
CONNECTED TRANSACTIONS

Upon the Listing, we will carry out the following connected transactions which constitute exempt continuing connected transactions of the Company under the Listing Rules. Our Directors (including the independent non-executive Directors) are of the opinion that the transactions (i) have been entered into and will be carried out in the ordinary and usual course of business of the members of our Group; (ii) are on normal commercial terms and the terms of the relevant transactions are fair and reasonable; and (iii) are in the interests of our shareholders as a whole.

EXEMPT CONTINUING CONNECTED TRANSACTIONS

Lease of Office Premises by Li Tianbing to Wuhan Chenguang

On August 27, 2008, Li Tianbing entered into an agreement (the “Wuhan Lease”) as landlord with Wuhan Chenguang (a subsidiary of our Company for the purposes of the Listing Rules) as tenant under which Li Tianbing agreed to lease to Wuhan Chenguang the office premises situated at Block 7-2-303, Huacheng Garden, Yemadian, Wuhan Road, Hongshan District, Wuhan City, the PRC (中國湖北省武漢市洪山區武黃路葉麻店華城花園7-2-303) with a gross floor area of 90.14 square meters for a term commencing from January 1, 2008 and ending on December 31, 2010.

Li Tianbing is a director of one of our subsidiaries, namely, Wuhan Chenguang. As such, Li Tianbing is a connected person of the Company. The transactions under the Wuhan Lease will therefore constitute continuing connected transactions under Chapter 14A of the Listing Rules upon Listing.

For the period from August 27, 2008 to December 31, 2008 and the year ended December 31, 2009, the annual rental paid by Wuhan Chenguang to Li Tianbing was RMB4,000 and RMB12,000, respectively. The annual rental payable under the Wuhan Lease will be RMB12,000 for the year ending December 31, 2010. The rental payable under the Wuhan Lease is determined on normal commercial terms. The Company’s valuer, Savills Valuation and Professional Services Limited, has confirmed that the rental payable under the Wuhan Lease is fair and reasonable as a whole and reflects the prevailing market rate.

The continuing connected transaction under the Wuhan Lease will be less than 0.1% of the applicable percentage ratios and will fall within the de minimis threshold under Rule 14A.33(3) of the Listing Rules and therefore is exempt from the reporting, announcement and independent shareholders’ approval requirements under the Listing Rules.

Lease of Office Premises in Chengdu

On July 12, 2009, Chengdu Weilute Software Technology Co., Ltd. (成都威路特軟件科技有限公司) (“Weilute Software”) entered into an agreement (the “Chengdu Lease”) as landlord with RHY Technology as tenant under which Weilute Software agreed to lease to RHY Technology the office premises situated at No. 5, 4th Floor, Unit 1, No. 12, First Ring Road South Section 1, Wuhou District, Chengdu, the PRC (成都市武侯區一環路南一段12號1單元4樓5號) with a gross floor area of 147.60 square meters for a term of three years from July 20, 2009 to July 19, 2012 for an annual rent of RMB36,000.

Weilute Software is a 49% substantial shareholder in Chengdu Weilute, a non-wholly owned subsidiary of our Group, and is a connected person of the Company. The transactions under the Chengdu Lease will therefore constitute continuing connected transactions under Chapter 14A of the Listing Rules upon Listing.

There had been no transaction of a similar nature with Weilute Software prior to the entering into of the Chengdu Lease. The annual rent payable under the Chengdu Lease is RMB36,000 for each of the three years of the lease, and the rent is determined on normal commercial terms. The Company’s valuer, Savills Valuation and Professional Services Limited, has confirmed that the rental payable under the Chengdu Lease is fair and reasonable as a whole and reflects the prevailing market rate.

The continuing connected transaction under the Chengdu Lease will be less than 0.1% of the applicable ratios and will fall under the de minimis threshold under Rule 14A.33(3) of the Listing Rules and therefore is exempt from the reporting, announcement and independent shareholders’ requirements under the Listing Rules.