Suites 2601-4, 26/F Tower 2, Nina Tower, 8 Yeung Uk Road, TWTL 353, Tsuen Wan, New Territories, Hong Kong and was registered in Hong Kong as a non-Hong Kong company under Part XI of the Companies Ordinance on 28 August 2009. Mr. Wong of Flat 27C, Block 5, Grand Pacific Views, Siu Lam, New Territories, Hong Kong was appointed as the agent of our Company for the acceptance of service of process and notices on behalf of our Company in Hong Kong.

Since our Company was incorporated in the Cayman Islands, it is subject to Cayman Islands law and its constitution comprises the Memorandum of Association and the Articles of Association. A summary of certain relevant provisions of the Articles of Association and certain relevant aspects of the Cayman Islands company law is set out in Appendix V in this prospectus.

**Changes in share capital of our Company**

Our Company was incorporated with an authorised capital of HK\$380,000 divided into 3,800,000 Shares of par value HK\$0.10 each. The following alterations in the share capital of our Company have taken place since the date of incorporation up to the date of this prospectus:

- (a) On 17 July 2009, one Share was allotted and issued to Codan Trust Company (Cayman) Limited as the initial subscriber, and 7,497 Shares and 2,502 Shares were allotted and issued to Mr. Wong and Ms. Ching respectively on the same date.
- (b) On 17 July 2009, Codan Trust Company (Cayman) Limited transferred its one Share to Mr. Wong and upon such transfer, Mr. Wong and Ms. Ching became the shareholders of our Company holding 74.98% and 25.02% therein respectively.
- (c) On 27 November 2009, the authorised share capital of our Company was increased from HK\$380,000 divided into 3,800,000 Shares of par value HK\$0.10 each to HK\$350,000,000 by the creation of an addition of 3,496,200,000 Shares.
- (d) On 27 November 2009, pursuant to the Reorganisation, our Company allotted and issued 1,558,363,838, 541,605,050 and 52,521,112 Shares credited as fully paid to Mr. Wong, Ms. Ching and the Awarded Employees (excluding Ms. Ching) respectively.
- (e) On 1 December 2009, Mr. Wong transferred 1,414,871,336 Shares and Ms. Ching transferred 512,907,491 Shares into The KW Trust.

Assuming that the Global Offering becomes unconditional, the Offer Shares are issued, our issued share capital upon completion of the Global Offering will be HK\$287,000,000 divided into 2,870,000,000 Shares of HK\$0.10 each (without taking into account any Shares which may be issued

pursuant to the exercise of the Over-allotment Option or any Shares which may be allotted and issued pursuant to the exercise of the options that may be granted under the Share Option Scheme).

Save for the aforementioned and as disclosed in this prospectus, there has been no alteration in the share capital of our Company since its incorporation.

#### **Written resolutions of our Shareholders passed on 31 May 2010**

On 31 May 2010, resolutions were passed by our Shareholders pursuant to which, among other things:

- (a) our Company approved and adopted, conditional upon Listing, the Articles of Association;
- (b) conditional upon (A) the Listing Committee granting approval of the Share Option Scheme and of the listing of and permission to deal in the Shares to be issued pursuant to the exercise of any options granted under the Share Option Scheme; and (B) all conditions set out in the section headed “Structure of the Global Offering” in this prospectus:
  - (i) the Global Offering was approved and our Directors were authorised to effect the same and to allot and issue the Offer Shares;
  - (ii) the Over-allotment Option was approved and our Directors were authorised to allot and issue any Shares which may be required to be issued if the Over-allotment Option is exercised; and
  - (iii) the rules of the Share Option Scheme were approved and adopted and our Directors were authorised, at their absolute discretion, to grant options to subscribe for Shares under the Share Option Scheme and to allot, issue and deal with Shares issued pursuant thereunder and to take all such actions as they consider necessary or desirable to implement the Share Option Scheme and to vote on any matter connected therewith notwithstanding that they or any of them may be interested in the same;
- (c) a general unconditional mandate (the “Issuing Mandate”) was given to our Directors to allot, issue and deal with (otherwise than pursuant to a rights issue, scrip dividend schemes or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles of Association or upon the exercise of the options that may be granted under the Share Option Scheme or pursuant to the Global Offering) unissued Shares with an aggregate nominal value of not exceeding the sum of 20% of the aggregate nominal value of the share capital of our Company in issue immediately following the completion of the Global Offering (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option or any Shares which may be allotted and issued pursuant to the exercise of the options that may be granted under the Share Option Scheme) during the period prior to (i) the conclusion of the next annual general meeting of our Company; (ii) the expiration of the period within which the next annual general meeting of our Company is required by the Articles of Association or the Cayman Islands Companies Law or any applicable laws of the Cayman Islands to be held; or (iii) the revocation or variation of such mandate by any ordinary resolution of our Shareholders in a general meeting, whichever occurs first;

- (d) a general unconditional mandate (the “Repurchase Mandate”) was given to our Directors to exercise all powers for and on behalf of our Company to repurchase Shares with an aggregate nominal value of not exceeding 10% of the aggregate nominal value of the share capital of our Company in issue immediately following the completion of the Global Offering (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option or any Shares which may be allotted and issued pursuant to the exercise of the options that may be granted under the Share Option Scheme) during the period prior to (i) the conclusion of the next annual general meeting of our Company; (ii) the expiration of the period within which the next annual general meeting of our Company is required by the Articles of Association or the Cayman Islands Companies Law or any applicable laws of the Cayman Islands to be held; or (iii) the revocation or variation of such mandate by an ordinary resolution of our Shareholders in a general meeting, whichever occurs first;
- (e) the Issuing Mandate was extended by the addition to the aggregate nominal amount of the share capital of our Company which may be allotted or agreed to be allotted by our Directors pursuant to such general mandate of an amount representing the aggregate nominal amount of the share capital of our Company repurchased by our Company pursuant to the Repurchase Mandate provided that such extended amount shall not exceed 10% of the aggregate nominal value of the issued share capital of our Company immediately following the completion of the Global Offering (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option or any Shares which may be allotted and issue pursuant to the exercise of the options that may be granted under the Share Option Scheme).

### **The Reorganisation**

The companies comprising our Group underwent the Reorganisation to rationalise our corporate structure in preparation for the Global Offering, and as a result of which our Company became the holding company of our Group.

The Reorganisation involved the following steps:

- (a) On 17 July 2009, our Company was incorporated in the Cayman Islands under the Cayman Islands Companies Law as an exempted company with limited liability with an authorised share capital of HK\$380,000 divided into 3,800,000 Shares of par value HK\$0.10 each;
- (b) Success Charm, Charming Lion, Cherry Light, Ever Firm and Silkray were established in May 2009 and World Design was established in November 2009 as investment holding companies.
- (c) On 9 July 2009, Shining Union was established to centralise the management and holding of all our patents, trademarks, designs and domain names.
- (d) On 9 July 2009, Up Castle was established to centralise the management and operation of our R&D capabilities.
- (e) On 9 November 2009, World Fair Hong Kong acquired 0.01% of the total issued share capital in Cybertouch from Mr. Wong for a consideration of HK\$1.00. After the acquisition, Cybertouch was wholly-owned by World Fair Hong Kong.

- (f) On 13 November 2009, Ever Firm acquired 100% of the total issued share capital in Cybertouch from World Fair Hong Kong for a consideration of HK\$10,000. After the acquisition, Cybertouch was wholly-owned by Ever Firm.
- (g) On 27 November 2009, Charming Lion acquired a total of 97.17% of the total issued share capital in World Fair Hong Kong from World Fair Tech and Mr. Wong by the allotment and issue of 20,305,275 and 6,682,967 shares in the share capital of Success Charm, credited as fully paid, to Mr. Wong and Ms. Ching respectively.
- (h) On 27 November 2009, Charming Lion acquired a total of 2.83% of the total issued share capital in World Fair Hong Kong from the Awarded Employees by the allotment and issue of, in aggregate, 786,012 shares in the share capital of Success Charm, credited as fully paid, to the Awarded Employees. After the acquisition, Charming Lion became the sole shareholder holding the entire issued share capital of World Fair Hong Kong.
- (i) On 27 November 2009, our Company acquired 100% of the total issued share capital in Success Charm from Mr. Wong, Ms. Ching and the Awarded Employees (excluding Ms. Ching) by the allotment and issue of 1,558,363,838, 541,605,050 and 52,521,112 Shares, credited as fully paid, to Mr. Wong, Ms. Ching and the Awarded Employees (excluding Ms. Ching), respectively by our Company. After the allotment, Success Charm was wholly-owned by our Company and our Company was owned by Mr. Wong as to approximately 72.4%, by Ms. Ching as to approximately 25.16% and by the Awarded Employees (excluding Ms. Ching), as to approximately 2.44%.
- (j) On 1 December 2009, Mr. Wong transferred 1,414,871,336 Shares and Ms. Ching transferred 512,907,491 Shares into The KW Trust.
- (k) On 18 December 2009, Cyber Energy was established to centralise the management and operation of our plasma lighting business.
- (l) On 28 November 2009, World Fair Hong Kong entered into a deed of assignment of trademarks and trademark applications with Shining Union with respect to the transfer of the trademarks and trademark applications as set out in the schedule to the deed from World Fair Hong Kong to Shining Union at a consideration of HK\$100 per trademark or trademark application;
- (m) On 28 November 2009, Cybertouch entered into a deed of assignment of trademarks and trademark applications with Shining Union with respect to the transfer of the trademarks and trademark applications as set out in the schedule to the deed from Cybertouch to Shining Union at a consideration of HK\$100 per trademark or trademark application;
- (n) On 28 November 2009, Mr. Wong entered into a deed of assignment of patents and patent applications with Shining Union with respect to the transfer of the patents and patent applications as set out in the schedule to the deed from Mr. Wong to Shining Union at a consideration of HK\$100 per patent or patent application;
- (o) On 28 November 2009, Mr. Wong entered into a deed of assignment of designs and design applications with Shining Union with respect to the transfer of the designs and design applications as set out in the schedule to the deed from Mr. Wong to Shining Union at a consideration of HK\$100 per design or design application;

- (p) On 28 November 2009, World Fair Hong Kong entered into a deed of assignment of domain names with Shining Union with respect to the transfer of the domain names as set out in the schedule to the deed from World Fair Hong Kong to Shining Union at a consideration of HK\$100 per domain name; and
- (q) On 28 November 2009, World Fair Hong Kong entered into a deed of assignment of domain names with Shining Union with respect to the transfer of the domain names as set out in the schedule to the deed from World Fair Heshan to Shining Union at a consideration of HK\$100 per domain name.

### **Changes in the share capital or the registered capital of our subsidiaries**

Our subsidiaries are contained in the Accountant's Report set out in Appendix I in this prospectus.

The following alterations in the share capital or the registered capital of our subsidiaries took place within the two years immediately preceding the date of this prospectus:

#### **(a) World Fair Heshan**

World Fair Heshan was incorporated as a wholly foreign-owned enterprise by World Fair Hong Kong on 18 November 2004 in Jiangmen, the PRC, with a registered capital of US\$2,000,000. On 27 May 2008, the registered capital of World Fair Heshan was increased from US\$25,250,000 to US\$37,250,000. On 9 July 2009, the registered capital of World Fair Heshan was increased from US\$37,250,000 to US\$57,250,000 of which US\$36,901,805.40 have been paid by 30 September 2009, and the remaining amount of US\$20,348,194.60 shall be paid in full on or before 8 July 2011.

#### **(b) Success Charm**

Success Charm was incorporated in the BVI on 11 May 2009 with limited liability with an authorised capital of US\$50,000 divided into 50,000 shares of US\$1.00 each. On 9 November 2009, the authorised capital of Success Charm was increased to US\$29,700,000 for the purpose of the Reorganisation. On 27 November 2009, Charming Lion acquired a total of 97.17% of the total issued share capital in World Fair Hong Kong from World Fair Tech and Mr. Wong by the allotment and issue of 20,305,275 and 6,682,967 shares in the share capital of Success Charm, credited as fully paid, to Mr. Wong and Ms. Ching respectively. On 27 November 2009, Charming Lion acquired the remaining 2.83% of the total issued share capital in World Fair Hong Kong from the Awarded Employees by the allotment and issue of, in aggregate, 786,012 shares in the share capital of Success Charm, credited as fully paid, to the Awarded Employees. On 27 November 2009, our Company acquired 100% of the total issued share capital in Success Charm from Mr. Wong, Ms. Ching and the Awarded Employees (excluding Ms. Ching) by the allotment and issue of 1,558,363,838, 541,605,050 and 52,521,112 Shares respectively, credited as fully paid, by our Company. After the allotment, Success Charm was wholly-owned by our Company.

#### **(c) Charming Lion**

Charming Lion was incorporated in the BVI on 6 May 2009 with limited liability with an authorised capital of US\$50,000 divided into 50,000 shares of US\$1.00 each.

**(d) Cherry Light**

Cherry Light was incorporated in the BVI on 11 May 2009 with limited liability with an authorised capital of US\$50,000 divided into 50,000 shares of US\$1.00 each.

**(e) Ever Firm**

Ever Firm was incorporated in the BVI on 6 May 2009 with limited liability with an authorised capital of US\$50,000 divided into 50,000 shares of US\$1.00 each.

**(f) Silkray**

Silkray was incorporated in the BVI on 11 May 2009 with limited liability with an authorised capital of US\$50,000 divided into 50,000 shares of US\$1.00 each.

**(g) Up Castle**

Up Castle was incorporated in Hong Kong on 9 July 2009 with limited liability with an authorised capital of HK\$10,000 divided into 10,000 shares of HK\$1.00 each.

**(h) Shining Union**

Shining Union was incorporated in Hong Kong on 9 July 2009 with limited liability with an authorised capital of HK\$10,000 divided into 10,000 shares of HK\$1.00 each.

**(i) World Design**

World Design was incorporated in the BVI on 4 November 2009 with limited liability with an authorised capital of US\$50,000 divided into 50,000 shares of US\$1.00 each.

**(j) Cyber Energy**

Cyber Energy was incorporated in Hong Kong on 18 December 2009 with limited liability with an authorised capital of HK\$10,000 divided into 10,000 shares of HK\$1.00 each.

Save as disclosed in this paragraph, there has been no alteration in the share capital or the registered capital of our subsidiaries within the two years immediately preceding the date of this prospectus.

**Particulars of our PRC subsidiary**

We have interests in one PRC subsidiary. A summary of the corporate information of such company is set out as follows:

**(a) World Fair Heshan**

<b>Date of Establishment:</b>	18 November 2004
<b>Place of Establishment:</b>	Jiangmen, the PRC
<b>Nature:</b>	Wholly foreign-owned enterprise
<b>Scope of Business:</b>	manufacture of digital audio equipment, digital projection equipment, automatic data processors, digital cameras, precise online measurement equipment, new printing devices, high-end routers, telephones, network switches, broadband access communication system equipment, light source components, plasma light source products, new electronic components, PCBs, data transmission equipment, satellite receiver apparatus security equipment, green batteries, battery chargers and other components. (生產經營數字放聲、放像設備、自動數據處理器、數字照相機、精密在綫測量儀器、新型打印裝置、高端路由器、電話機、網絡交換器、寬帶接入網通訊系統設備、光源器件、等離子照明應用產品、新型電子元器件、綫路板組件、數據通信設備、衛星導航定位接收設備、防盜設備、綠色電池、充電器及其零配件)
<b>Legal Representative:</b>	Mr. Wong
<b>Registered Capital:</b>	US\$57,250,000
<b>Shareholders:</b>	World Fair Hong Kong
<b>Duration of Operation:</b>	18 years (from 18 November 2004 to 17 November 2022)

**Repurchase of Shares by our Company****(A) Relevant legal and regulatory requirements in Hong Kong**

The Listing Rules permit a listed company whose primary listing is on the Stock Exchange to repurchase its securities on the Stock Exchange subject to the following restrictions:

**(i) Shareholder's approval**

All proposed repurchases of Shares (which must be fully paid up) must be approved in advance by an ordinary resolution of our Shareholders in a general meeting, either by way of general mandate or by specific approval of a particular transaction. Pursuant to a resolution passed by our Shareholders on 31 May 2010, a general unconditional mandate (being the Repurchase Mandate referred to above) was given to our Board authorising any repurchase by our Company of Shares on the Stock Exchange or on any other stock exchange on which the securities may be listed and which is recognised by the SFC and the Stock Exchange for this purpose, of not more than 10% of the aggregate nominal value of our Company's share capital in issue immediately following the completion of the Global Offering (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option or any Shares which may be allotted and issued pursuant to the exercise of the options that may be granted under the Share Option Scheme).

*(ii) Source of funds*

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

*(iii) Trading restrictions*

The total number of Shares which our Company may repurchase is up to 10% of the total number of our Shares in issue immediately after the completion of the Global Offering (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option or any Shares which may be allotted and issued pursuant to the exercise of the options that may be granted under the Share Option Scheme). Without the prior approval of the Stock Exchange, our Company may not issue or announce a proposed issue of Shares for a period of 30 days immediately following a repurchase of Shares. Our Company is also prohibited from repurchasing Shares on the Stock Exchange if the repurchase would result in the number of listed Shares which are in the hands of the public falling below the relevant prescribed minimum percentage as required by the Stock Exchange. Our Company is required to procure that the broker appointed by our Company to effect a repurchase of Shares discloses to the Stock Exchange such information with respect to the repurchase as the Stock Exchange may require. As required by the prevailing requirements of the Listing Rules, an issuer shall not purchase its shares on the Stock Exchange if the purchase price is higher by 5% or more than the average closing market price for the five preceding trading days on which its shares were traded on the Stock Exchange. Our Company is required to procure that the broker appointed by it to effect a repurchase of Shares discloses to the Stock Exchange such information with respect to the repurchase as the Stock Exchange may require.

*(iv) Status of repurchased Shares*

All repurchased Shares (whether effected on the Stock Exchange or otherwise) will be automatically delisted and the certificates for those Shares must be cancelled and destroyed. Under Cayman Islands Companies Law, a company's repurchased shares shall be treated as cancelled and the amount of the company's issued share capital shall be reduced by the aggregate par value of the repurchased shares accordingly although the authorised share capital of the company will not be reduced.

*(v) Suspension of repurchase*

Pursuant to the Listing Rules, our Company may not make any repurchase of Shares after a price sensitive development has occurred or has been the subject of a decision until such time as the price sensitive information has been made publicly available. In particular, under the requirements of the Listing Rules in force as at the date of this prospectus, during the period of one month immediately preceding the earlier of:

- (i) 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 our Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and



- (ii) the deadline for our Company to publish an announcement of our Company's results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), and in each case ending on the date of the results announcement, our Company may not repurchase Shares on the Stock Exchange unless the circumstances are exceptional. In addition, the Stock Exchange may prohibit a repurchase of our Shares on the Stock Exchange if our Company has breached the Listing Rules.

*(vi) Procedural and reporting requirements*

As required by the Listing Rules, repurchases of Shares on the Stock Exchange or otherwise must be reported to the Stock Exchange not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the Stock Exchange business day following any day on which our Company may make a purchase of Shares. The report must state the total number of the Shares purchased the previous day, the purchase price per Share or the highest and lowest prices paid for such purchases. Moreover, our Company's annual report is required to disclose details regarding repurchases of Shares made during the year, including a monthly analysis of the number of the Shares repurchased, the purchase price per Share or the highest and lowest price paid for all such purchases, where relevant, and the aggregate price paid.

*(vii) Connected parties*

Our Company is prohibited from knowingly repurchasing Shares on the Stock Exchange from a "connected person" and a connected person shall not knowingly sell its securities to our Company on the Stock Exchange.

**(B) Reasons for repurchases**

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

**(C) Funding of repurchases**

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

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

The exercise in full of the Repurchase Mandate, on the basis of 2,870,000,000 Shares in issue immediately after the Global Offering (and assuming that the Over-allotment Option is not exercised and none of the options that may be granted under the Share Option Scheme is exercised), could accordingly result in up to 287,000,000 Shares being repurchased by our Company during the period prior to (i) the conclusion of the next annual general meeting of our Company; (ii) the expiration of the period within which the next annual general meeting of our Company is required by Cayman Islands Companies Law or the Articles of Association or any applicable laws of the Cayman Islands to be held; or (iii) the revocation or variation of the purchase mandate by an ordinary resolution of our Shareholders in a general meeting, whichever occurs first (the “Relevant Period”). If the Over-allotment Option is exercised in full, the exercise in full of the Repurchase Mandate on the basis of 2,999,150,000 Shares in issue immediately after the Global Offering could result in up to 299,915,000 Shares being repurchased by our Company during the Relevant Period.

#### **(D) General**

None of our Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules) currently intends to sell any Shares to our Company.

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

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

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

### **FURTHER INFORMATION ABOUT OUR BUSINESS**

#### **Summary of material contracts**

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

- (a) an agreement in relation to the sale and purchase of 0.01% of the total issued share capital in Cybertouch dated 9 November 2009 and entered into between World Fair Hong Kong as the purchaser and Mr. Wong as the vendor, pursuant to which Mr. Wong transferred 0.01% of the total issued share capital in Cybertouch to World Fair Hong Kong for a consideration of HK\$1.00;

- (b) an agreement in relation to the sale and purchase of 100% of the total issued share capital in Cybertouch dated 13 November 2009 and entered into between World Fair Hong Kong as the vendor and Ever Firm as the purchaser, pursuant to which World Fair Hong Kong transferred 100% of the total issued share capital in Cybertouch to Ever Firm for a consideration of HK\$10,000;
- (c) a deed in relation to the sale and purchase of 97.17% of the total issued share capital in World Fair Hong Kong dated 27 November 2009 and entered into between Mr. Wong, World Fair Tech, Charming Lion and Success Charm, pursuant to which Mr. Wong and World Fair Tech transferred to Charming Lion a total of 97.17% of the total issued share capital in World Fair Hong Kong in consideration of the allotment and issue of 20,305,275 and 6,682,967 shares in the share capital of Success Charm, credited as fully paid, to Mr. Wong and Ms. Ching respectively;
- (d) a deed in relation to the sale and purchase of 2.83% of the total issued share capital in World Fair Hong Kong dated 27 November 2009 and entered into between the Awarded Employees, Charming Lion and Success Charm, pursuant to which the Awarded Employees transferred to Charming Lion a total of 2.83% of the total issued share capital in World Fair Hong Kong in consideration of the allotment and issue of, in aggregate, 786,012 shares in the share capital of Success Charm, credited as fully paid, to the Awarded Employees;
- (e) an agreement in relation to the sale and purchase of 100% of the total issued share capital in Success Charm dated 27 November 2009 and entered into between Mr. Wong and the Awarded Employees as the vendors, and our Company as the purchaser pursuant to which Mr. Wong and the Awarded Employees transferred to our Company a total of 100% of the total issued share capital in Success Charm in consideration for the allotment and issue of 1,558,363,838, 541,605,050 and 52,521,112 Shares to Mr. Wong, Ms. Ching and the Awarded Employees (excluding Ms. Ching) respectively, credited as fully paid, by our Company;
- (f) a deed of assignment of trademarks and trademark applications dated 28 November 2009 and entered into between World Fair Hong Kong and Shining Union with respect to the transfer of the trademarks and trademark applications as set out in the schedule to the deed from World Fair Hong Kong to Shining Union at a consideration of HK\$100 per trademark or trademark application;
- (g) a deed of assignment of trademarks and trademark applications dated 28 November 2009 and entered into between Cybertouch and Shining Union with respect to the transfer of the trademarks and trademark applications as set out in the schedule to the deed from Cybertouch to Shining Union at a consideration of HK\$100 per trademark or trademark application;
- (h) a deed of assignment of patents and patent applications dated 28 November 2009 and entered into between Mr. Wong and Shining Union with respect to the transfer of the patents and patent applications as set out in the schedule to the deed from Mr. Wong to Shining Union at a consideration of HK\$100 per patent or patent application;
- (i) a deed of assignment of designs and design applications dated 28 November 2009 and entered into between Mr. Wong and Shining Union with respect to the transfer of the designs and design applications as set out in the schedule to the deed from Mr. Wong to Shining Union at a consideration of HK\$100 per design or design application;


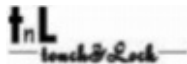











- (j) a deed of assignment of domain names dated 28 November 2009 and entered into between World Fair Hong Kong and Shining Union with respect to the transfer of the domain names as set out in the schedule to the deed from World Fair Hong Kong to Shining Union at a consideration of HK\$100 per domain name;
- (k) a deed of assignment of domain names dated 28 November 2009 and entered into between World Fair Heshan and Shining Union with respect to the transfer of the domain names as set out in the schedule to the deed from World Fair Heshan to Shining Union at a consideration of HK\$100 per domain name;
- (l) a deed of non-competition dated 31 May 2010 and entered into by Mr. Wong, Ms. Ching, Soar Plan, Swan Hills and the Trustee in favour of our Company, details of which are set out in the section headed “Relationship with Controlling Shareholders – Non-Competition Undertaking” in this prospectus;
- (m) a deed of indemnity dated 31 May 2010 given by two of our Controlling Shareholders, Mr. Wong and Ms. Ching (“Indemnifiers”) in favour of our Company (for itself and as trustee for its subsidiaries) under which the Indemnifiers have given certain indemnities in favour of our Group containing, among other things, the indemnities referred to in the sections headed “Statutory and General Information – Other Information – Estate Duty and Tax Indemnity” and “Statutory and General Information – Other Information – Other Indemnities” in this Appendix VI; and
- (n) Hong Kong Underwriting Agreement dated 8 June 2010.

## Intellectual property rights of our Group

### Trademarks

As at the Latest Practicable Date, we had registered the following trademarks:

Place of Registration	Trademark	Class	Registration Number	Registered Owner	Registration Date	Expiry Date
Hong Kong		9	301216133	Shining Union <sup>1</sup>	8 October 2008	7 October 2018
Hong Kong		35, 42	301248327	Shining Union <sup>1</sup>	28 November 2008	27 November 2018
Hong Kong	SecuButton	9	301254816	Shining Union <sup>2</sup>	10 December 2008	9 December 2018
Hong Kong	SecuUndo	9	301254889	Shining Union <sup>2</sup>	10 December 2008	9 December 2018
Hong Kong	C-touchsoft	9	301257192	Shining Union <sup>1</sup>	15 December 2008	14 December 2018
Hong Kong	eCardFlex	9	301257200	Shining Union <sup>1</sup>	15 December 2008	14 December 2018
Hong Kong	GyrateMotion	9	301257228	Shining Union <sup>2</sup>	15 December 2008	14 December 2018
Hong Kong	LinearisMotion	9	301257237	Shining Union <sup>2</sup>	15 December 2008	14 December 2018
Hong Kong	SpinMotion	9	301257246	Shining Union <sup>2</sup>	15 December 2008	14 December 2018





Place of Registration	Trademark	Class	Registration Number	Registered Owner	Registration Date	Expiry Date
Germany		35, 42	30 2008 077 552	Shining Union <sup>1</sup>	9 March 2009	31 December 2018
Hong Kong		9	301330136	Shining Union <sup>2</sup>	23 April 2009	22 April 2019
Hong Kong	SecuMemory	9	301330145	Shining Union <sup>2</sup>	23 April 2009	22 April 2019
Hong Kong	DuoSecu	9	301337689	Shining Union <sup>2</sup>	6 May 2009	5 May 2019
Hong Kong		9	301358857	Shining Union <sup>2</sup>	8 June 2009	7 June 2019
Hong Kong		9	301358866	Shining Union <sup>2</sup>	8 June 2009	7 June 2019
Hong Kong		9	301368612	Shining Union <sup>1</sup>	22 June 2009	21 June 2019
Hong Kong		9	301380799	Shining Union <sup>2</sup>	9 July 2009	8 July 2019
Hong Kong	SecuFile	9	301380816	Shining Union <sup>2</sup>	9 July 2009	8 July 2019
Hong Kong		35,42	301394938	Shining Union	30 July 2009	29 July 2019
Hong Kong		35,42	301417293	Shining Union	1 September 2009	31 August 2019
Hong Kong	SecuKeyboard	9	301422396	Shining Union	8 September 2009	7 September 2019
Hong Kong	SecuDisk	9	301422404	Shining Union	8 September 2009	7 September 2019
Hong Kong		9,11	301434708	Shining Union	22 September 2009	21 September 2019
Hong Kong		9	301445012	Shining Union	8 October 2009	7 October 2019
Hong Kong		9,11	301464840	Shining Union	3 November 2009	2 November 2019
Hong Kong		9	301366092	Shining Union <sup>1</sup>	17 June 2009	16 June 2019
Hong Kong		42	301257219	Shining Union <sup>1</sup>	15 December 2008	14 December 2018
USA	CLEARBUTTON	9	3687381	Shining Union <sup>1</sup>	22 September 2009	21 September 2019







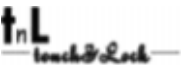

Place of Registration	Trademark	Registration Class Number	Registration Number	Registered Owner	Registration Date	Expiry Date
USA	ECARDFLEX	9	3710373	Shining Union <sup>1</sup>	10 November 2009	9 November 2019
USA	SpinMotion	9	3761813	Shining Union <sup>2</sup>	16 March 2010	15 March 2020
USA		35, 42	3762262	Shining Union <sup>1</sup>	23 March 2010	22 March 2020











*Notes:*

- 1 The respective trademark has been assigned under the deed of assignment of trademarks and trademark applications dated 28 November 2009 from World Fair Hong Kong to Shining Union.
- 2 The respective trademark has been assigned under the deed of assignment of trademarks and trademark applications dated 28 November 2009 from Cybertouch to Shining Union.

As at the Latest Practicable Date, applications had been made for the registration of the following trademarks:

Place of Registration	Trademarks	Class	Applicant	Application Number	Application Date
USA		9	Shining Union <sup>1</sup>	77589919	9 October 2008
PRC		9	Shining Union <sup>1</sup>	7466368	12 June 2009
USA		9	Shining Union <sup>1</sup>	77810787	23 August 2009
Hong Kong	Clearbutton	9	Shining Union <sup>1</sup>	301241946	18 November 2008
PRC	clearbutton	9	Shining Union <sup>1</sup>	7583667	30 July 2009
Taiwan	clearbutton	9	Shining Union	98040071	11 September 2009
EU	clearbutton	9	Shining Union	008730871	3 December 2009
Japan	clearbutton	9	Shining Union	91617/2009	3 December 2009
PRC		35	Shining Union <sup>1</sup>	7121655	19 December 2008

Place of Registration	Trademarks	Class	Applicant	Application Number	Application Date
PRC		42	Shining Union <sup>1</sup>	7121654	19 December 2008
USA		42	Shining Union <sup>1</sup>	77647271	11 January 2009
Hong Kong		35	Shining Union	301447218	12 October 2009
PRC		35	Shining Union	7798373	30 October 2009
PRC		42	Shining Union	7798390	30 October 2009
USA	C-touchsoft	9	Shining Union <sup>1</sup>	77646021	8 January 2009
PRC	C-touchsoft	9	Shining Union <sup>1</sup>	7583680	30 July 2009
USA		9	Shining Union <sup>1</sup>	77789824	27 July 2009
USA	GyrateMotion	9	Shining Union <sup>2</sup>	77647255	11 January 2009
USA	LinearisMotion	9	Shining Union <sup>2</sup>	77647257	11 January 2009
PRC	SpinMotion	9	Shining Union	7794487	29 October 2009
USA	SecuButton	9	Shining Union <sup>2</sup>	77647248	11 January 2009
PRC	SecuButton	9	Shining Union <sup>2</sup>	7583714	30 July 2009
USA	SecuUndo	9	Shining Union <sup>2</sup>	77647250	11 January 2009
PRC	SecuUndo	9	Shining Union <sup>2</sup>	7583717	30 July 2009
USA	SecuMemory	9	Shining Union <sup>2</sup>	77732151	7 May 2009
PRC	SecuMemory	9	Shining Union	7794474	29 October 2009
USA	DuoSecu	9	Shining Union <sup>2</sup>	77732157	8 May 2009
USA		9	Shining Union <sup>2</sup>	77733357	10 May 2009
USA		9	Shining Union <sup>2</sup>	77759041	13 June 2009

Place of Registration	Trademarks	Class	Applicant	Application Number	Application Date
USA		9	Shining Union <sup>2</sup>	77789827	27 July 2009
USA		9	Shining Union <sup>2</sup>	77810771	23 August 2009
Hong Kong	QuickCrypt	9	Shining Union <sup>2</sup>	301380807	9 July 2009
USA	QuickCrypt	9	Shining Union <sup>2</sup>	77789825	27 July 2009
PRC	QuickCrypt	9	Shining Union <sup>2</sup>	7583723	30 July 2009
USA	SecuFile	9	Shining Union <sup>2</sup>	77789826	27 July 2009
PRC	SecuFile	9	Shining Union <sup>2</sup>	7583724	30 July 2009
USA		9,11,35,42	Shining Union	77833686	24 September 2009
PRC		9	Shining Union	7745210	9 October 2009
PRC		11	Shining Union	7745115	9 October 2009
PRC		35	Shining Union	7745148	9 October 2009
PRC		42	Shining Union	7745179	9 October 2009
USA	SecuKeyboard	9	Shining Union	77826637	15 September 2009
USA	SecuDisk	9	Shining Union	77826663	15 September 2009
PRC	eCardFlex	9	Shining Union	7794516	29 October 2009
USA		9,11	Shining Union	77871801	13 November 2009
PRC		9	Shining Union	7814228	6 November 2009
PRC		11	Shining Union	7814229	6 November 2009



Place of Registration	Trademarks	Class	Applicant	Application Number	Application Date
Hong Kong	<b>RealDrive</b>	9	Shining Union	301502658	18 December 2009
USA	<b>RealDrive</b>	9	Shining Union	77901223	28 December 2009
PRC	<b>RealDrive</b>	9	Shining Union	7942566	24 December 2009
Hong Kong	<b>CyberSecu</b>	9	Shining Union	301502649	18 December 2009
USA	<b>CyberSecu</b>	9	Shining Union	77901222	28 December 2009
PRC	<b>CyberSecu</b>	9	Shining Union	7942608	24 December 2009
PRC		11	Shining Union	7934700	22 December 2009
PRC		11	Shining Union	7960652	31 December 2009
PRC	<b>SecuDisk</b>	9	Shining Union	8140231	22 March 2010

*Notes:*

- 1 The respective trademark (currently under an application for registration) has been assigned under the deed of assignment of trademarks and trademark applications dated 28 November 2009 from World Fair Hong Kong to Shining Union.
- 2 The respective trademark (currently under an application for registration) has been assigned under the deed of assignment of trademarks and trademark applications dated 28 November 2009 from Cybertouch to Shining Union.

**Patents**

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

Patent	Place of Registration	Registered owner	Patent Number	Registration Date	Expiry Date	Renewal Date
A USB fingerprint device with LED indicators (一種具有LED指示器的USB指紋裝置)	Hong Kong	Shining Union <sup>1</sup>	HK1119371	10 October 2008	9 October 2016	10 October 2012
A storage device with RF fingerprint scanning system (一種具有射頻指紋掃描系統的存儲裝置)	Hong Kong	Shining Union <sup>1</sup>	HK1125258	10 October 2008	9 October 2016	10 October 2012
A financial transaction card (一種金融交易卡)	Hong Kong	Shining Union <sup>1</sup>	HK1127482	9 December 2008	8 December 2016	9 December 2012
A combined device of capacitive touch button and biometric fingerprint sensor (一種電容式觸摸按鈕和生物識別指紋傳感器的聯合應用裝置)	Hong Kong	Shining Union <sup>1</sup>	HK1127701	24 December 2008	23 December 2016	24 December 2012

Patent	Place of Registration	Registered owner	Patent Number	Registration Date	Expiry Date	Renewal Date
A fingerprint scanning device (一種指紋掃描裝置)	Hong Kong	Shining Union <sup>1</sup>	HK1127483	23 January 2009	22 January 2017	23 January 2013
Microelectronic lock device (微電子鎖裝置)	Hong Kong	Shining Union <sup>1</sup>	HK1124479	19 March 2009	18 March 2017	19 March 2013
Encryption mobile storage device (加密移動存儲裝置)	Hong Kong	Shining Union	HK1130997	29 September 2009	28 September 2017	29 September 2013

*Note:*

- 1 The respective patent has been assigned under the deed of assignment of patents and patent applications dated 28 November 2009 from Mr. Wong to Shining Union.

As at the Latest Practicable Date, we had made applications for the registration of the following patents:

Patents	Territory	Applicant	Application Number	Application Date
A financial transaction card (一種金融交易卡)	Hong Kong	Shining Union <sup>1</sup>	08111981.0	30 October 2008
USB fingerprint scanner with LED indicators	USA	Shining Union <sup>1</sup>	12/399,995	9 March 2009
Data storage device with radio frequency fingerprint scanner	USA	Shining Union <sup>1</sup>	12/399,997	9 March 2009
USB fingerprint scanner with touch sensor	USA	Shining Union <sup>1</sup>	12/420,829	9 April 2009
A power controlling device (一種電力控制裝置)	Hong Kong	Shining Union <sup>1</sup>	09103586.5	17 April 2009
A USB fingerprint device with LED indicators (一種具有LED指示器的USB指紋裝置)	PRC	Shining Union <sup>1</sup>	200910137476.9	29 April 2009
Computer mouse	USA	Shining Union <sup>1</sup>	12/468,851	19 May 2009
Control panel for controlling information processing system	USA	Shining Union <sup>1</sup>	12/484,268	15 June 2009
Financial transaction card	USA	Shining Union <sup>1</sup>	12/486,766	18 June 2009
A password input device (一種密碼輸入裝置)	Hong Kong	Shining Union <sup>1</sup>	09105479.0	18 June 2009
A storage device with RF fingerprint scanning system (一種具有射頻指紋掃描器的數據存儲裝置)	PRC	Shining Union <sup>1</sup>	200910150044.1	26 June 2009
A relaxation system (一種壓力減緩系統)	Hong Kong	Shining Union <sup>1</sup>	09105795.7	26 June 2009

Patents	Territory	Applicant	Application Number	Application Date
Serial bus fingerprint scanner with LED indicators	USA	Shining Union <sup>1</sup>	12/534,110	1 August 2009
Data-communication-port control device (數據通信端口控制裝置)	Hong Kong	Shining Union	09107516.1	14 August 2009
A serial bus fingerprint device (一種串行總線指紋掃描裝置)	Hong Kong	Shining Union	09107522.3	15 August 2009
A security control apparatus (一種安全控制裝置)	Hong Kong	Shining Union	09107521.4	15 August 2009
Control panel for controlling information processing system	USA	Shining Union <sup>1</sup>	12/563,178	21 September 2009
Relaxation system	USA	Shining Union <sup>1</sup>	12/582,244	20 October 2009
Microelectronic lock system	USA	Shining Union <sup>1</sup>	12/582,712	21 October 2009
Password input device	USA	Shining Union <sup>1</sup>	12/607,065	28 October 2009
A financial transaction card (一種金融交易卡)	PRC	Shining Union <sup>1</sup>	200910207170.6	29 October 2009
Computer mouse (計算機鼠標)	PRC	Shining Union <sup>1</sup>	200910209421.4	30 October 2009
USB Fingerprint Scanner with touch sensor	USA	Shining Union <sup>1</sup>	12/635,700	11 December 2009
Control panel for controlling information processing system (一種用於控制信息處理系統的控制面板及信息處理系統)	PRC	Shining Union <sup>1</sup>	200910252725.9	2 December 2009
Surface touch-sensitive keypad (曲面觸摸式鍵盤)	Hong Kong	Shining Union	09111885.6	17 December 2009
Wireless fingerprint card (無線指紋卡)	Hong Kong	Shining Union	10100047.1	5 January 2010
USB fingerprint scanner with touch sensor (帶有觸摸傳感器的USB指紋掃描儀)	PRC	Shining Union	201010001647.8	19 January 2010
USB fingerprint scanner with touch sensor	Europe	Shining Union	10151216.8	20 January 2010
Computer mouse	Europe	Shining Union	10151617.7	26 January 2010
Computer mouse	Taiwan	Shining Union	099103483	5 February 2010
A microwave heater (一種微波加熱器)	Hong Kong	Shining Union	10101429.7	8 February 2010
Microelectronic lock system (微電子鎖定系統)	PRC	Shining Union	201010120414.X	21 February 2010






Patents	Territory	Applicant	Application Number	Application Date
Computer mouse (コンピュータマウス)	Japan	Shining Union	2010-44401	1 March 2010
Microelectronic Lock System	Europe	Shining Union	10155644.7	5 March 2010
Microelectronic lock system (微電子鎖定系統)	Taiwan	Shining Union	099106738	9 March 2010
A Plasma Light Fixture	Hong Kong	Shining Union	10102572.0	11 March 2010
Power control device	USA	Shining Union	12/759,380	13 April 2010
Computer mouse (計算機鼠標)	Hong Kong	Shining Union	10103760.0	19 April 2010

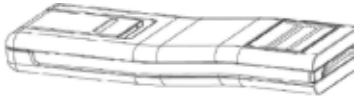

*Note:*

- 1 The respective patent (currently under an application for registration) has been assigned under the deed of assignment of patents and patent applications dated 28 November 2009 from Mr. Wong to Shining Union.

**Designs**

As at the Latest Practicable Date, we had registered the following designs:




Design	Place of Registration	Registered Owner	Registration Number	Registration Date	First Renewal Date
Keyboard FP1012 	Hong Kong	Shining Union <sup>1</sup>	0900562.0	7 April 2009	7 April 2014
Mouse 	Hong Kong	Shining Union <sup>1</sup>	0900854.9	26 May 2009	26 May 2014
Mouse 	European Union	Shining Union	1181002-001	23 November 2009	23 November 2014
Mouse 	Hong Kong	Shining Union <sup>1</sup>	0901091.1	10 July 2009	10 July 2014
Keyboard 	Hong Kong	Shining Union	0901388.1	26 August 2009	26 August 2014





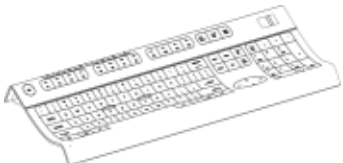
Design	Place of Registration	Registered Owner	Registration Number	Registration Date	First Renewal Date
SecuMemory FP1028 	Hong Kong	Shining Union	1000028.1	7 January 2010	7 January 2015
Aura SSL6001 	Hong Kong	Shining Union	1000027.9	7 January 2010	7 January 2015
Plasma Street Light 	Hong Kong	Shining Union	1000399.6	4 March 2010	3 March 2015
Keyboard 	USA	Shining Union <sup>2</sup>	D614,186S	20 April 2010	N/A <sup>3</sup>

*Note:*

- 1 The respective design has been assigned under the deed of assignment of designs and design applications dated 28 November 2009 from Mr. Wong to Shining Union.
- 2 The application of this design has been assigned under deed of assignment of designs and design applications dated 28 November 2009 from Mr. Wong to Shining Union.
- 3 The registration period of this design will be expired on 20 April 2024.

As at the Latest Practicable Date, we had made applications for the registration of the following designs:

Design	Territory	Applicant	Application Number	Application Date
Keyboard 	PRC	Shining Union <sup>1</sup>	200930009080.7	8 April 2009
Mouse 	PRC	Shining Union <sup>1</sup>	200930194867.5	9 July 2009
Mouse 	USA	Shining Union <sup>1</sup>	29/316,399	21 September 2009

Design	Territory	Applicant	Application Number	Application Date
Mouse (FP1016) 	PRC	Shining Union <sup>1</sup>	200930196260.0	24 July 2009
Mouse 	USA	Shining Union <sup>1</sup>	29/316,397	21 September 2009
FP Mouse, Generation 3 	Japan	Shining Union	2009-028313	4 December 2009
Keyboard 	PRC	Shining Union	200930238111.6	29 September 2009
Keyboard 	USA	Shining Union	29/316,996	16 November 2009

**Note:**

<sup>1</sup> The respective design (currently under an application for registration) has been assigned under the deed of assignment of designs and design applications dated 28 November 2009 from Mr. Wong to Shining Union.

**Domain Names**

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

Domain Name	Registrant
c-touchsoft.com	Shining Union <sup>1</sup>
c-touchtech.com	Shining Union <sup>1</sup>
ctouch.com.hk	Shining Union <sup>1</sup>
ctouch.hk	Shining Union <sup>1</sup>
cyber-energy.cn	Shining Union
cyber-energy.com.cn	Shining Union

<b>Domain Name</b>	<b>Registrant</b>
cyber-energy.com.hk	Shining Union
cyber-energy.hk	Shining Union
cyber-medics.hk	Shining Union
cyber-medics.com.hk	Shining Union
cybermedics.com.hk	Shining Union
cybermedics.hk	Shining Union
cybersecu.cn	Shining Union
cybersecu.com.cn	Shining Union
cybersecu.com.hk	Shining Union
cybersecu.hk	Shining Union
cybertouch-soft.com	Shining Union <sup>1</sup>
cybertouch-tech.com	Shining Union <sup>1</sup>
cybertouch-tech.com.hk	Shining Union <sup>1</sup>
digitouch.com.hk	Shining Union <sup>1</sup>
digitouch.hk	Shining Union <sup>1</sup>
ecardflex.com	Shining Union <sup>1</sup>
elifetouch.cn	Shining Union <sup>2</sup>
elifetouch.com	Shining Union <sup>1</sup>
elifetouch.com.cn	Shining Union <sup>2</sup>
i-manufacturing.com.cn	Shining Union <sup>1</sup>
i-manufacturing.net	Shining Union <sup>1</sup>
ok-pad.com.hk	Shining Union
ok-pad.hk	Shining Union
okpad.com.hk	Shining Union
okpad.hk	Shining Union
opad.com.hk	Shining Union
opad.hk	Shining Union
shiningunion.com.hk	Shining Union
shiningunion.hk	Shining Union
upcastle.com.hk	Shining Union
upcastle.hk	Shining Union
wdesigntech.cn	Shining Union
wdesigntech.com.cn	Shining Union
wdesigntech.com.hk	Shining Union
wdesigntech.hk	Shining Union

<b>Domain Name</b>	<b>Registrant</b>
wfg.hk	Shining Union
worldfair-group.com.cn	Shining Union
worldfair-group.com.hk	Shining Union
worldfair-tech.com	Shining Union
wwtt.hk	Shining Union
wwtth.com	Shining Union <sup>1</sup>
wwtth.com.hk	Shining Union

*Notes:*

- 1 The respective domain name has been assigned under the deed of assignment of domain names dated 28 November 2009 from World Fair Hong Kong to Shining Union.
- 2 The respective domain name has been assigned under the deed of assignment of domain names dated 28 November 2009 from World Fair Heshan to Shining Union.

## **FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

### **Disclosure of Interests**

#### **Directors**

Immediately following the completion of the Global Offering (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option or any Shares which may be allotted and issued pursuant to the exercise of the options that may be granted under the Share Option Scheme), based on the information available on the Latest Practicable Date, the interests or short positions of our Directors and chief executives in our Shares, underlying Shares and debentures of our Company and its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she is taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein or which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules, will be as follows:



*Long and Short Positions in our Shares*

<b>Name of Director</b>	<b>Name of corporation</b>	<b>Capacity/Nature of interest</b>	<b>Total number of Shares</b>	<b>Approximate Percentage of Shareholding (%)</b>
Mr. Wong <i>(Note 1)</i>	Our Company	Settlor of The KW Trust/Long position	1,927,778,827	67.17
	Soar Plan	Interest in a controlled corporation/Long position	1,927,778,827	67.17
Ms. Ching <i>(Note 1)</i>	Our Company	Beneficiary of The KW Trust/Long position	1,927,778,827	67.17
	Our Company	Beneficial interest/Long position	28,700,061	1.00
	Soar Plan	Interest in a controlled corporation/Long position	1,927,778,827	67.17
Tan Hui Kiat <i>(Note 2)</i>	Our Company	Beneficial interest/Long position	8,036,017	0.28
Lam Ho Sang <i>(Note 2)</i>	Our Company	Beneficial interest/Long position	8,036,017	0.28

*Notes:*

- 1 The Shares are held by Soar Plan, the entire issued share capital of which is owned by Swan Hills which is in turn ultimately held by the Trustee (through two nominee companies) as the trustee of The KW Trust. Mr. Wong and Ms. Ching, being the settlor and beneficiary of The KW Trust respectively, are deemed to be interested in the Shares held by it pursuant to the SFO. Their respective interests duplicate the interests held by the Trustee, The KW Trust, Soar Plan and Swan Hills.
- 2 These Shares were granted under the Share Incentive Scheme.

Save as disclosed above, based on the information available on the Latest Practicable Date, immediately following the completion of the Global Offering (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option or any Shares which may be allotted and issued pursuant to the exercise of the options that may be granted under the Share Option Scheme), none of our Directors or chief executives of our Company has any interest or short position in our Shares, underlying Shares or debentures or any of its associated corporations which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she will be taken or deemed to have under the SFO), or which will be required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules once our Shares are listed.

**Substantial Shareholders**

So far as our Directors are aware, immediately following the completion of the Global Offering (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option or any Shares which may be allotted and issued pursuant to the exercise of the

options that may be granted under the Share Option Scheme), the following persons (other than our Directors and chief executives) will have or be deemed or taken to have an interest and/or short position in the Shares or the underlying Shares which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Name of Shareholder	Capacity/Nature of Interest	Total number of Shares	Approximate Percentage of Shareholding (%)
Soar Plan <i>(Note)</i>	Registered owner	1,927,778,827	67.17
Swan Hills <i>(Note)</i>	Interest in a controlled corporation	1,927,778,827	67.17
The KW Trust <i>(Note)</i>	Interest in a controlled corporation	1,927,778,827	67.17
Trustee <i>(Note)</i>	Trustee	1,927,778,827	67.17
Mr. Wong <i>(Note)</i>	Founder of The KW Trust	1,927,778,827	67.17
Ms. Ching <i>(Note)</i>	Beneficiary of The KW Trust	1,927,778,827	67.17
Ms. Ching	Registered owner	28,700,061	1.00

*Note* : The entire issued share capital of Soar Plan is held by Swan Hills which is in turn ultimately held by the Trustee (through two nominee companies) as the trustee of The KW Trust. The KW Trust is a discretionary trust established by Mr. Wong as settlor and the Trustee as trustee on 1 December 2009. The beneficiaries of The KW Trust include family members of Mr. Wong and Ms. Ching. Their respective interests duplicate the interests held by the Trustee, The KW Trust, Soar Plan and Swan Hills.

### Interests of the substantial shareholders of any member of our Group (other than our Company)

Save as set out above, our Directors are not aware of any person (not being a Director or chief executive of our Company) who will, immediately following the completion of the Global Offering, be interested, directly or indirectly, in 10% or more of the nominal amount of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of our Group (other than our Company) or any options in respect of such capital.

### FURTHER INFORMATION ABOUT OUR DIRECTORS

#### Particulars of service contracts

Each of our executive Directors has entered into a service contract with us for an initial fixed term of three years commencing on the Listing Date and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other.

Each of our independent non-executive Directors has been appointed for an initial fixed term of three years commencing on 28 November 2009.

**Directors' remuneration during the Track Record Period**

For the financial years ended 31 December 2007, 2008 and 2009, the aggregate of the remuneration paid and benefits in kind granted to our Directors by us and our subsidiaries was approximately HK\$2.4 million, HK\$4.6 million and HK\$9.2 million respectively. Details of our Directors' remuneration are also set out in Note 29(a) to the Accountant's Report in Appendix I in this prospectus.

Under the arrangements currently in force, the aggregate of the remuneration and benefits in kind payable to our Directors for the year ending 31 December 2010 is estimated to be approximately HK\$9.5 million.

None of our Directors or any past directors of any member of our Group has been paid any sum of money for the financial years ended 31 December 2007, 2008 and 2009 as an inducement to join or upon joining our Company or for loss of office as a director of any member of our Group or of any other office in connection with the management of the affairs of any member of our Group.

**Agency fees or commissions received**

Saved as disclosed in this prospectus, none of our Directors, the promoter of our Company or the persons named under "Consent of experts" in this appendix had received any discounts, brokerage or other special terms, agency fee or commission from our Group in connection with the issue or sale of any capital of any member of our Group within the two years immediately preceding the date of this prospectus.

The Underwriters will receive such commission(s), fee(s) and/or expense(s) as mentioned in the section headed "Underwriting" in this prospectus.

**Related Party Transactions**

We entered into certain related party transactions within the two years immediately preceding the date of this prospectus. Please refer to Note 37 to the Accountant's Report in Appendix I in this prospectus.

**Disclaimers**

Save as set out in this prospectus:

- (a) none of our Directors or any of the persons whose names are listed in the paragraph headed "Consents of experts" in this appendix are directly or indirectly interested in the promotion of our Company or in any assets which have been, within the two years immediately preceding the date of this prospectus, acquired or disposed of by or leased to any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group;
- (b) none of our Directors nor any of the persons whose names are listed in the paragraph headed "Consents of experts" in this appendix are materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to our business;

- (c) none of our Directors have entered or have proposed to enter into any service contracts with us or any other member of our Group (other than contracts expiring or determinable by the employer within one year without payment of compensation other than statutory compensation);
- (d) none of the persons whose names are listed in the section headed “Consents of experts” in this section below have any shareholding in any member of our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for shares in any member of our Group or is an officer or servant or a partner or in the employment of an officer or servant of our Group; and
- (e) none of our Directors, their respective associates (as defined under the Listing Rules), or our Shareholders who are interested in more than 5% of the issued share capital of our Company have any interest in our Company’s five largest customers and five largest suppliers.

## SHARE SCHEMES

### Share Incentive Scheme

In order to recognise the contributions of the Awarded Employees to our Group, World Fair Tech adopted the Share Incentive Scheme on 30 September 2008 pursuant to which World Fair Tech agreed to transfer a total of 2,830 shares in World Fair Hong Kong (the “Incentive Shares”), comprising 2.83% of the total issued share capital of World Fair Hong Kong, to the Awarded Employees for a consideration of HK\$1.00 from each of the Awarded Employees. We set out below the number of Incentive Shares awarded to each of the Awarded Employees (excluding Ms. Ching):

<b>Name of the Awarded Employees (excluding Ms. Ching)</b>	<b>Number of the Incentive Shares (% of the Total Issued Share Capital of World Fair Hong Kong)</b>	<b>Number and % of the Total Issued Share Capital of our Company immediately before the completion of the Global Offering</b>
Cheung Chi Keung	430 (0.43%)	12,341,026 (0.57%)
Tan Hui Kiat*	280 (0.28%)	8,036,017 (0.37%)
Quek Siew Chye	280 (0.28%)	8,036,017 (0.37%)
Lee Wai Man	280 (0.28%)	8,036,017 (0.37%)
Lam Ho Sang*	280 (0.28%)	8,036,017 (0.37%)
Ching Ka Keung	140 (0.14%)	4,018,009 (0.19%)
Decena Joel Tongo	140 (0.14%)	4,018,009 (0.19%)
		52,521,112 (2.44%)

*Note:* For details with respect to the allotment and issue of our Shares to the Awarded Employees for rationalising our corporate structure in preparation for the Global Offering, please refer to the section headed “History, Reorganisation and Corporate Structure – Reorganisation” in this prospectus.

\* Executive Directors of our Company

Pursuant to the Share Incentive Scheme, World Fair Tech entered into respective agreements in relation to the Share Incentive Scheme with each of the Awarded Employees on 14 August 2009 (the

“Share Incentive Scheme Agreements”) pursuant to which the respective Incentive Shares were transferred to the Awarded Employees on 28 August 2009 (the “Completion Date”) for a consideration of HK\$1.00 from each of the Awarded Employees.

The principal terms of the Share Incentive Scheme Agreements are set out as follows:

- (i) The transfer of the Incentive Shares to the each Awarded Employee is subject to, among others, the condition that the relevant Awarded Employee shall remain employed by World Fair Hong Kong as at the Completion Date.
- (ii) Upon and after the Completion Date, in the event that an Awarded Employee does not remain employed by World Fair Hong Kong for whatsoever reason, the Awarded Employee shall unconditionally transfer the respective Incentive Shares held by him/her to World Fair Tech at a consideration of HK\$1.00.
- (iii) The Incentive Shares are personal to the Awarded Employees, who shall not assign any of their respective interests, rights or duties under the Share Incentive Scheme Agreements without the prior written approval of World Fair Tech. In the event that any Awarded Employee proposes to transfer his/her respective Incentive Shares to any third party (whether or not having separate legal personality), World Fair Tech shall have a right of first refusal with respect to such transfer at a consideration of HK\$1.00.

## **Share Option Scheme**

### **(a) Purpose**

The purpose of the Share Option Scheme is to provide incentive or reward to Eligible Persons (as defined in paragraph (b) below) for their contributions to, and continuing efforts to promote the interests of, our Company and to enable to our Group to recruit and retain employees of high calibre.

### **(b) Who may join**

Our Board may, at its discretion, offer eligible persons (being our full-time or part-time employees, executive and independent non-executive Directors of any member of our Group) (the “Eligible Persons”). The Board may in its absolute discretion make an offer of the grant of a right to subscribe for such number of Shares as our Board may determine at an exercise price determined in accordance with paragraph (f) below.

### **(c) Maximum number of Shares**

The maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme(s) of our Company, must not in aggregate exceed 10% of the total number of Shares in issue immediately following completion of the Global Offering without taking into account any Shares to be issued pursuant to the exercise of the Over-allotment Option, which is equivalent to 287,000,000 Shares. Options lapsed in accordance with the terms of such share option scheme(s) will not be counted for the purpose of the 10% limit. Subject to the issue of a circular by our Company and the approval of our Shareholders in general

meeting and/or such other requirements prescribed under the Listing Rules from time to time, our Board may:

- (i) refresh this limit at any time up to 10% of the Shares in issue as of the date of the approval of the limit as refreshed by our Shareholders in general meeting (options previously granted under any share option scheme of our Company (including those outstanding, cancelled or lapsed in accordance with such schemes or exercised options) will not be counted for the purpose of calculating the limit as refreshed); and/or
- (ii) grant options beyond the 10% limit to Eligible Persons specifically identified by our Board whereupon our Company shall send a circular to our Shareholders containing, amongst others, a generic description of the specified participants who may be granted such options, the number and terms of the options to be granted and the purpose of granting options to the specified participants with an explanation as to how the options serve such purpose.

Notwithstanding the foregoing, our Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of our Company at any time shall not exceed 30% of the Shares in issue from time to time. No options shall be granted under any scheme(s) of our Group if this will result in the 30% limit being exceeded.

**(d) Maximum number of options to any one individual**

The total number of Shares issued and which may fall to be issued upon exercise of the options granted and to be granted under the Share Option Scheme and any other share option scheme(s) of our Company (including exercised, cancelled and outstanding options) to each Eligible Person, in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue as of the date of grant.

Any further grant of options in excess of this 1% limit shall be subject to the issue of a circular by our Company and the approval of our Shareholders in general meeting with such Eligible Persons and his associates abstaining from voting and other requirements prescribed under the Listing Rules from time to time.

**(e) Grant of options to connected persons**

Any grant of options to a Director, chief executive of our Company or to a substantial shareholder or any of their respective associates is required to be approved by our independent non-executive Directors (excluding the independent non-executive Director who is the grantee of the options). Where any grant of options to a substantial shareholder or an independent non-executive Director or any of their respective associates, would result in the Shares issued and to be issued upon exercise of all options granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of the offer of such grant:

- (i) representing in aggregate over 0.1% of the Shares in issue on the date of the offer; and
- (ii) having an aggregate value in excess of HK\$5 million, based on the closing price of the Shares as quoted on the Stock Exchange at the date of such grant,

such further grant of options will be subject to the issue of a circular by our Company and the approval of the Shareholders in general meeting on a poll at which all connected persons of our Company shall abstain from voting in favour at such meeting and other requirements prescribed under the Listing Rules from time to time.

**(f) Subscription price for the Shares**

The subscription price per Share in respect of any particular option granted under the Share Option Scheme (which shall be payable upon exercise of the option) shall be such price as our Board shall determine, and shall be at least the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option, which must be a business day on which the Stock Exchange is open for the business of dealing in securities; (ii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of offer to grant option; and (iii) the nominal value of a Share on the date of grant of the option. Upon acceptance of an offer of a grant of an option, an amount of HK\$1.0 is payable.

**(g) Restrictions on the time of grant of options**

An offer to grant option may not be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision until such price sensitive information has been published pursuant to the requirements of the Listing Rules. In particular, no options may be offered to be granted during the period commencing one month immediately preceding the earlier of (i) the date of our Board meeting for the approval of our Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and (ii) the deadline for our Company to publish an announcement of our results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules) and ending on the date of actual publication of the results announcement.

**(h) Rights are personal to grantee**

An option is personal to the grantee and shall not be assignable or transferable, and the grantee may not in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any option.

**(i) Time of exercise of option**

There is no general requirement that an option must be held for any minimum period before it can be exercised but our Board is empowered to impose at its discretion any such minimum period at the time of grant of any particular option.

Upon acceptance, the date of grant of any particular option is deemed to be the date of our Board resolution approving the grant in accordance with the Share Option Scheme. An option may be exercised according to the terms of the Share Option Scheme and the offer in whole or in part by the grantee (or his personal representatives) before its expiry giving notice in writing to our Company stating that the option is to be exercised and the number of Shares in respect of which it is exercised. Such notice must be accompanied by a remittance for the full amount of the subscription price for the Shares in respect of which the notice is given. The period during which an option may be

exercised will be determined by our Board at its absolute discretion, save that no option may be exercised more than ten years from the date of grant. No option may be granted more than ten years after the date of approval of the Share Option Scheme. Subject to earlier termination in accordance with the terms of the Share Option Scheme, the Share Option Scheme shall be valid and effective for a period of ten years from the date of adoption of the Share Option Scheme by our Shareholders.

**(j) Performance target**

Our Board has the discretion to require a particular grantee to achieve certain performance targets specified at the time of grant before any option granted under the Share Option Scheme can be exercised. There are no specific performance targets stipulated under the terms of the Share Option Scheme and our Board currently has no intention to set any specific performance targets on the exercise of any options granted or to be granted under the Share Option Scheme.

**(k) Rights on ceasing to be an Eligible Person**

In the event of the grantee ceasing to be an Eligible Person for any reason other than (1) by reason of summary dismissal for misconduct or other breach of the terms of his employment or other contract constituting him an Eligible Person, or appears either to be unable to pay or to have no reasonable prospect of being able to pay his debts or has become insolvent or has made any arrangement or composition with his creditors generally or on which he has been convicted of any criminal offence involving his integrity or honesty; or (2) by death, the option may be exercised within one month after the date of such cessation, which date shall be (i) if he is an employee of any member of our Group, his last actual working day with such member of our Group whether salary is paid in lieu of notice or not; or (ii) if he is not an employee of any member of our Group, the date on which the relationship constituting him an Eligible Person ceases.

**(l) Rights on death**

In the event that the grantee of an outstanding option dies before exercising the option in full or at all, the option may be exercised up to the entitlement of such grantee or, if appropriate, in the circumstances described in (n), (o), (p) and (q), an election made by his personal representatives within twelve months after the date of his death.

**(m) Lapse of option on misconduct, bankruptcy or dismissal**

If a grantee ceases to be an Eligible Person by reason of summary dismissal for misconduct or other breach of the terms of his employment or other contract constituting him an Eligible Person, or appears either to be unable to pay or to have no reasonable prospect of being able to pay his debts or has become insolvent or has made any arrangement or composition with his creditors generally or on which he has been convicted of any criminal offence involving his integrity or honesty, the right to exercise the option (to the extent not already exercised) shall terminate immediately.

**(n) Rights on general offer by way of a take-over**

If a general offer by way of a take-over is made to all our Shareholders (or all such Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or in concert with the offeror) and such offer becomes or is declared



unconditional, the grantee (or his personal representatives) may by notice in writing to our Company within 21 days after such offer becoming or being declared unconditional exercise the option to its full extent or to the extent specified in such notice.

**(o) Rights on general offer by way of a scheme of arrangement**

If a general offer by way of a scheme of arrangement is made to all our Shareholders and the scheme has been approved by the necessary number of Shareholders at the requisite meetings, the grantee (or his personal representatives) may thereafter (but before such time as shall be notified by our Company) by notice in writing to our Company exercise the option to its full extent or to the extent specified in such notice.

**(p) Rights on a compromise or arrangement**

If a compromise or arrangement between our Company and its members or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of our Company or its amalgamation with any other company or companies, our Company shall give notice thereof to the grantee (together with a notice of the existence of the provisions of this paragraph) on the same date or soon after it dispatches the notice to each member or creditor of our Company summoning the meeting to consider such a compromise or arrangement, and thereupon the grantee (or his personal representatives) may forthwith and until the expiry of the period commencing with such date and ending with the earlier of two months thereafter and the date on which such compromise or arrangement is sanctioned by the court of competent jurisdiction, exercise any of his options 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. Upon such compromise or arrangement becoming effective, all options shall lapse except insofar as previously exercised under the Share Option Scheme. Our Company may require the grantee (or his personal representatives) to transfer or otherwise deal with our Shares issued as a result of the exercise of options in these circumstances so as to place the grantee in the same position as nearly as would have been the case had such Shares been subject to such compromise or arrangement.

**(q) Rights on winding-up**

In the event a notice is given by our 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 our Company, our Company shall on the same date as or soon after it dispatches such notice to each member of our Company give notice thereof to all grantees (together with a notice of the existence of the provisions of this paragraph) and thereupon, each grantee (or his personal representatives) shall be entitled to exercise all or any of his options at any time not later than two business days prior to the proposed general meeting of our Company by giving notice in writing to our Company, accompanied by a remittance for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given whereupon our Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the grantee credited as fully paid.

**(r) Lapse of the options**

The right to exercise an option (to the extent not already exercised) shall terminate immediately upon the earliest of:

- (i) the expiry of the period the options may be exercised;
- (ii) the expiry of any of the periods referred to in paragraphs (k), (l) or (n);
- (iii) subject to the scheme of arrangement becoming effective, the expiry of the period referred to in paragraph (o);
- (iv) the date upon the compromise or arrangement becoming effective referred to in paragraph (p);
- (v) the date on which the grantee ceases to be an Eligible Person by reason of summary dismissal for misconduct or other breach of the terms of his employment or other contract constituting him an Eligible Person, or appears either to be unable to pay or to have no reasonable prospect of being able to pay his debts or has become insolvent or has made any arrangement or composition with his creditors generally or on which he had been convicted of any criminal offence involving his integrity or honesty;
- (vi) subject to paragraph (q), the date of the commencement of the voluntary winding-up of our Company; or
- (vii) the date on which the grantee commits a breach of paragraph (m);
- (viii) the date on which the option is cancelled by our Board as provided in paragraph (v);
- (ix) the non-fulfillment of any condition referred to in paragraph (x) on or before the date specified therein.

Our Company shall owe no liability to any grantee for the lapse of any option under this paragraph (r).

**(s) Ranking of Shares**

Our Shares to be allotted upon the exercise of an option shall be subject to the Articles of Association for the time being in force and shall rank *pari passu* in all respects with fully paid Shares in issue as of the date of allotment and will entitle the holders to participate in all dividend or other distributions paid or made on or after the date of allotment 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 on or before the date of allotment.

**(t) Effect of alterations to share capital**

In the event of any alteration to the capital structure of our Company whilst any option remains exercisable, arising from capitalisation of profits or reserves, rights issue, consolidation, subdivision or reduction of the share capital of our Company in accordance with legal requirements and requirements of the Stock Exchange other than any alteration in the capital structure of our Company as a result of an issue of Shares as consideration in a transaction to which our Company is a party, adjustment (if any) shall be made to:

- (i) the number or nominal amount of Shares subject to the option so far as unexercised;
- (ii) the subscription price for the Shares subject to the option so far as unexercised;
- (iii) the Shares to which the option relates; and
- (iv) the method of exercise of the option,

or any combination thereof as the auditors or the independent financial adviser to our Company shall at the request of our Company certify in writing to our Board either generally or as regards any particular grantee that the adjustments are in compliance with Rule 17.03(13) of the Listing Rules and the notes thereto.

Any such adjustments must give a grantee the same proportion of the equity capital of our Company as to which that grantee was previously entitled, and any adjustments so made shall be in compliance with the Listing Rules and such applicable guidance and/or interpretation of the Listing Rules from time to time issued by the Stock Exchange but no such alterations shall be made the effect of which would be to enable a Share to be issued at less than its nominal value. The capacity of the auditors or the independent financial adviser to our Company in this paragraph is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on our Company and the grantees.

**(u) Alteration of Share Option Scheme**

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

- (i) the definition of “Eligible Person” and “grantee” in the Share Option Scheme; and
- (ii) the provisions relating to the matters set out in Rule 17.03 of the Listing Rules,

shall not be altered to the advantage of grantees or prospective grantees except with the prior approval of our Shareholders in general meeting (with participants and their respective associates abstaining from voting). No such alterations shall operate to affect adversely the terms of issue of any option granted or agreed to be granted prior to such alterations except with the consent or sanction in writing of such majority of the grantees as would be required of our Shareholders under the Articles of Association for a variation of the rights attached to the Shares.

Any change to the authority of our Board in relation to any alteration to the terms of the Share Option Scheme must be approved by our Shareholders in general meeting.

Any alteration to the provisions of the Share Option Scheme which are of a material nature or any change to the terms of options granted must be approved by our Shareholders in general meeting except where the alterations take effect automatically under the existing provisions of the Share Option Scheme.

**(v) Cancellation of options granted**

Our Board may cancel an option granted but not exercised with the approval of the grantee of such option.

No options may be granted to an Eligible Person in place of his cancelled options unless there are available unissued options (excluding the cancelled options) within the limits set out in paragraph (c) above from time to time.

**(w) Termination of the Share Option Scheme**

Our Company, by resolution in general meeting, or our Board may at any time terminate the operation of the Share Option Scheme and in such event no further option will be offered but in all other respects the provisions of the Share Option Scheme shall remain in full force and effect and options granted prior to such termination shall continue to be valid and exercisable in accordance with the Share Option Scheme.

**(x) Conditions of the Share Option Scheme**

The Share Option Scheme is conditional upon:

- (i) the passing of the necessary resolution to adopt the Share Option Scheme by our Shareholders;
- (ii) no objection having been received by our Company from the Listing Committee prior to the Listing in relation to the adoption of any of the terms of the Share Option Scheme;
- (iii) the Listing Committee granting approval of the Listing and permission to deal in the Shares which may fall to be issued pursuant to the exercise of any such options; and
- (iv) the commencement of dealings in the Shares on the Stock Exchange.

**(y) Disclosure in annual and interim reports**

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

**(z) Present status of the Share Option Scheme**

As of the date of this prospectus, no option has been granted or agreed to be granted under the Share Option Scheme. Application has been made to the Listing Committee for the Listing and permission to deal in the Shares which may fall to be issued pursuant to the exercise of the options which may be granted under the Share Option Scheme.

**OTHER INFORMATION****Estate Duty**

Our Directors have been advised that no material liability for estate duty is likely to fall on any member of our Group in the Cayman Islands, the PRC and other jurisdictions in which the companies comprising our Group are incorporated.

**Estate Duty and Tax Indemnity**

Each of Mr. Wong and Ms. Ching (together the “Indemnifiers”) has entered into a deed of indemnity with and in favour of our Company (for itself and as trustee for each of our present subsidiaries). Each of the Indemnifiers has given joint and several indemnities in respect of, among other things, (a) any liability for Hong Kong estate duty which might be incurred by any member of our Group by virtue of any transfer of property (within the meaning of Section 35 of the Estate Duty Ordinance, Chapter 111 of the Laws of Hong Kong (as amended by the Revenue (Abolition of Estate Duty) Ordinance 2005) or any other similar legislation in Hong Kong or any part of the world) to any member of our Group on or before the Listing Date, and (b) any tax liability which might be payable by any member of our Group in respect of any income, profits or gains earned, accrued or received or alleged to have been earned, accrued or received on or before the Listing Date (including but not limited to any tax liability arising from any additional assessment by any tax authority in respect of any member of our Group in relation to the tax years beginning 1 April 2003 and ending on the Listing Date), save as such circumstances including:

- (a) to the extent that full provision or allowance has been made for such taxation in the audited accounts of our Group for the years ended 31 December 2007, 2008 and 2009, as set out in Appendix I in this prospectus;
- (b) subject to (a) above to the extent that such taxation arises or is incurred as a result of any retrospective change in law or retrospective increase in tax rates coming into force after the Listing Date;
- (c) to the extent that the liability for such taxation is caused by the act of omission of, or transaction voluntarily effected by, any member(s) of our Group which is/are carried out or effected in the ordinary course of business or in the ordinary course of acquiring and disposing of capital assets after 31 December 2009 or carried out or entered into pursuant to a legally binding commitment on or before 31 December 2009; or
- (d) to the extent of any provision or reserve made for taxation in the audited accounts of any member of our Group up to 31 December 2009 which is finally established to be an over-provision or an excessive reserve,

provided that the exceptions in paragraphs (a)-(d) above shall not apply to any tax liability which might be payable by any member of the Group arising from any additional assessment by any tax authority for the tax years beginning 1 April 2003 and ending on the Listing Date.

### **Other Indemnities**

Under the deed of indemnity referred to above, the Indemnifiers also jointly and severally agreed to indemnify us from and against all claims, actions, demands, proceedings, judgments, losses, liabilities, damages, costs, charges, fees, expenses, penalties and fines of whatever nature which any member of our Group may incur, suffer or accrue, directly or indirectly, arising from, as a result of or in connection with:

- (a) any loss and/or penalty resulting from or in respect of any non-compliance with the applicable laws, rules and regulations by any member of our Group on or before the Listing Date including without limitation any non-compliance with the laws, rules and regulations in respect of any unpaid mandatory contributions to the medical insurance funds and the housing provident funds as referred to in the section headed “Directors, Senior Management and Employees – Staff Benefits” in this prospectus;
- (b) any loss and/or penalty resulting from or in respect of the non-availability of the real estate ownership certificates from the relevant competent governmental authorities in the PRC in relation to, or the failure to obtain the relevant planning and construction permits prior to the commencement of construction of, the PRC properties as referred to under Group I of the property valuation report set out in Appendix IV in this prospectus, including without limitation the staff quarters, back-up power room and staff cafe;
- (c) any loss and/or penalty resulting from or in respect of the non-availability of the land use rights certificates and real estate title certificates from the relevant competent governmental authorities in the PRC for the PRC leased properties as referred to under Group II of the property valuation report set out in Appendix IV in this prospectus, and the breach of the tenancy agreements and deed of mutual covenants in relation to the Hong Kong leased properties as referred to under Group III of the property valuation report set out in Appendix IV to this prospectus; and
- (d) any loss and/or penalty resulting from or in respect of the failure to obtain the requisite licenses, permits and approvals (including, without limitation, the construction land planning permit, construction work planning permit and construction work commencement permit) from the relevant competent governmental authorities in the PRC for the warehouse, extended production facilities, staff quarters and R&D centre under construction at the Group’s production base in Jiangmen, the PRC.

### **Litigation**

As at the Latest Practicable Date, no member of our Group was engaged in any litigation, arbitration or claim of material importance and, so far as the Directors are aware, no litigation, arbitration or claim of material importance is pending or threatening by or against any member of our Group.

**Sole Sponsor**

The Sole Sponsor has made an application on behalf of our Company to the Listing Committee for the listing of, and permission to deal in, the Shares in issue and to be issued as set out in this prospectus.

**Preliminary expenses**

The preliminary expenses of our Company are estimated to be approximately US\$6,000 and are payable by our Group.

**Promoter**

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

**Qualifications of experts**

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

<b>Name</b>	<b>Qualifications</b>
ICBCI	a licensed corporation to conduct type 1 (dealing in securities) and type 6 (advising on corporate finance) of the regulated activities under the SFO, acting as the Sole Sponsor of the Global Offering
Jingtian and Gongcheng	PRC legal counsel
PricewaterhouseCoopers	Certified public accountants
Conyers Dill & Pearman	Cayman Islands attorneys-at-law
Lee and Li, Attorneys-at-law	Taiwan legal counsel
Jones Lang LaSalle Sallmanns Limited	Professional property surveyors and valuers

**Consents of experts**

Each of ICBCI, Jingtian and Gongcheng, PricewaterhouseCoopers, Conyers Dill & Pearman, Lee and Li, Attorneys-at-law and Jones Lang LaSalle Sallmanns Limited has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion of its report and/or letter and/or valuation certificate and/or the references to its name included herein in the form and context in which it is respectively included.

**Binding effect**

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

**Bilingual prospectus**

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

**Advisory fees or commissions received**

The Sole Sponsor will receive a sponsorship fee. The Joint Global Coordinators and the Underwriters will receive an underwriting commission. In addition, our Company may, at its sole discretion, pay to the Joint Global Coordinators an incentive fee. Particulars of these fees, underwriting commission and expenses are set forth under the paragraphs in the section headed “Underwriting – Underwriting Arrangements and Expenses – Hong Kong Public Offer – Commissions and Expenses” in this prospectus.

**Particulars of the Selling Shareholder**

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

Name:	Mr. Wong
Nationality:	Chinese
Address:	Flat 27C, Block 5, Grand Pacific Views, Siu Lam, the New Territories, Hong Kong
Number of Sale Shares to be sold:	143,500,000 Sale Shares

**Miscellaneous**

- (a) Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus:
- (i) no share or loan capital of our Company or any of our subsidiaries has been issued or agreed to be issued fully or partly paid either for cash or for the consideration other than cash;
  - (ii) no share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
  - (iii) no founder, management or deferred shares of our Company or any of our subsidiaries have been issued or agreed to be issued;
  - (iv) no commissions, discounts, brokerages or other special terms have been granted or agreed to be granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries;
  - (v) no commission has been paid or is payable for subscription agreeing to subscribe, procuring subscription or agreeing to procure subscription of any share in our Company or any of our subsidiaries;



- (vi) our Group has no outstanding convertible debt securities or debentures.
  
- (b) No member of our Group is presently listed on any stock exchange or traded on any trading system.
  
- (c) There has not been any interruption in the business of our Group which may have or have had a significant effect on the financial position of our Group in the twelve months immediately preceding the date of this prospectus.
  
- (d) All necessary arrangements have been made to enable our Shares to be admitted into the CCASS for clearing and settlement.
  
- (e) Our Directors confirm that there has been no material adverse change in the financial or trading position or prospects of our Group since 31 December 2009 (being the date to which the latest audited consolidated financial statements of our Group were made up).
  
- (f) There is no arrangement under which future dividends are waived or agreed to be waived.
  
- (g) As at the date of this prospectus, there is no restriction affecting the remittance of profits or repatriation of capital of our Company into Hong Kong from outside Hong Kong.