

SUBSTANTIAL SHAREHOLDERS

So far as the Directors are aware, immediately following completion of the Share Offer, (taking no account of any Shares which fall to be issued pursuant to the exercise of the Over-allotment Option and any options which may be granted under the Share Option Scheme), the following entities will exercise, or control the exercise of, 10% or more of the voting power at general meetings of the Company:

Name	Capacity/Nature of interest	Number of Shares ⁽¹⁾	Approximate percentage of shareholding
Mr. Yip ⁽²⁾	Interest in a controlled corporation	450,000,000 (L)	67.5%
		25,020,000 (S) ⁽³⁾	3.8%
New Charming	Beneficial owner	450,000,000 (L)	67.5%
		25,020,000 (S) ⁽³⁾	3.8%

Notes:

- (1) The letter “L” denotes the entity/person’s long position and the letter “S” denotes the entity/person’s short position respectively, in the shares.
- (2) Mr. Yip is the sole beneficial owner of New Charming and hence is deemed to be interested in all the Shares held by New Charming.
- (3) The Shares will be the subject of the Stock Borrowing Agreement.

Save as disclosed above and taking no account of any Shares which may be issued pursuant to the exercise of the Over-allotment Option and any options that may be granted under the Share Option Scheme, the Directors are not aware of any person who will, immediately following the Share Offer, exercise, or control the exercise of, 10% or more of the voting power at general meetings of the Company.

Each of the Controlling Shareholders has undertaken to and covenanted with the Stock Exchange and the Company that save as pursuant to the arrangements under the Stock Borrowing Agreement and the transfer of Shares under the Placing and the exercise of the Over-allotment Option and subject always to the Listing Rules, that it shall not, and shall procure that any registered holders controlled by it or nominees or trustees holding in trust for it shall not within the period commencing on the date by reference to which disclosure of the shareholding of it is made in this prospectus and ending on the date which is six months from the Listing Date, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Shares in respect of which it is shown by this prospectus to be a beneficial owner. Such stock borrowing arrangement will not be subject to the restrictions of Rule 10.07(1) of the Listing Rules provided that the following requirements as set out in Rule 10.07(3) are complied with:

- (a) the stock borrowing arrangement with the Stabilisation Manager will only be for the sole purpose of settling over-allocations in the Placing prior to the exercise of the Over-allotment Option;

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- (b) the maximum number of Shares to be borrowed from New Charming will be limited to the maximum number of new Shares which may be issued upon full exercise of the Over-allotment Option;
- (c) the same number of Shares so borrowed from New Charming is returned to New Charming or its nominees (as the case may be) within three business days following the earlier of (i) the last day on which the Over-allotment Option may be exercised; or (ii) the date on which the Over-allotment Option is exercised in full;
- (d) the borrowing of Shares pursuant to the stock borrowing arrangement with the Stabilisation Manager will be effected in compliance with applicable provisions of the Listing Rules, laws and other regulatory requirements; and
- (e) no payments will be made to New Charming by the Stabilisation Manager in relation to such stock borrowing arrangement.

The Company is satisfied that it is capable of carrying on its business independent of its Controlling Shareholders.