This summary aims to give you an overview of the information contained in this prospectus and is qualified in its entirety by, and should be read in conjunction with, the more detailed information and financial information appearing elsewhere in this prospectus. As this is a summary, it does not contain all the information that may be important to you and we urge you to read the entire prospectus carefully before making your investment decision. There are risks associated with any investment. Some of the particular risks in investing in the Offer Shares are set out in the section headed "Risk Factors" in this prospectus. You should read that section carefully before you decide to invest in the Offer Shares.

OVERVIEW

We are one of the leading menswear enterprises and brands operators in the PRC owning and managing two brands, ***V.E. DELURE*** and ***TESTANTIN***, covering the middle-upper to high-end segments of the menswear market. According to the Frost & Sullivan Report, our ***V.E. DELURE*** brand was ranked among the top three brands in terms of retail revenue for each of the two years ended 31 December 2008 and 2009 and the six months ended 30 June 2010 within the high-end business formal and casual menswear market in the PRC with a corresponding market share of 3.8% in 2008 and 2009 and 4.2% for the six months ended 30 June 2010, respectively. We launched our ***V.E. DELURE*** brand in 2000, targeting the high-end business formal and casual menswear market. We launched our ***TESTANTIN*** brand in 2005, targeting the middle-upper fashion casual menswear market. Our ***V.E. DELURE*** brand, inspired by French craftsmanship and elegance, offers business formal and casual menswear and accessories targeting affluent and successful men between the ages of 35 to 50 and has a brand theme of "Love." Our ***TESTANTIN*** brand offers contemporary and chic casual menswear and accessories targeting younger and more fashion conscious men between the ages of 25 to 40 and has a brand theme of "artistic expression and simplicity." According to the Frost & Sullivan Report, the middle-upper fashion casual and high-end business formal and casual menswear market in the aggregate constituted around 7.3% of the entire menswear market in China in the year ended 31 December 2009.

We have established a nationwide retail network in the PRC. According to the Frost & Sullivan Report, our ***V.E. DELURE*** brand ranked second in terms of the number of retail stores among the top ten high-end business formal and casual menswear brands ranked by retail revenue in the PRC as at each of 31 December 2008 and 2009 and 30 June 2010. As at 31 December 2007, 2008 and 2009 and 30 June 2010, we had 167, 242, 259 and 268 Retail Stores, respectively, of which 120 sold products under the ***V.E. DELURE*** brand and 47 sold products under the ***TESTANTIN*** brand in 2007, 184 sold products under the ***V.E. DELURE*** brand and 58 sold products under the ***TESTANTIN*** brand in 2008, 197 sold products under the ***V.E. DELURE*** brand and 62 sold products under the ***TESTANTIN*** brand in 2009, and 202 sold products under the ***V.E. DELURE*** brand and 66 sold products under the ***TESTANTIN*** brand in the six months ended 30 June 2010. As at 31 December 2007, 2008 and 2009 and 30 June 2010, we had 60, 101, 90 and 88 distributors, respectively (out of which 3, 11, 9 and 9 operated both ***V.E. DELURE*** and ***TESTANTIN*** Stores, respectively), and 6, 6, 7 and 7 sub-distributors, respectively. The growth in the number of our Retail Stores slowed down in 2009 primarily due to our decision to consolidate our position in 2009 rather than pursuing a more active expansion path in light of the global economic crisis. In particular, for our ***V.E. DELURE*** brand, we focused on increasing self-operated Retail Stores in 2009 as opposed to distributor-operated Stores. For further information on our distribution channels, please refer to the section headed "Business – Sales and Distribution" in this prospectus.

During the Track Record Period, we primarily utilized two distribution channels to manage our self-owned brands: (i) our self-operated Retail Stores; and (ii) Retail Stores operated by distributors and sub-distributors. For self-operated Retail Stores, we source products and sell to end customers. For Retail Stores operated by distributors, we enter into distributorship agreements with distributors, pursuant to which they purchase products from us and then sell to end customers in general. In addition, commencing in 2009, we started to make sales to corporate purchasers that purchased large volumes of made-to-order products from us. Sales made through this channel continued in the six months ended 30 June 2010. For further information on our distribution channels, please refer to the section headed "Business – Sales and Distribution" in this prospectus.

Regardless of the distribution channel, it is our strategy to locate our Retail Stores in prestigious shopping areas, which are usually located in close proximity to other competing menswear brands. Currently, a significant portion of our Retail Stores are located in established department stores and shopping malls. Generally speaking, we believe these department stores and shopping malls act as a vetting mechanism and only allow brands that they consider to be well-regarded. Therefore, we believe that the fact that a significant portion of our Retail Stores are located in these shopping areas is a positive reflection of the reputation of our brands and the quality of our products. We strive to have our Retail Stores for each brand designed and decorated to present a consistent and distinctive brand image from the design and color of the Stores to the merchandise display.

As at 30 June 2010, out of our 202 ***V.E. DELURE*** Stores, 71 were operated by us and 131 were operated by our distributors. Out of our 66 ***TESTANTIN*** Stores, 13 were operated by us, 53 were operated by distributors (eight of which were operated by one distributor through its sub-distributors). As at 30 June 2010, over 80% of the Retail Stores directly operated by us are located in tier one and tier two cities in the PRC, such as Beijing, Shanghai, Tianjin, Changchun, Xi'an, Nanjing, Shenzhen and Guangzhou, and in Hong Kong. In 2008 and 2009 and the six months ended 30 June 2010, sales generated by our self-operated Stores for our ***V.E. DELURE*** and ***TESTANTIN*** products accounted for approximately 34.8%, 38.8% and 41.0% of our total sales, respectively. Most of our self-operated Stores are operated under the following type of arrangement. We enter into cooperation agreements or lease agreements with department stores and shopping malls, which govern the operation of our self-operated Stores, in particular, the collection of sales proceeds. Generally, the department stores and shopping malls charge a fixed fee or a percentage of the sales turnover of our Stores as commission subject to an agreed monthly or annual minimum commission amount determined based on an agreed minimum sales target of the relevant Store. For further details on the major terms of these cooperation agreements or lease agreements, please refer to the section headed, "Business – Sales and Distribution – I. Self-operated Stores" in this prospectus. On the other hand, our distributorship agreements set out terms with respect to geographic exclusivity, duration, product exclusivity, pricing and discount, use of our brand names and store design, among others terms. For further details on the major terms of our distributorship agreements, please refer to the section headed, "Business – Sales and Distribution – II. Distribution by distributors/sub-distributors – Major terms of the distributorship agreements" in this prospectus.

To enhance our distribution management ability, as at the Latest Practicable Date, at our request, our relevant distributor has terminated all of its sub-distributionship agreements for our products with its sub-distributors. Instead, those sub-distributors have entered into direct distributorship agreements with us. The Directors have confirmed that we will no longer allow our distributors to appoint sub-distributors going forward.

The following table sets out a breakdown of our revenue by brand and sales channel (for self-owned brands) for each of the three years ended 31 December 2007, 2008 and 2009 and the six months ended 30 June 2009 and 2010:

Revenue	Year ended 31 December						Six months ended 30 June			
	2007		2008		2009		2009		2010	
	(RMB million)	*% of total revenue*	*(RMB million)*	*% of total revenue*	*(RMB million)*	*% of total revenue*	*(RMB million)*	*% of total revenue*	*(RMB million)*	*% of total revenue*
I. By brand										
1. Self-owned brands										
V.E. DELURE										
Self-operated Stores	39.2	20.2	84.5	24.9	137.4	33.6	48.1	35.2	90.8	36.4
Distributors	108.1	55.8	154.9	45.5	157.6	38.5	52.9	38.7	113.3	45.5
Corporate sales	–	–	–	–	6.0	1.5	1.4	1.0	2.1	0.8
Sub-total	147.3	76.0	239.4	70.4	301.0	73.6	102.4	74.9	206.2	82.7
TESTANTIN *(Note 1)*										
Self-operated Stores	20.6	10.6	33.8	9.9	21.1	5.2	7.6	5.6	11.4	4.6
Distributors	21.6	11.2	41.2	12.1	64.5	15.7	14.0	10.2	19.2	7.7
Sub-total	42.2	21.8	75.0	22.0	85.6	20.9	21.6	15.8	30.6	12.3
Self-owned brands total	189.5	97.8	314.4	92.4	386.6	94.5	124.0	90.7	236.8	95.0
2. Licensed brands *(Note 2)*										
CARTIER	–	–	8.8	2.6	15.5	3.8	7.1	5.2	10.1	4.1
Harmont & Blaine	4.4	2.2	17.2	5.0	6.9	1.7	5.6	4.1	2.3	0.9
Licensed brands total	4.4	2.2	26.0	7.6	22.4	5.5	12.7	9.3	12.4	5.0
Total	193.9	100.0	340.4	100.0	409.0	100.0	136.7	100.0	249.2	100.0
II. By sales channel (for self-owned brands) *(Note 3)*										
Self-operated Stores	59.8	30.8	118.3	34.8	158.5	38.8	55.7	40.8	102.2	41.0
Distributors	129.7	67.0	196.1	57.6	222.1	54.2	66.9	48.9	132.5	53.2
Corporate sales	–	–	–	–	6.0	1.5	1.4	1.0	2.1	0.8
Sub-total	189.5	97.8	314.4	92.4	386.6	94.5	124.0	90.7	236.8	95.0

Notes:

1. The sales of ***TESTANTIN*** products through ***TESTANTIN*** self-operated Stores decreased in the year ended 31 December 2009 primarily because we launched a series of promotional events at our ***TESTANTIN*** self-operated Stores in Hong Kong offering 10% to 60% discounts to customers in 2009 in response to the highly competitive retail market in Hong Kong and the generally difficult economic environment in Hong Kong as a result of the global economic crisis and the closing of two ***TESTANTIN*** Stores in Hong Kong in late 2008. Our sales to ***TESTANTIN*** distributors increased in the year ended 31 December 2009 mainly because (i) the full year effect of our sales to certain other distributors in 2009 appointed in 2008 that did not operate through Retail Stores; (ii) the full-year effect in 2009 arising from the 15 newly opened ***TESTANTIN*** Stores operated by the distributors located in the PRC in 2008; and (iii) the number of ***TESTANTIN*** Stores operated by the distributors located in the PRC increased from 47 as at 31 December 2008 to 51 as at 31 December 2009. The four newly-opened ***TESTANTIN*** Stores in 2009 were opened in the second half of 2009 when the economic conditions after the financial crisis began to improve.

2. From August 2004 to August 2009, we acted as the sole distributor for an Italian menswear brand, Harmont & Blaine, in the PRC. The distributorship agreement for the Harmont & Blaine brand expired in August 2009. According to the distributorship agreement, we had nine months to sell the remaining stocks after the agreement was terminated. Beginning in early 2008, we started to act as an authorized dealer of CARTIER accessories sold in two CARTIER Stores, one in Fuzhou and the other in Nanning, both of which are operated by us. In September 2010, we opened our third CARTIER Store in Xiamen.

3. Our customers consisted of end customers and distributor customers. Our end customers include retail customers that purchased products directly from us through our self-operated Stores and corporate customers that purchased large volume made-to-order products directly from us through our corporate sales. Our distributor customers purchased products from us and then sell to the end customers in general.

The following table sets out the gross profit and gross profit margin for our self-owned brands and licensed brands for each of the three years ended 31 December 2007, 2008 and 2009 and the six months ended 30 June 2009 and 2010:

	Year ended 31 December						Six months ended 30 June			
	2007		2008		2009		2009		2010	
	RMB million	*GP%*	*RMB million*	*GP%*	*RMB million*	*GP%*	*RMB million*	*GP%*	*RMB million*	*GP%*
V.E. DELURE										
– self-operated Stores	28.3	72.2	62.1	73.5	101.8	74.1	34.9	72.6	72.7	80.1
– distributors	51.6	47.7	81.6	52.7	85.3	54.1	23.0	43.5	68.8	60.8
– corporate sales	–	–	–	–	3.8	63.5	0.8	55.7	1.7	82.3
Subtotal	79.9	54.3	143.7	60.1	190.9	63.4	58.7	57.3	143.2	69.5
TESTANTIN										
– self-operated Stores	14.6	70.9	24.4	72.2	13.8	65.0	4.8	63.3	8.8	76.6
– distributors/ sub-distributors	9.8	45.0	22.5	54.6	34.4	53.3	6.6	47.2	10.7	55.6
Subtotal	24.4	57.7	46.9	62.5	48.2	56.2	11.4	52.8	19.5	63.5
CARTIER	–	–	3.4	38.9	5.8	37.4	2.3	32.0	3.2	32.1
Harmont & Blaine	1.4	32.5	9.3	54.1	3.0	44.1	2.0	35.4	1.0	44.5
Total	105.7	54.5	203.3	59.7	247.9	60.6	74.4	54.4	166.9	67.0

For details of an analysis of revenue and gross profit margin by brands, sales channels and geographical regions, please refer to the section headed "Financial Information" in this prospectus.

Our primary focus is on managing our brands and distribution network through our branding, research, design and distribution capabilities. We enjoy the benefits of an asset-light business model as we outsource the production of most of our apparel and accessory products to Independent Third Party outsourced manufacturers. Our production facilities in Huadu District, Guangzhou in Guangdong Province primarily engage in sampling, packaging and post-finished processing of the apparel produced by our outsourced manufacturers and manufacturing a small portion of our own apparel. We have a stringent quality control system to ensure high product quality.

The apparel products that bear the ***V.E. DELURE*** and ***TESTANTIN*** labels are principally designed by our in-house design team located in Guangzhou. Designs are always developed consistently with our designated brand strategy and theme as set out in the subsection headed "Branding Strategy" in the "Business" section in this prospectus.

Our design team keeps abreast of the latest trends and developments in new designs and types of fabric, primarily through attending fashion shows and trade exhibitions in the PRC, Italy and France, and through other means such as studying local and international fashion magazines. Our design team also works closely with our sales and marketing team to understand the latest market needs and tastes.

Our key revenue and earnings drivers during the Track Record Period included: economic growth in the PRC, urbanization in the PRC, pricing of our products and cost control measures, size of our retail network, our ability to differentiate us from our competitors, our ability to continuously maintain and enhance brand recognition and awareness, business performance of shopping malls, department stores and distributors and our working relationship with them, cost of raw materials, seasonality and weather, purchase costs of outsourced products and external production arrangements and taxation. Our Directors have confirmed that given that the Group is principally focusing on its business in the PRC market, save and except for the general market environment which affects consumers' confidence, the recent economic conditions in Hong Kong and abroad have not had a material adverse effect on our assets, business or financial position.

Beginning in early 2008, we started to act as an authorized dealer of CARTIER accessories in designated CARTIER Stores in the PRC. Each CARTIER agreement entered into with Richemont governs one of our Stores selling CARTIER accessories. The agreements do not give us exclusive licensing or distribution rights within any geographical area and we are not required to pay any royalty or minimum guaranteed fee. We purchase the accessory products directly from Richemont at the prices determined by a price list that is in force at the time of delivery and we sell the products at the recommended retail prices determined by Richemont. Certain CARTIER accessories are covered under the CARTIER international warranty. The CARTIER Stores that we operate follow the shop design directives issued by Richemont. Among other terms, we are also required to devote sufficient display area to CARTIER accessories, ensure that sales of CARTIER accessories are to end-customers and submit to regular monitoring by CARTIER representatives. The distributorship agreements can be terminated by Richemont if we fail to meet our obligations under the agreements. For further details of the material terms of these distributorship agreements, please refer to the section headed "Business – Branding Strategy – II. Licensed Brands – CARTIER" in this prospectus.

In May 2010, we entered into several agreements with Admiralfly, a special purpose vehicle set up and wholly-owned by New Horizon for the purpose of investing in the Company. New Horizon is a limited liability partnership established and registered in the Cayman Islands, focusing on equity investment in China. For further details, please refer to the section headed "Financial Investor" in this prospectus.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth our summary consolidated income statements, our summary consolidated statements of financial position and our summary consolidated statements of cash flows for the Track Record Period. Information contained in these tables were derived from our consolidated financial statements, which have been prepared in accordance with IFRS, set forth in the section headed "Appendix I – Accountants' Report" to this prospectus.

Summary Consolidated Income Statements

	Year ended 31 December			Six months ended 30 June	
	2007	**2008**	**2009**	**2009**	**2010**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
REVENUE	193,879	340,408	409,013	136,716	249,235
Cost of sales	(88,190)	(137,053)	(161,141)	(62,358)	(82,311)
Gross profit	105,689	203,355	247,872	74,358	166,924
Other income	2,686	2,161	2,067	788	966
Selling and distribution costs	(46,531)	(98,673)	(89,079)	(41,471)	(63,059)
Administrative expenses	(11,392)	(19,925)	(20,842)	(8,542)	(13,918)
Other expenses	(304)	(6,767)	(3,000)	(493)	(8,643)
Finance costs	(1,496)	(5,217)	(6,065)	(3,392)	(3,828)
PROFIT BEFORE TAX	48,652	74,934	130,953	21,248	78,442
Income tax credit/(expense)	510	(14,456)	(26,035)	(4,547)	(8,099)
PROFIT FOR THE YEAR/PERIOD	49,162	60,478	104,918	16,701	70,343
Attributable to:					
Owners of the Company	49,162	60,478	104,918	16,701	70,343

Summary Consolidated Statements of Financial Position

	As at 31 December			As at 30 June
	2007	2008	2009	2010
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Assets				
Current assets	188,472	272,527	365,724	498,373
Non-current assets	9,783	15,876	16,235	23,663
Total assets	198,255	288,403	381,959	522,036
Equity and liabilities				
Current liabilities	135,629	162,410	200,168	142,166
Non-current liabilities	57	2,288	7,866	172,639
Total equity	62,569	123,705	173,925	207,231
Total equity and liabilities	198,255	288,403	381,959	522,036

Summary Consolidated Statements of Cash Flows

	Year ended 31 December			Six months ended 30 June	
	2007	2008	2009	2009	2010
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Net cash flows from/(used in) operating activities	(53,066)	6,077	153,333	30,061	29,521
Net cash flows from/(used in) investing activities	35,839	(20,816)	(102,318)	(25,422)	70,219
Net cash flows/(used in) financing activities	22,172	28,971	(53,207)	(16,246)	84,899
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	4,945	14,232	(2,192)	(11,607)	184,639
Cash and cash equivalents at beginning of year/period	4,927	9,830	24,042	24,042	21,850
Effect of foreign exchange rate changes, net	(42)	(20)	–	1	(20)
CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD	9,830	24,042	21,850	12,436	206,469

PROFIT FORECAST FOR THE YEAR ENDING 31 DECEMBER 2010

Forecast consolidated net profit attributable to owners of the Company for the year ending 31 December 2010 *(Note 1)*	not less than RMB150.0 million (equivalent to about HK$172.4 million)
Unaudited pro forma forecast earnings per Share for the year ending 31 December 2010 *(Note 2)*	not less than RMB0.16 (equivalent to about HK$0.18)

Notes:

(1) The forecast consolidated net profit attributable to owners of the Company for the year ending 31 December 2010 is extracted from the section titled "Financial Information – Profit Forecast for the Year Ending 31 December 2010" in this prospectus. The forecast consolidated profit attributable to equity holders of the Company for the year ending 31 December 2010 has been prepared based on the audited consolidated results of the Group for the six months ended 30 June 2010 and the unaudited consolidated results based on management accounts of the Group for the two months ended 31 August 2010. The profit forecast has been prepared on a basis consistent in all material respects with the accounting policies presently adopted by the Group as set out in Section II of the Accountants' Report, the text of which is set out in Appendix I to this prospectus. The forecast consolidated net profit attributable to equity holders of the Company is translated at the exchange rate of RMB0.87 to HK$1.00.

(2) The unaudited pro forma forecast earnings per Share is calculated by dividing the forecast consolidated net profit attributable to owners of the Company for the year ending 31 December 2010, on the basis that 946,695,763 Shares were in issue, assuming that the Shares to be issued pursuant to the Conversion and the Global Offering had been in issue on 1 January 2010, but does not take into account any Shares that may be issued upon the exercise of the Over-allotment Option. The unaudited pro forma forecast earnings per Share is translated at the exchange rate of RMB0.87 to HK$1.00.

OFFERING STATISTICS

	Based on an Offer Price of *HK$3.80*	**Based on an Offer Price of** *HK$4.60*
Market capitalization of the Shares(1)	HK$3,597.4 million	HK$4,354.8 million
Prospective price/earnings multiple on a pro forma basis(2)	20.9 times	25.3 times
Unaudited pro forma adjusted consolidated net tangible assets per Share(3)	HK$1.14	HK$1.33

Notes:

(1) The calculation of market capitalization is based on 946,695,763 Shares expected to be in issue following the Global Offering and the Conversion, but takes no account of any Shares that may be allotted and issued upon exercise of the Over-allotment Option or any options that may be granted under the Share Option Scheme or any Shares that may be allotted and issued or repurchased by the Company.

(2) The calculation of the prospective price/earnings multiple on a pro forma basis is based on the forecast earnings per Share for the year ending 31 December 2010 on a pro forma basis at the respective Offer Prices of HK$3.80 and HK$4.60 per Share. This calculation does not take into account Shares that may be issued upon exercise of the Over-allotment Option or any options that may be granted under the Share Option Scheme or any Shares that may be allotted and issued or repurchased by the Company.

(3) The unaudited pro forma adjusted consolidated net tangible asset per Share is calculated after making the adjustments referred to in Appendix III and based on 946,695,763 Shares expected to be in issue following the Global Offering and the Conversion, but takes no account of any Shares that may be allotted and issued upon exercise of the Over-allotment Option or any options granted under the Share Option Scheme or any Shares that may be allotted and issued or repurchased by the Company.

DIVIDEND AND DIVIDEND POLICY

The Company declared and paid out interim dividends out of the Company's internal funds in the amount of RMB54.6 million and RMB38.6 million during the year ended 31 December 2009 and the six months ended 30 June 2010, respectively, in respect of the relevant prior years'/periods' profits distributed to the Company by the Company's subsidiaries.

Declaration of dividends is subject to the discretion of the Directors, depending on the Company's results of operations, working capital, cash position, future operations, and capital requirements as well as any other factors which the Directors may consider relevant. In addition, any declaration and payment as well as the amount of the dividend will be subject to the constitutional documents of the Company and the Cayman Islands Companies Law. Any future declarations and payments of dividends may or may not reflect the historical declarations and payments of dividends of our Company and will be at the absolute discretion of the Directors. Under applicable PRC law, each of our subsidiaries in the PRC may only distribute after-tax profits after it has made (i) allocations or allowances for recovery of accumulated losses and (ii) allocations to the statutory reserves.

Subject to the conditions set forth in the preceding paragraph, it is the Directors' current intention for the foreseeable future to recommend annually the distribution to Shareholders of not less than 30% of our Company's annual net profits attributable to the owners of our Company as dividends commencing from the year ending 31 December 2010.

For further details, please refer to the section headed "Financial Information – Dividend and Dividend Policy" in this prospectus.

COMPETITIVE STRENGTHS

The Directors believe our principal competitive strengths are as follows:

- A leading PRC menswear brand operator with two proprietary brands targeting different customer bases in the middle-upper to high-end market segments;

- Effective branding and marketing strategy;
- A nation-wide retail network occupying prime locations and with ample room for growth;
- A business model that strategically combines self-operated Retail Stores and distributor networks;
- High growth momentum and attractive margins;
- High quality products and stringent quality control; and
- Management's experience in managing middle-upper to high-end menswear brands.

Please refer to the section headed "Business – Competitive Strengths" in this prospectus for a detailed description of these competitive strengths.

STRATEGIES

Our aim is to become the leading brand operator in the middle-upper to high-end menswear market segments. In view of this, we will implement the following strategies:

- Expanding our retail network and sales channels;
- Increasing same store sales growth by (i) expanding product and service offerings and design capabilities and (ii) enhancing brand equity of our proprietary brands;
- Enriching our portfolio of brands;
- Enhancing our ERP system and administrative support; and
- Increasing our corporate sales.

Please refer to the section headed "Business – Strategies" in this prospectus for a detailed description of these strategies.

USE OF PROCEEDS

The net proceeds of the Global Offering after deducting the underwriting commissions and estimated expenses in relation to the Global Offering, and assuming an Offer Price of HK$4.20 per Offer Share (being the mid-point of the indicative Offer Price range between HK$3.80 and HK$4.60 per Offer Share), are estimated to amount to approximately HK$920.4 million. The Directors intend to apply the net proceeds in the following manner:

- Approximately HK$414.2 million, representing about 45% of the net proceeds from the Global Offering, will be used for the expansion and improvement of our retail network, of which (i) approximately 55% will be used for the opening of new self-operated Stores; (ii) approximately 7% will be used for refurbishing existing self-operated Stores; and (iii) approximately 38% will be used for the costs related to the appointment of new distributors, such as sharing of refurbishment and other set up costs with distributors. As at the end of 2010, we expect to have 325 Stores of which 105 are to be self-operated Stores (including Stores that sell products of our licensed brand) and 220 are to be Stores operated by our distributors. As at the end of 2011, we expect to have 497 Stores of which 164 are to be self-operated Stores (including Stores that sell products of our licensed brand) and 333 are to be Stores operated by our distributors. We expect these Stores will be located in 141 cities in 30 provinces/municipals/autonomous regions of the PRC. Please refer to the section headed "Business – Strategies" in this prospectus for the factors that may affect our retail network expansion plan. The budgeted initial costs and working capital requirements for self-operated Stores (including refurbishment of existing self-operated Stores) are expected to be RMB20.0 million (approximately HK$23.0 million) and RMB87.3 million (approximately HK$100.4 million), respectively, for the fourth quarter of 2010 and the year of 2011, respectively. The budgeted initial costs and working capital requirement for Stores operated by our distributors are expected to be RMB12.9 million (approximately HK$14.8 million) and RMB57.5 million (approximately HK$66.1 million) for the fourth quarter of 2010 and the year of 2011, respectively;

- Approximately HK$92.0 million, representing about 10% of the net proceeds from the Global Offering, will be used to expand our product offerings under our ***V.E. DELURE*** brand by developing independent lines of branded apparels and accessories, including but not limited to, leather goods and shoes, with a plan to launch such products around 2012 or 2013;

- Approximately HK$184.1 million, representing about 20% of the net proceeds from the Global Offering, will be used for acquisitions or licensing of additional brands with duly registered intellectual property, good brand history and scale, good assets and a profitable operating and management model, development potential and complementary brand positioning and a sales network to enhance our brand portfolio. As at the Latest Practicable Date, we do not have any potential targets for acquisitions;

- Approximately HK$64.5 million, representing about 7% of the net proceeds from the Global Offering, will be used for marketing and promotional activities in 2011 and 2012, of which (i) approximately 40% will be used for media advertising, (ii) approximately 10% will be used for fashion shows, (iii) approximately 30% will be used for brand building and product promotions, and (iv) approximately 20% will be used towards sponsorship of spokespersons and major events;

- Approximately HK$46.0 million, representing about 5% of the net proceeds from the Global Offering, will be used for the upgrade of hardware and software of our ERP system and database management system over three years to create a direct interface between the individual system at each of the Stores operated by our distributors, which will allow us to obtain real-time operating data, thereby allowing central management to further improve our inventory and financial management capability. The budgeted initial costs and working capital requirement to upgrade our ERP system and database management system are expected to be around RMB20 to 40 million (approximately HK$23 to 46 million);

- Approximately HK$46.0 million, representing about 5% of the net proceeds from the Global Offering, will be used for hiring international design talent and design consultant firms, expanding our existing design team and establishing our own research and design center, of which (i) approximately 43% will be used towards employing suitable design personnel and (ii) the remainder of approximately 57% will be used towards the operational cost of our design team; and

- Approximately HK$73.6 million, representing about 8% of the net proceeds from the Global Offering is expected to be used as additional general working capital.

In the event that the Offer Price is fixed at HK$3.80 per Share, being the lowest point of the indicative price range, the net proceeds will be reduced by about HK$91.8 million. In such circumstances, the Directors intend to reduce the application of proceeds described above proportionally.

In the event that the Offer Price is fixed at HK$4.60 per Share, being the highest point of the indicative price range, the net proceeds will be increased by about HK$91.8 million. In such circumstances, the Directors intend to apply the additional proceeds proportionally.

To the extent that the net proceeds of the Global Offering are not immediately required for the above purposes, the Directors currently intend that such proceeds will be placed on short-term deposits with licensed banks or financial institutions in Hong Kong.

SUMMARY OF RISK FACTORS

We believe there are certain risks involved in our operations. Many of these risks are beyond our control and can be categorized as: (i) risks relating to our business; (ii) risks relating to our industry; (iii) risks relating to the PRC; and (iv) risks relating to the Global Offering.

Risks relating to our business

- We rely heavily on our ***V.E. DELURE*** and ***TESTANTIN*** brands. We may not be able to effectively promote and maintain our brands;
- We may not be able to respond in a timely manner to rapid changes in fashion trends and consumer tastes in the PRC;
- Our business may be negatively affected if our distributors fail to comply with our retail policies;
- The loss of, or significant decrease in, sales to our major distributors may have a material adverse effect on our financial condition and results of operations;
- Our ability to lease properties in suitable locations and on commercially acceptable terms may affect our expansion plans;
- We may be required to seek alternative premises and/or we may be required to pay penalties for some of our leased properties if our landlords do not have title thereto and for non-registration or change of prescribed use of some of our leased properties;
- We may not be able to monitor the retail sales price and inventory levels of our distributors;
- Our brand image and profitability may be negatively affected by actions of our outsourced manufacturers and distributors;
- We rely on our outsourced manufacturers for the production of most of our products and any material disruption to the supply of products from our outsourced manufacturers would materially and adversely affect our results of operations;
- We may be affected by intellectual property rights infringement;
- We may not be able to adequately protect our intellectual property rights;
- Fluctuations in the price, availability and quality of raw materials could cause production delays and increase production costs;

- A labor shortage or an increase in labor cost or the cost of products manufactured by outsourced manufacturers may expose us to an increase in total cost;

- We may not be able to manage our rapid growth and expansion of our retail network effectively;

- We may lose our license to sell CARTIER accessories or may not be able to renew such license on commercially reasonable terms or at all;

- We are heavily dependent on certain key executives and senior management;

- Any significant disruption or damage to our administrative or production facilities could have a material adverse effect on our results of operations;

- Our inventory may become obsolete;

- We may not successfully integrate newly acquired or licensed brands and/or businesses into our business model;

- Our suppliers and outsourced manufacturers may be affected by national and local government regulations in the areas in which they operate;

- We may be exposed to product liability, property damage or personal injury claims;

- The Company's future dividend policy is subject to the discretion of the Directors;

- We may not be able to secure future financing; and

- We will not continue to receive preferential tax treatments that we currently enjoy.

Risks relating to our industry

- We face intense competition in the menswear industry in the PRC;

- Our sales volume is sensitive to seasonality effects and weather patterns;

- We may be affected by the recent global financial turmoil; and

- Our business may be affected by events that are beyond our control, such as natural disasters, outbreaks of epidemics, acts of war, terrorist acts, and social or political unrest.

Risks relating to conducting operations in the PRC

- We may be affected by changes in the PRC foreign exchange regulations;
- Fluctuations in the exchange rates of the Renminbi may affect our business and results of operations;
- We may experience fluctuations in consumers' purchasing behavior caused by changes in macroeconomic conditions in the PRC; and
- Interpretation of PRC laws and regulations involves uncertainty that could adversely affect our business and results of operations and limit the legal protections available to investors.

Risks relating to the Global Offering

- There has not been any prior public market for the Shares. The market may be volatile and liquidity may be low;
- Shareholders' interests may be diluted;
- Future sales or perceived sales of substantial amounts of the Shares in the public market could have a material adverse effect on the prevailing market price of the Shares;
- Certain facts and public statistics in this prospectus may not be reliable;
- It may be difficult to effect service of process upon us or the Directors who reside in the PRC or to enforce against them or us in the PRC any judgments obtained from non-PRC courts;
- There are forward-looking statements in this prospectus; and
- Investors should read this entire prospectus carefully and should not consider any particular statement in this prospectus or in published media reports without carefully considering the risks and other information contained in this prospectus.