



Goodbaby International Holdings Limited

好孩子國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1086

# Global Offering



Sole Global Coordinator, Bookrunner,  
Sponsor and Lead Manager

**Morgan Stanley**

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## IMPORTANT

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*If you are in any doubt about any of the contents of this prospectus, you should obtain independent professional advice.*



## Goodbaby International Holdings Limited

### 好孩子國際控股有限公司

*(incorporated in the Cayman Islands with limited liability)*

### GLOBAL OFFERING

**Number of Offer Shares under the Global Offering** : 300,000,000 Shares (comprising 201,000,000 new Shares to be offered by us and 99,000,000 existing Shares to be offered by the Selling Shareholder, subject to adjustment and the Over-allotment Option)

**Number of Hong Kong Offer Shares** : 30,000,000 Shares (subject to adjustment)

**Number of International Offer Shares** : 270,000,000 Shares of which 171,000,000 Shares are to be offered by us and 99,000,000 Sale Shares are to be offered for sale by the Selling Shareholder (subject to adjustment and the Over-allotment Option)

**Maximum Offer Price** : HK\$4.90 per Offer Share, plus brokerage fee of 1%, Stock Exchange trading fee of 0.005% and SFC transaction levy of 0.003% (payable in full on application in Hong Kong dollars and subject to refund)

**Nominal value** : HK\$0.01 per Share

**Stock code** : 1086

**Sole Global Coordinator, Bookrunner, Sponsor and Lead Manager**

## Morgan Stanley

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Hong Kong Exchanges and Clearing Limited, the Stock Exchange of Hong Kong Limited and the Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this prospectus.

A copy of this prospectus, having attached thereto the documents specified in Appendix VII — “Documents Delivered to the Registrar of Companies and Available for Inspection” of this prospectus, has been registered by the Registrar of Companies in Hong Kong as required by Section 342C of the Hong Kong Companies Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission and the Registrar of Companies in Hong Kong take no responsibility for the contents of this prospectus or any of the other documents referred to above.

The Offer Price is expected to be fixed by agreement between Morgan Stanley (on behalf of the Underwriters) and us (for ourselves and for the Selling Shareholder) on the Price Determination Date. The Price Determination Date is expected to be on or around November 17, 2010 and, in any event, not later than November 23, 2010. The Offer Price will be not more than HK\$4.90 and is currently expected to be not less than HK\$3.70. If, for any reason, the Offer Price is not agreed by November 23, 2010 between Morgan Stanley (on behalf of the Underwriters) and us (for ourselves and for the Selling Shareholder), the Global Offering will not proceed and will lapse. Applicants for Hong Kong Offer Shares are required to pay, on application, the maximum Offer Price of HK\$4.90 for each Hong Kong Offer Share together with 1% brokerage, 0.005% Stock Exchange trading fee and 0.003% SFC transaction levy, subject to refund if the Offer Price as finally determined is less than HK\$4.90 per Offer Share.

Morgan Stanley (on behalf of the Underwriters) may, with our consent and the consent of the Selling Shareholder, reduce the number of Offer Shares and/or the indicative Offer Price range below that stated in this prospectus at any time prior to the morning of the last day for lodging applications under the Public Offer. In such a case, notices of the reduction in the number of Offer Shares and/or the indicative Offer Price range will be published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the day which is the last day for lodging applications under the Public Offer. If applications for Hong Kong Offer Shares have been submitted prior to the last day for lodging applications under the Public Offer, then even if the number of Offer Shares and/or the indicative Offer Price range is so reduced, such applications cannot be subsequently withdrawn. Further details are set out in “Structure of the Global Offering” and “How to Apply for Hong Kong Offer Shares” of this prospectus. If, for any reason, we (for ourselves and for the Selling Shareholder), and Morgan Stanley (on behalf of the Underwriters) are unable to reach an agreement on the Offer Price by November 23, 2010, the Global Offering (including the Public Offer) will not proceed and will lapse.

Prospective investors should read the entire document carefully and, in particular, should consider the matters discussed in “Risk Factors” of this prospectus.

The obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement are subject to termination by Morgan Stanley (on behalf of the Hong Kong Underwriters) if certain grounds arise at or prior to 8:00 a.m. on the Listing Date. Such grounds are set out in “Underwriting — Underwriting Arrangements and Expenses — Grounds for termination” of this prospectus.

The Offer Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold, pledged or transferred within the United States or to, or for the account or benefit of, U.S. persons, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act. The Offer Shares are being offered and sold (1) to QIBs in reliance on Rule 144A or another exemption from registration under the U.S. Securities Act and (2) outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act.

November 11, 2010

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## EXPECTED TIMETABLE<sup>(1)</sup>

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Application lists open <sup>(2)</sup> . . . . .	11:45 a.m. on Tuesday, November 16, 2010
Latest time to lodge <b>WHITE</b> and <b>YELLOW</b> Application Forms . . . . .	
	12:00 noon on Tuesday, November 16, 2010
Latest time to complete electronic applications under <b>White Form eIPO</b> service through the designated website <a href="http://www.eipo.com.hk">www.eipo.com.hk</a> <sup>(3)</sup> . . . . .	
	11:30 a.m. on Tuesday, November 16, 2010
Latest time to complete payment of <b>White Form eIPO</b> applications by effecting internet banking transfer(s) or PPS payment transfer(s) . . . . .	
	12:00 noon on Tuesday, November 16, 2010
Latest time to give <b>electronic application instructions</b> to HKSCC <sup>(4)</sup> . . . . .	
	12:00 noon on Tuesday, November 16, 2010
Application lists close . . . . .	12:00 noon on Tuesday, November 16, 2010
Expected Price Determination Date <sup>(5)</sup> . . . . .	Wednesday, November 17, 2010
Announcement of	
<ul style="list-style-type: none"><li>• the Offer Price;</li><li>• the level of applications in the Public Offer;</li><li>• the level of indications of interest in the International Offer; and</li><li>• the basis of allotment of the Hong Kong Offer Shares</li></ul> to be published in South China Morning Post (in English) and Hong Kong Economic Times (in Chinese) and on the websites of the Hong Kong Stock Exchange at <a href="http://www.hkexnews.hk">www.hkexnews.hk</a> and our Company at <a href="http://www.gbinternational.com.hk">www.gbinternational.com.hk</a> on or before . . . . .	
	Tuesday, November 23, 2010
Results of allocations in the Public Offer (including successful applicants' identification document numbers, where appropriate) to be available through a variety of channels (see paragraph headed "Publication of Results" in the section headed "How to Apply for Hong Kong Offer Shares of this prospectus") from . . . . .	
	Tuesday, November 23, 2010
Despatch of Share certificates in respect of wholly or partially successful applications on or before <sup>(6)</sup> . . . . .	
	Tuesday, November 23, 2010
Despatch of White Form e-Refund payment instructions/refund cheques in respect of wholly or partially unsuccessful applications on or before <sup>(6)(7)</sup> . . . . .	
	Tuesday, November 23, 2010
Dealings in Shares on the Stock Exchange expected to commence at <sup>(8)</sup> . . . . .	
	9:30 a.m. on Wednesday, November 24, 2010

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(1) All times refer to Hong Kong local time.

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## EXPECTED TIMETABLE<sup>(1)</sup>

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- (2) If there is a “black” rainstorm warning or a tropical cyclone warning signal number 8 or above in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on November 16, 2010, the application lists will not open on that day. See “How to Apply for Hong Kong Offer Shares — Effect of Bad Weather on the Opening of the Application Lists” of this prospectus.
- (3) You will not be permitted to submit your application through the designated website at [www.eipo.com.hk](http://www.eipo.com.hk) after 11:30 a.m. on the last day for submitting applications. If you have already submitted your application and obtained an application reference number from the designated website prior to 11:30 a.m., you will be permitted to continue the application process (by completing payment of application monies) until 12:00 noon on the last day for submitting applications, when the application lists close.
- (4) Applicants who apply for Hong Kong Offer Shares by giving **electronic application instructions** to HKSCC should refer to “How to Apply for Hong Kong Offer Shares — How to Apply Electronically to HKSCC via CCASS” of this prospectus.
- (5) Please note that the Price Determination Date, being the date on which the Offer Price is to be determined, is expected to be on or around November 17, 2010 and, in any event, not later than November 23, 2010. If, for any reason, the Offer Price is not agreed by November 23, 2010 between the Global Coordinator (on behalf of the Underwriters) and us (for ourselves and for the Selling Shareholder), the Global Offering will not proceed and will lapse. Notwithstanding that the Offer Price may be fixed at below the maximum Offer Price of HK\$4.90 per Offer Share payable by applicants for Shares under the Public Offer, applicants who apply for Shares must pay on application the maximum Offer Price of HK\$4.90 per Offer Share plus the brokerage fee of 1%, SFC transaction levy of 0.003%, and Stock Exchange trading fee of 0.005% but will be refunded the surplus application monies as provided in the section headed “How to Apply for Hong Kong Offer Shares” in this prospectus.
- (6) Applicants who have applied for 1,000,000 or more Hong Kong Offer Shares and have indicated in their Application Forms their wish to collect refund cheques (where applicable) and Share certificates (where applicable) in person may do so from our Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, from 9:00 a.m. to 1:00 p.m. on the date notified by the Company in the newspapers as the date of despatch of Share certificates and refund cheques. The date of despatch of Share certificates and refund cheques is expected to be November 23, 2010. Applicants who are individuals and opt for personal collection must not authorize any other person to make collection on their behalf. Applicants that are corporations and opt for personal collection must attend by their authorized representatives, each bearing a letter of authorization from his corporation stamped with the corporation’s chop. Both individuals and authorized representatives (if applicable) must produce, at the time of collection, evidence of identity acceptable to our Hong Kong Share Registrar. Uncollected refund cheques and Share certificates will be despatched by ordinary post to the addresses as specified in the applicants’ Application Forms at the applicants’ own risk. Applicants who apply for 1,000,000 Hong Kong Offer Shares or more through the **White Form eIPO** service by submitting an electronic application to the designated **White Form eIPO** Service Provider through the designated website at [www.eipo.com.hk](http://www.eipo.com.hk) may collect their Share certificate(s)(where applicable) in person from Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong from 9:00 a.m. to 1:00 p.m. on Tuesday, November 23, 2010, or such other date as notified by our Company as the date of despatch/collection of share certificates/e-Refund payment instructions/refund cheques. Applicants who paid the application monies from a single bank account may have e-Refund payment instructions (if any) despatched to the application payment account on Tuesday, November 23, 2010. Applicants who used multi-bank accounts to pay the application monies may have refund cheque (if any) will be despatched to the address specified in their application instructions to the designated **White Form eIPO** Service Provider on Tuesday, November 23, 2010, by ordinary post and at their own risk.
- (7) e-Refund instructions/refund cheques will be issued in respect of wholly or partially unsuccessful applications, and also in respect of successful applications in the event that the Offer Price as finally determined is less than the Offer Price per Offer Share initially paid on application.
- (8) Share certificates will only become valid certificates of title if the Global Offering becomes unconditional and neither of the Underwriting Agreements is terminated in accordance with its terms at or before 8:00 a.m. on the Listing Date, which is expected to be November 24, 2010. No dealing should take place in the Offer Shares prior to commencement of dealing in the Shares on the Stock Exchange. Investors who trade Shares on the basis of publicly available allocation details prior to the receipt of Share certificates or prior to the Share certificates becoming valid do so entirely at their own risk.

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*This prospectus is issued by Goodbaby International Holdings Limited solely in connection with the Public Offer and does not constitute an offer to sell or a solicitation of an offer to buy any security other than the Hong Kong Offer Shares offered by this prospectus pursuant to the Public Offer. This prospectus may not be used for the purpose of, and does not constitute, an offer or invitation in any other jurisdiction or in any other circumstances. No action has been taken to permit a public offering of the Offer Shares or the distribution of this prospectus in any jurisdiction other than Hong Kong.*

*You should rely only on the information contained in this prospectus and the Application Forms to make your investment decision. We have not authorized anyone to provide you with information that is different from what is contained in this prospectus. Any information or representation not made in this prospectus must not be relied on by you as having been authorized by us, the Selling Shareholder, the Global Coordinator, the Sponsor, any of the Underwriters, any of their respective directors, officers or representatives, or any other person or party involved in the Global Offering.*

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## SUMMARY

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*This summary aims to give you an overview of the information contained in this prospectus. As it is a summary, it does not contain all the information that may be important to you. You should read the whole document before you decide to invest in the Offer Shares. 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 our Offer Shares.*

### OVERVIEW

We are an international durable juvenile products company headquartered in China. In 2009, we were the largest supplier of strollers in North America<sup>(1)</sup>, our European market and China and we produced one out of every 1.8 strollers sold in North America, one out of every 4.1 strollers sold in our European market, one out of every 3.7 strollers sold in China and one out of every 2.9 strollers sold in all these markets combined, according to Frost & Sullivan. In 2009, we had the largest market share of strollers in terms of units sold and retail value in China, which was 27.2% and 41.2%, respectively, according to Frost & Sullivan. We principally engage in the design, research and development, manufacture, marketing and sale of strollers, children’s car safety seats, cribs, bicycles and tricycles, and other durable juvenile products. The durable juvenile products that we design, manufacture and sell are long-lasting hardware products for external use and are intended for use or that may be reasonably expected to be used by children. We are committed to providing safe, innovative, fashionable, easy-to-use strollers and other durable juvenile products throughout the world. For the year ended December 31, 2007, 34.5%, 28.0%, 24.0% and 13.5% of our revenue from Continuing Operations was generated from North America, our European market, China and Other Overseas Markets, respectively. For the year ended December 31, 2008, 30.9%, 32.8%, 22.9% and 13.4% of our revenue from Continuing Operations was generated from North America, our European market, China and Other Overseas Markets, respectively. For the year ended December 31, 2009, 33.0%, 30.6%, 24.1% and 12.3% of our revenue from Continuing Operations was generated from North America, our European market, China and Other Overseas Markets, respectively. For the seven months ended July 31, 2010, 34.8%, 28.9%, 23.9% and 12.3% of our revenue from Continuing Operations was generated from North America, our European market, China and Other Overseas Markets, respectively.

#### **Our China Business**

According to Frost & Sullivan, our brand “好孩子 Goodbaby” (“好孩子” literally means “good child”), is the most recognized brand name for durable juvenile products in China where it enjoys recognition substantially ahead of other competitive brands. We design, produce and sell products principally under our own brands, particularly “好孩子 Goodbaby” and “小龍哈彼 Happy Dino”, both of which enjoy a leading market share in China. We sell to distributors, including to our Parent Group which, among other operations, operates retail stores under the brand name “Goodbaby”.

#### **Our Overseas Business**

In North America and our European market, we establish strategic relationships with owners of internationally leading durable juvenile products brands, such as “Safety 1st”, “Cosco”, “Quinny” and “Maxi Cosi”. We design and develop durable juvenile products either on our own or jointly with these

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<sup>(1)</sup> For purposes of this prospectus, references to “North America” mean the United States and Canada.

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## SUMMARY

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brand owners, and manufacture and sell such products to the brand owners. These durable juvenile products are in turn sold by the brand owners under their brands using their distribution channels. In Other Overseas Markets, we similarly sell products, which we have designed (or jointly designed in the case of one of our customers) or manufactured, to locally leading brand owners, who then sell and distribute these products under their brands using their distribution channels. We also sell our own branded products to experienced local distributors in Other Overseas Markets.

Leveraging our leading R&D capability and product knowledge in the industry, we intend to further consolidate and strengthen our brand reputation, enhance our market penetration and broaden our product offerings in other durable juvenile products segments, such as children's car safety seats, both in China and internationally.

According to Frost & Sullivan,

- In 2009, when asked to identify a single durable juvenile product brand in China, 64.0 out of every 100 respondents identified “好孩子 Goodbaby”, substantially ahead of the second most recognized brand, which was identified by 8.6 out of every 100 respondents.
- In China, we have maintained the largest market share of stroller sales in terms of units sold and retail value for 17 years. In 2009, our “小龍哈彼 Happy Dino” brand commanded a number one market share by units sold of 16.2% in China and our “好孩子 Goodbaby” branded strollers commanded a number two market share by units sold of 11.0% in China, both of which were substantially ahead of the 3.1% market share of the closest competitor's brand. In 2009, our “好孩子 Goodbaby” brand commanded a number one market share by retail value of 23.2% in China and our “小龍哈彼 Happy Dino” branded strollers commanded a number two market share by retail value of 18.0% in China, both of which were substantially ahead of the 3.0% market share of the closest competitor's brand. In 2009, our “好孩子 Goodbaby” brand was ranked first for children's car safety seats in terms of units sold and retail value, and our “小龍哈彼 Happy Dino” brand was ranked first for cribs in terms of units sold and retail value.
- In North America, we have been the largest supplier of strollers for 11 years. In 2009, the strollers that we supplied accounted for 55.1% of the total number of strollers sold in North America and 34.1% of the total sales of strollers in North America in terms of retail value.
- In our European market, we have been the largest supplier of strollers for four years. In 2009, the strollers that we supplied accounted for 24.1% of the total number of strollers sold in our European market and 16.4% of the total sales of strollers in our European market in terms of retail value.
- In 2009, we produced one out of every 2.9 strollers in China, North America and our European market combined.

Our chairman, Mr. Song, first entered into the durable juvenile products business in 1989, when he founded a predecessor company that designed, manufactured and marketed strollers in China. In the same year, this company established the “好孩子 Goodbaby” brand and also introduced the first “push and rock” stroller in China, which had a seat designed to rock gently in the same way as a cradle. In 1990, we were



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## SUMMARY

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granted a 10-year patent in China for a “push and rock” stroller that we invented. Since 1993, we have become the market leader in terms of stroller sales by units sold and retail value in China, according to Frost & Sullivan. In 1996, we began to sell strollers in North America to an international brand owner, Dorel, with whom we have since established a strategic relationship. By 1999, only three years after our commencement of business in such market, we became the largest supplier of strollers in North America, according to Frost & Sullivan. In 2002, we began to sell strollers in our European market by working strategically with leading international brand owners and, in 2006, according to Frost & Sullivan, we became the largest supplier of strollers in our European market. In 2006, we re-branded our “小小恐龍 Little Dinosaur” brand to “小龍哈彼 Happy Dino”. Our “小小恐龍 Little Dinosaur” brand was first launched in 1999 primarily to target the mass market segment in China. “好孩子 Goodbaby” and “小龍哈彼 Happy Dino” were the most popular stroller brands in China in 2009. For the years ended December 31, 2007, 2008 and 2009 and for the seven months ended July 31, 2010, our revenue from stroller sales accounted for 47.8%, 51.0%, 53.1% and 50.7%, respectively, of our total revenue from Continuing Operations. Other durable juvenile products such as children’s car safety seats, cribs, bicycles and tricycles accounted for the remainder of our sales revenue from Continuing Operations during these periods. During the past few years, we have rapidly expanded our product offerings in China and internationally. In North America and our European market, we believe we are the partner of choice for durable juvenile products, especially strollers. As part of our effort to increase our brand recognition overseas, we recently introduced our new logo, “gb”, which we expect to gradually replace the English-language “Goodbaby” logo over time. Similarly, in China, we expect to gradually replace the “好孩子 Goodbaby” logo with “好孩子 gb”.

We seek to maintain a leading position by continuously introducing original industry-leading products and innovations that are widely accepted in our industry. For example, in 1999, we received a 10-year patent in China for a mechanism that allowed strollers to be collapsed and folded using only one hand rather than both hands. Subsequent to the granting of such patent in 1999, we have developed more advanced methods to enable strollers to be collapsed and folded using one hand and have received patents for such mechanisms. We expect to continue developing more advanced methods and mechanisms for strollers as well as our other durable juvenile products. Over the years, we have steadily increased the number of our trademark and patent registrations for our products and innovations and as of September 30, 2010, we had 209 registered trademarks, 85 applications for trademark registration, 2,116 registered patents and 527 applications for patent registration in China. We hold patents of three different categories, namely, invention patents, utility patents and design patents. As of September 30, 2010, we held 93 invention patents, 664 utility patents and 1,359 design patents, and our registration applications for 83 invention patents, 256 utility patents and 188 design patents were pending. For further details on our intellectual property rights, please refer to Appendix VI to this prospectus under the heading “Further Information About The Business — Intellectual property rights of the Group.” We currently have five R&D centers, in Kunshan, China, Boston, U.S., Utrecht, the Netherlands, Tokyo, Japan and, most recently, Hong Kong, with an R&D team of over 300 personnel. Through our strengths in R&D, we seek to continuously provide complete solutions encompassing market research, market-oriented product planning, concept creation, structural design, engineering design as well as fashion design, so that we consistently introduce innovative, high-quality products that are responsive to market demand.

Our business is supported by our efficient and stable production control and supply chain management system. We seek to maintain our supply chain through the establishment of procurement, production and safety standards, the control and management of our production facilities in Kunshan and Ningbo, outsourcing to third parties, as well as related logistical systems. Under this integrated management system,

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## SUMMARY

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we can constantly analyze and monitor the level of production capacity, quality control and consistency of our products in order to determine the optimal mix of products that we choose to produce through our production facilities, or outsource to reliable third-party manufacturers, most of whom have long-standing relationships with us. Our production and ancillary facilities in Kunshan and Ningbo in China occupy an aggregate of 329,504.07 square meters as of July 31, 2010.

In China, we sell our products through an extensive distribution network, with 28 provinces, autonomous regions and municipalities in the PRC with coverage of 5,297 maternity and childcare specialty stores, 835 hypermarket outlets, and 664 department store outlets as of July 31, 2010. We sell all of our products in China to distributors, who in turn distribute our products to end consumers through retail outlets operated by the distributors themselves or their sub-distributors. These retail outlets include department stores, hypermarkets and, increasingly, maternity and childcare specialty stores. We collaborate with these retail outlets by inspecting and providing suggestions on the image displays, establishing operating standards relating to personnel and inventory at these outlets, and providing training programs and general assistance to these retail outlets in their operations. In North America and our European market, we sell products, which we have designed (or jointly designed) or manufactured, to international brand owners, who in turn sell these products under their brands using their distribution channels. In Other Overseas Markets, we similarly sell products, which we have designed (or jointly designed in the case of one of our customers) or manufactured, to locally leading brand owners, who then sell and distribute these products under their brands using their distribution channels. We also sell our own branded products to experienced local distributors in Other Overseas Markets.

We operate different business models in connection with operations relating to our self-owned brands and operations relating to international brand owners. Should we become unable to effectively address the risks, difficulties and challenges resulting from these different business models, some of which are beyond our control, our business, financial condition or results of operations may be materially and adversely affected. In addition, we operate in a highly competitive industry. For our domestic market and our Overseas Markets where we sell our branded products, we face competition primarily from third-party local durable juvenile product brand owners in the mass market and owners of international brands in the mid- to high-end market. As such, our branded products compete for sales against international brand owners who might also be our customers. Failure to maintain our competitive position may materially adversely affect our business, financial condition or results of operations.

As of July 31, 2010, we had 451 distributors in China and had sold our products to 83 international brand owners and 32 distributors in overseas markets. GCCL, a member of our Parent Group, which, among other things, operates retail stores under the “好孩子 Goodbaby” brand, acts as our largest distributor in China, and for the three years ended December 31, 2009 and for the seven months ended July 31, 2010, sales to GCCL contributed approximately 12.1%, 10.8%, 8.6% and 7.2%, respectively, of our revenue from Continuing Operations and approximately 50.1%, 47.2%, 35.7% and 30.2%, respectively, of our domestic revenue from Continuing Operations.

As of July 31, 2010, among our 451 distributors in China, 300 had entered into a distributorship agreement with us and the remaining 151 distributors did not have a distributorship agreement with us and principally worked with us on the basis of purchase orders. For the years ended December 31, 2007, 2008

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## SUMMARY

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and 2009 and for the seven months ended July 31, 2010, we derived 95.4%, 94.4%, 91.7% and 96.9%, respectively, of our revenue from distributors in China with whom we have entered into distributorship agreements. For our overseas markets, we have not entered into any exclusivity agreement with our customers.

On December 18, 2009, one of our largest customers voluntarily recalled children's car safety seats sold under their brands, including children's car safety seats produced by us. On the basis of our continual long-term business relationship with this customer, we sought to support this customer by bearing a part of their loss. After the product recall, we continue to maintain a normal business relationship with this customer. In addition, on November 8, 2007, an independent third party seller of durable juvenile products, which was not our direct customer nor had any form of contact with us, had recalled its cribs sold under its brands. We had sold products, on an OEM basis, through the independent third party seller's independent merchandiser and we had terminated our working relationship with the independent merchandiser of such independent third party seller in March 2007. We are not able to verify that the recalled products were manufactured by us. For more details, please refer to the section headed "Business — Quality Control — Recalls" and "Risk Factors — Risks Relating to Our Business — The manufacturing process for products in our industry is complex and any failure to adhere to quality and safety standards may adversely affect our financial condition and results of operations."

For the year ended December 31, 2007, 2008 and 2009, our revenue from Continuing Operations was HK\$2,586.5 million, HK\$3,266.2 million and HK\$3,032.2 million, respectively, representing a CAGR of 8.3% over the three years ended December 31, 2009, while our profit for the year from Continuing Operations was HK\$162.2 million, HK\$173.5 million and HK\$164.4 million, respectively, representing a CAGR of 0.7% over the three years ended December 31, 2009. Our profit from Continuing Operations decreased from HK\$173.5 million in 2008 to HK\$164.4 million in 2009, primarily attributable to a decrease in revenue in each of our geographical markets, which was a result of the global financial crisis and economic downturn. Although the performance of our product lines was generally impacted by the economic downturn as consumers were more cautious on their spending, the demand for and sales of our strollers and accessories in North America and China had increased in 2009 despite the economic downturn. For more details, please refer to the section headed "Financial Information — Review of Historical Operating Results — Year ended December 31, 2009 Compared to Year Ended December 31, 2008 — Continuing Operations." For the seven months ended July 31, 2009 and 2010, our revenue from Continuing Operations was HK\$1,694.0 million and HK\$2,198.5 million, respectively, representing an increase of 29.8%. Our profit from Continuing Operations for the seven months ended July 31, 2009 and 2010 was HK\$99.4 million and HK\$141.5 million, respectively, representing an increase of 42.4%. For the years ended December 31, 2007, 2008 and 2009 and the seven months ended July 31, 2010, as a result of hedging activities for our operations, we recorded changes in the fair value of the forward contracts amounting to gain/(loss) of HK\$8.5 million, HK\$(27.1) million, HK\$(0.2) million and HK\$1.7 million, respectively, on our income statement. These forward currency contracts are not designated as cash flow, fair value or net investment hedges.

## SUMMARY

The table below sets out our revenue from Continuing Operations for our principal products<sup>(1)</sup> and their respective percentage of revenue from Continuing Operations, by geographical market, for the periods indicated.

	For the year ended December 31,						For the seven months ended July 31,			
	2007		2008		2009		2009		2010	
	Sales	% of sales	Sales	% of sales	Sales	% of sales	Sales	% of sales	Sales	% of sales
(HK\$ millions)		(HK\$ millions)		(HK\$ millions)		(HK\$ millions)		(HK\$ millions)		
<b>Our European Market</b>										
Strollers and accessories . . . . .	532.6	20.6%	772.7	23.7%	636.4	21.0%	317.1	18.7%	411.2	18.7%
Car seats and accessories . . . . .	123.4	4.8%	157.1	4.8%	161.2	5.3%	71.5	4.2%	106.6	4.9%
Other durable juvenile products . . . . .	68.0	2.6%	140.5	4.3%	130.8	4.3%	72.6	4.3%	118.3	5.4%
Sub-total . . . . .	<u>724.1</u>	<u>28.0%</u>	<u>1,070.2</u>	<u>32.8%</u>	<u>928.4</u>	<u>30.6%</u>	<u>461.2</u>	<u>27.2%</u>	<u>636.1</u>	<u>28.9%</u>
<b>North America</b>										
Strollers and accessories . . . . .	337.9	13.1%	434.9	13.3%	513.0	16.9%	304.7	18.0%	357.6	16.3%
Car seats and accessories . . . . .	249.0	9.6%	270.1	8.3%	203.1	6.7%	140.2	8.3%	156.0	7.1%
Other durable juvenile products . . . . .	304.3	11.8%	305.4	9.4%	284.1	9.4%	155.0	9.2%	251.5	11.4%
Sub-total . . . . .	<u>891.2</u>	<u>34.5%</u>	<u>1,010.4</u>	<u>31.0%</u>	<u>1,000.2</u>	<u>33.0%</u>	<u>599.9</u>	<u>35.4%</u>	<u>765.0</u>	<u>34.8%</u>
<b>China</b>										
Strollers and accessories . . . . .	205.2	7.9%	245.6	7.5%	263.4	8.7%	170.6	10.1%	198.1	9.0%
Bicycles, tricycles and e-cars . . . . .	245.8	9.5%	295.1	9.0%	274.2	9.0%	166.0	9.8%	204.6	9.3%
Other durable juvenile products . . . . .	170.9	6.6%	208.3	6.4%	192.5	6.4%	113.2	6.7%	123.5	5.6%
Sub-total . . . . .	<u>621.9</u>	<u>24.0%</u>	<u>749.1</u>	<u>22.9%</u>	<u>730.1</u>	<u>24.1%</u>	<u>449.8</u>	<u>26.6%</u>	<u>526.2</u>	<u>23.9%</u>
<b>Other Overseas Markets</b>										
Strollers and accessories . . . . .	160.7	6.2%	213.8	6.5%	196.5	6.5%	110.2	6.5%	147.6	6.7%
Other durable juvenile products . . . . .	188.6	7.3%	222.7	6.8%	177.0	5.8%	73.0	4.3%	123.7	5.6%
Sub-total . . . . .	<u>349.3</u>	<u>13.5%</u>	<u>436.5</u>	<u>13.4%</u>	<u>373.5</u>	<u>12.3%</u>	<u>183.2</u>	<u>10.8%</u>	<u>271.3</u>	<u>12.3%</u>
<b>Total . . . . .</b>	<u><u>2,586.5</u></u>	<u><u>100.0%</u></u>	<u><u>3,266.2</u></u>	<u><u>100.0%</u></u>	<u><u>3,032.2</u></u>	<u><u>100.0%</u></u>	<u><u>1,694.0</u></u>	<u><u>100.0%</u></u>	<u><u>2,198.5</u></u>	<u><u>100.0%</u></u>

<sup>(1)</sup> For China, we sell products principally under our brands. For North America and our European market, we sell products to international brand owners who then distribute under their brands. For Other Overseas Markets, we sell products to locally leading brand owners who then distribute under their brands as well as our branded products to experienced local distributors.

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## SUMMARY

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The table below sets out our revenue from Continuing Operations for our products sold under our brands and products sold under third party-owned brands in Other Overseas Markets and their respective percentage of revenue from Continuing Operations for the periods indicated.

	For the year ended December 31,						For the seven months ended July 31,			
	2007		2008		2009		2009		2010	
	Sales	% of sales	Sales	% of sales	Sales	% of sales	Sales	% of sales	Sales	% of sales
	(HK\$ millions)		(HK\$ millions)		(HK\$ millions)		(HK\$ millions)		(HK\$ millions)	
<b>Other Overseas Markets</b>										
Products sold under our brands . . . . .	155.7	44.6%	193.4	44.3%	145.7	39.0%	73.4	40.1%	111.6	41.1%
Products sold under third party-owned brands . . . . .	193.6	55.4%	243.1	55.7%	227.8	61.0%	109.8	59.9%	159.7	58.9%
<b>Total . . . . .</b>	<b>349.3</b>	<b>100.0%</b>	<b>436.5</b>	<b>100.0%</b>	<b>373.5</b>	<b>100.0%</b>	<b>183.2</b>	<b>100.0%</b>	<b>271.3</b>	<b>100.0%</b>

During the Track Record Period, we disposed of certain operations to our Parent Group which are separate and distinct from our core business. For more information relating to the Retained Business and Discontinued Operations, please see the section headed “Relationship with our Controlling Shareholders — Operations retained by our Controlling Shareholders” and Notes 14 and 34 to the Accountants’ Report in Appendix I to this prospectus.

### OUR STRENGTHS

We believe that our leading position in the durable juvenile product business is underpinned by our principal strengths below:

- We are the largest supplier of strollers in the key markets in which we operate
- As an international durable juvenile product company, we own leading brands and partner with leading international brand owners
- We have established, long-standing strategic relationships with our key international brand owner customers
- We have a strong and established product design and R&D capability
- We have an efficient and stable production control and supply chain management system
- We have an extensive and effective distribution network
- We enjoy a first-mover advantage in China, where there are significant barriers to entry

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## SUMMARY

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- We have an experienced, innovative and professional management team with an entrepreneurial spirit and a proven track record

### OUR STRATEGIES

We intend to further enhance our leading position in the stroller industry and enlarge our market share in other durable juvenile products in China and internationally. To achieve these goals, we will adopt the following strategies:

- Enhance our brand recognition
- Strengthen our performance in other durable juvenile products segments in addition to strollers
- Continue to invest in our market research, product development and design capabilities
- Expand our distribution network in China
- Expand our overseas markets
- Strengthen our servicing platform with our international brand owner customers
- Enhance our production control and supply chain management system and increase outsourcing where appropriate
- Selectively pursue acquisition and strategic alliance opportunities



## SUMMARY

### SUMMARY HISTORICAL FINANCIAL INFORMATION

You should read the summary historical consolidated financial information below in conjunction with Appendix I — “Accountants’ Report,” which has been prepared in accordance with International Financial Reporting Standards (“IFRSs”). The summary historical consolidated statement of comprehensive income data for the years ended December 31, 2007, 2008 and 2009 and the seven months ended July 31, 2009 and 2010 and the summary historical consolidated financial position data as of December 31, 2007, 2008 and 2009 and July 31, 2010 set forth below have been derived from the section headed “Accountants’ Report,” which includes the consolidated financial information prepared by us and the opinion thereon issued by Ernst & Young, both of which are presented in Appendix I.

### Consolidated Statements of Comprehensive Income

	For the year ended December 31,			For the seven months ended July 31,	
	2007	2008	2009	2009	2010
	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)
<b>Continuing operations:</b>					
Revenue . . . . .	2,586.5	3,266.2	3,032.2	1,694.0	2,198.5
Cost of sales . . . . .	(2,159.4)	(2,668.9)	(2,463.4)	(1,362.1)	(1,742.5)
<b>Gross profit</b> . . . . .	<b>427.1</b>	<b>597.3</b>	<b>568.9</b>	<b>331.9</b>	<b>456.0</b>
Other income . . . . .	42.8	37.3	25.1	11.3	21.5
Selling and distribution costs . . . . .	(147.7)	(188.9)	(180.1)	(101.3)	(148.3)
Administrative expenses . . . . .	(129.6)	(155.8)	(176.0)	(95.2)	(137.0)
Other expenses . . . . .	(9.9)	(54.5)	(20.0)	(14.4)	(6.4)
<b>Operating profit</b> . . . . .	<b>182.7</b>	<b>235.4</b>	<b>217.8</b>	<b>132.2</b>	<b>185.8</b>
Finance income . . . . .	1.5	1.3	1.4	0.3	0.4
Finance costs . . . . .	(12.1)	(19.0)	(14.4)	(7.0)	(9.6)
<b>Profit before tax</b> . . . . .	<b>172.1</b>	<b>217.7</b>	<b>204.8</b>	<b>125.6</b>	<b>176.6</b>
Income tax expense . . . . .	(9.9)	(44.1)	(40.4)	(26.2)	(35.1)
<b>Profit for the year/period from</b>					
<b>Continuing Operations</b> . . . . .	162.2	173.5	164.4	99.4	141.5
<b>Discontinued Operations:</b>					
Loss after tax for the year/period from					
Discontinued Operations . . . . .	(51.4)	(173.7)	(104.7)	(57.2)	(52.2)
<b>Profit/(loss) for the year/period</b> . . . . .	<b>110.8</b>	<b>(0.2)</b>	<b>59.7</b>	<b>42.2</b>	<b>89.3</b>
<b>Other comprehensive income:</b>					
Exchange differences on translation . . . . .	50.7	41.7	1.4	0.0	7.2
Total comprehensive income for the year/period, net of tax . . . . .	161.4	41.5	61.1	42.2	96.5
<b>Profit/(loss) for the year/period attributable to:</b>					
Owners of the parent . . . . .	109.4	2.5	62.7	42.2	90.1
Non-controlling interests . . . . .	1.4	(2.7)	(3.0)	(0.0)	(0.8)
	110.8	(0.2)	59.7	42.2	89.3
<b>Total comprehensive income attributable to:</b>					
Owners of the parent . . . . .	158.7	41.9	64.1	42.5	97.0
Non-controlling interests . . . . .	2.7	(0.4)	(3.0)	(0.3)	(0.5)
	161.4	41.5	61.1	42.2	96.5

## SUMMARY

### Consolidated Statement of Financial Position

	As of December 31,			As of
	2007	2008	2009	July 31,
	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)
<b>Non-current assets</b>				
Property, plant and equipment . . . . .	565.9	633.1	611.0	519.0
Investment property . . . . .	23.4	11.5	10.6	—
Prepaid land lease payments . . . . .	64.4	65.6	65.7	66.0
Intangible assets . . . . .	35.5	39.1	36.5	27.9
Available-for-sale investments . . . . .	—	—	—	—
Held-to-maturity investments . . . . .	—	—	—	—
Deferred tax assets . . . . .	19.4	9.3	18.3	17.7
<b>Total non-current assets</b> . . . . .	<u>708.7</u>	<u>758.6</u>	<u>742.1</u>	<u>630.6</u>
<b>Current assets</b>				
Inventories . . . . .	637.4	845.2	811.1	490.8
Trade and notes receivables . . . . .	500.5	433.3	586.0	617.2
Prepayments and other receivables . . . . .	128.0	112.7	156.2	182.1
Income tax receivable . . . . .	6.5	—	—	—
Derivative financial instruments . . . . .	—	—	—	1.7
Due from related parties . . . . .	98.6	482.4	395.8	248.0
Cash and cash equivalents . . . . .	122.6	190.0	218.6	139.3
<b>Total current assets</b> . . . . .	<u>1,493.6</u>	<u>2,063.6</u>	<u>2,167.7</u>	<u>1,679.1</u>
<b>Current liabilities</b>				
Trade and notes payables . . . . .	576.0	630.6	772.4	823.3
Other payable, advances from customers and accruals . . . . .	366.1	341.6	412.3	250.3
Interest-bearing bank borrowings . . . . .	340.4	655.6	127.7	175.3
Derivative financial instruments . . . . .	—	11.2	—	—
Due to related parties . . . . .	76.6	408.6	353.9	98.4
Income tax payables . . . . .	—	2.2	9.2	27.5
Provision . . . . .	8.2	8.9	20.7	28.6
<b>Total current liabilities</b> . . . . .	<u>1,367.4</u>	<u>2,058.7</u>	<u>1,696.1</u>	<u>1,403.4</u>
<b>Net current assets</b> . . . . .	<u>126.2</u>	<u>4.9</u>	<u>471.6</u>	<u>275.8</u>
<b>Total assets less current liabilities</b> . . . . .	<u>834.9</u>	<u>763.5</u>	<u>1,213.7</u>	<u>906.4</u>
<b>Non-current liabilities</b>				
Interest-bearing bank borrowings . . . . .	117.5	—	374.8	355.3
Deferred tax liabilities . . . . .	—	4.6	14.5	7.1
<b>Total non-current liabilities</b> . . . . .	<u>117.5</u>	<u>4.6</u>	<u>389.3</u>	<u>362.5</u>
<b>Net assets</b> . . . . .	<u>717.4</u>	<u>758.9</u>	<u>824.4</u>	<u>543.9</u>
<b>Equity attributable to owners of the parent</b>				
Share capital . . . . .	0.3	0.3	0.3	0.3
Reserves . . . . .	687.1	729.0	793.1	519.3
<b>Non-controlling interests</b> . . . . .	<u>30.0</u>	<u>29.7</u>	<u>31.0</u>	<u>24.3</u>
<b>Total equity</b> . . . . .	<u>717.4</u>	<u>758.9</u>	<u>824.4</u>	<u>543.9</u>

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## SUMMARY

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### PROFIT FORECAST FOR THE YEAR ENDING DECEMBER 31, 2010

	HK\$									
	(in millions)									
<b>Forecast consolidated profit from Continuing Operations attributable to owners of the parent<sup>(2)</sup></b> . . . . .	<b>not less than 193.7</b>									
<b>Less:</b>										
(i) Losses after tax from Discontinued Operations attributable to owners of the parent <sup>(1)</sup> . . . . .	49.8									
<b>Forecast consolidated profit attributable to owners of the parent<sup>(2)</sup></b> . . . . .	<b>not less than 143.9</b>									
	<table style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width: 60%;"></th> <th style="text-align: center; border-top: 1px solid black; border-bottom: 1px solid black;">Forecast consolidated profit attributable to owners of the parent</th> <th style="text-align: center; border-top: 1px solid black; border-bottom: 1px solid black;">Forecast consolidated profit from continuing operations attributable to owners of the parent</th> </tr> <tr> <th></th> <th style="text-align: center;">HK\$</th> <th style="text-align: center;">HK\$</th> </tr> </thead> <tbody> <tr> <td>Unaudited pro forma forecast earnings per share<sup>(3)</sup> . . . . .</td> <td style="text-align: center;">0.144</td> <td style="text-align: center;">0.194</td> </tr> </tbody> </table>		Forecast consolidated profit attributable to owners of the parent	Forecast consolidated profit from continuing operations attributable to owners of the parent		HK\$	HK\$	Unaudited pro forma forecast earnings per share <sup>(3)</sup> . . . . .	0.144	0.194
	Forecast consolidated profit attributable to owners of the parent	Forecast consolidated profit from continuing operations attributable to owners of the parent								
	HK\$	HK\$								
Unaudited pro forma forecast earnings per share <sup>(3)</sup> . . . . .	0.144	0.194								

*Notes:*

- (1) Under IFRSs, gains or losses arising from the Discontinued Operations are included in the period in which they arise.
- (2) The bases and assumptions on which the above profit forecast for the year ending December 31, 2010 has been prepared and summarized in Appendix III to this prospectus. The Directors have prepared the forecast consolidated profit from Continuing Operations attributable to owners of the parent and the forecast consolidated profit attributable to owners of the parent for the year ending December 31, 2010 based on the audited consolidated results of the Group for the seven months ended July 31, 2010, the unaudited consolidated management accounts of the Group for the two months ended September 30, 2010 and a forecast of the consolidated results of the Group for the remaining three months ending December 31, 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 note 3.2 of Section II of the Accountants' Report, the text of which is set out in Appendix I to this prospectus.
- (3) The calculation of the unaudited pro forma forecast earnings per Share is based on the forecast consolidated profit attributable to owners of the parent for the year ending December 31, 2010 and a total of 1,000,000,000 Shares were issued and outstanding during the entire year, adjusted, as if the Global Offering had occurred on January 1, 2010.

### USE OF PROCEEDS

We estimate that the aggregate net proceeds raised by us in the Global Offering (after deducting underwriting fees and estimated expenses payable by us in connection with the Global Offering), whether or not the Over-allotment Option is exercised and assuming an Offer Price of HK\$4.30 per Share, being the mid-point of the proposed Offer Price between HK\$3.70 to HK\$4.90 per Share, will be approximately HK\$780.0 million. We currently intend to use the proceeds for the following purposes:

- approximately 30% or HK\$234.0 million to be used for capital expenditures, of which (i) approximately 11% or HK\$85.8 million are intended to be used to expand our production capacity at our existing stroller plants in Kunshan and Ningbo; (ii) approximately 12% or HK\$93.6 million

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## SUMMARY

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are intended to be used to increase our production efficiency through purchases of more advanced machines such as plastic processing machines, sewing machines and other fully automated machines; and (iii) approximately 7% or HK\$54.6 million are intended to be used for expenditures to construct a new staff hostel and canteen;

- approximately 20% or HK\$156.0 million, (i) of which approximately 10% or HK\$78.0 million are intended to be used for our R&D and commercialization of new children's car safety seat products; and (ii) approximately 10% or HK\$78.0 million are intended to be used for our R&D and commercialization of other new products, primarily consisting of stationary activity play centers. The stationary activity play centers serve a childcare function, and offer a variety of features to keep the child occupied, including, for example, various interactive learning toys and different activity tasks for the child to experience. The stationary activity play centers also includes safety features which stop the child from wandering off the stationary activity play centers;
- approximately 15% or HK\$117.0 million to be used to improve our general market research, product development and design capability, of which (i) approximately 12% or HK\$93.6 million are intended to be used to further expand and improve our research center in Kunshan; and (ii) approximately 3% or HK\$23.4 million are intended to be used to further improve our overseas research centers;
- approximately 15% or HK\$117.0 million, of which (i) approximately 7% or HK\$54.6 million are intended to be used to expand and enhance the distribution network in China; and (ii) approximately 8% or HK\$62.4 million are intended to be used to expand and enhance the distribution network in our overseas markets;
- approximately 10% or HK\$78.0 million are intended to be used to market and promote our brands through marketing and promotional activities; and
- approximately 10% or HK\$78.0 million for working capital and other general corporate purposes.

To the extent that the net proceeds are not immediately applied to the above purposes and to the extent permitted by applicable law and regulations, we intend to deposit the net proceeds into short-term demand deposits and/or money market instruments.

If the Over-allotment Option is exercised in full, the aggregate net proceeds from the Global Offering will be increased by up to approximately HK\$210.6 million (being the highest price of the estimated Offer Price per Share) or HK\$159.0 million (being the lowest price of the estimated Offer Price per Share). We will not receive any of the net proceeds of the Global Offering from the sale of the Sale Shares by the Selling Shareholder or from the exercise of the Over-allotment Option from the sale of the additional existing Shares by CRF Enterprise.

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## SUMMARY

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In the event that the Offer Price is fixed at HK\$3.70 per Share, being the lowest price of the estimated Offer Price range, the net proceeds will be reduced by approximately HK\$115.2 million. In such circumstances, our Directors intend to reduce the application of the proceeds in the same manner and in the same proportion as described above.

In the event that the Offer Price is fixed at HK\$4.90 per Share, being the highest price of the estimated Offer Price range, the net proceeds will be increased by approximately HK\$115.2 million. In such circumstances, our Directors intend to increase the application of the proceeds in the same manner and in the same proportion as described above.

We estimate that the Selling Shareholder will receive approximately HK\$406.5 million, after deducting the underwriting commissions and fees payable by the Selling Shareholder in respect of the Sale Shares (assuming an Offer Price of HK\$4.30 per Offer Share, being the mid-point of our indicative Offer Price range) of net proceeds from the Global Offering assuming the Over-allotment Option is not exercised. In the event that the Over-allotment Option is exercised in full, CRF Enterprise will receive net proceeds of approximately HK\$184.8 million (assuming an Offer Price of HK\$4.30 per Offer Share, being the mid-point of our indicative Offer Price range).

### **DIVIDEND POLICY**

After completion of the Global Offering, our Shareholders will be entitled to receive any dividends we may declare. As a Cayman Islands-incorporated company, any amount of dividends we pay will be recommended at the discretion of our Directors and will depend upon our future operations and earnings, capital requirements and surplus, general financial conditions, contractual restrictions and other factors which our Directors consider relevant. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents and the Cayman Island Companies Law. Our Shareholders in general meeting may approve and make any declaration of dividends, which must not exceed the amount recommended by our Board.

As regards our PRC-incorporated subsidiaries, PRC laws require that dividends be paid only out of the net profit calculated according to PRC accounting principles, which differ from generally accepted accounting principles in other jurisdictions, including IFRSs. PRC laws also require foreign-invested enterprise, such as some of our subsidiaries in China, to set aside part of their net profit as statutory reserves. These statutory reserves are not available for distribution as cash dividends.

Subject to the above factors, we currently plan to pay annual dividends of not more than 50% of our consolidated profit attributable to owners of the parent beginning from the financial year ending December 31, 2010. Cash dividends on our Shares, if any, will be paid in Hong Kong dollars. Other distributions, if any, will be paid to our Shareholders by means which our Directors consider legal, fair and practicable.

On March 21, 2007, we declared dividends totaling HK\$40.1 million to G-Baby Holdings. The dividend was applied by way of set off to settle part of the advance of HK\$99.7 million extended by us to G-Baby Holdings in 2006. On October 31, 2007, we declared dividends totaling HK\$221.8 million. HK\$59.6 million of the declared dividend was applied to settle the remaining balance of the advance due by G-Baby Holdings. Of the remaining HK\$162.2 million, HK\$149.0 million had been settled through set off of the amounts due from G-Baby Holdings in 2007, and HK\$13.2 million was paid in 2008. The amount of

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## SUMMARY

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dividends declared during the Track Record Period was determined taking into account our financial performance, business prospects, immediate anticipated capital requirements, Shareholder's needs and the amount of distributable profits available at the relevant time. Historical dividend distributions are not indicative of our future dividend distribution policy.

On July 31, 2010, we declared a special dividend out of our retained earnings and capital reserve as of December 31, 2009 in the amount of HK\$406.5 million, which was settled through the net non-trading intercompany balance owed by GBHL to us before Listing.

### RISK FACTORS

There are certain risks involved in our operations. These risks can be categorized into (i) risks relating to our business; (ii) risks relating to our industry; (iii) risks relating to conducting business in China; and (iv) risks relating to the Global Offering and ownership of our Shares. A detailed discussion of the risk factors is set forth in the section headed "Risk Factors" in this prospectus. The following is a list of risk factors outlined in that section:

#### Risks Relating to Our Business

- We may fail to anticipate or respond to changes in consumer tastes in a timely manner.
- Our business model may not be viable if we are not successful in introducing new designs and products or making innovations in our existing products.
- Our reputation could be harmed and our financial condition and results of operations could be adversely affected if the reputation and market acceptance enjoyed by the “好孩子 Goodbaby” and “小龍哈彼 Happy Dino” brands in China were to deteriorate, whether due to our inability to sustain our brand recognition, or due to factors affecting the businesses of our Parent Group, which is not part of our Group but currently uses the “好孩子 Goodbaby” and “媽媽好孩子 Mama's Goodbaby” brands.
- We operate different business models in connection with operations relating to our self-owned brands and operations relating to international brand owners, and if we are unable to effectively address the risks, difficulties and challenges resulting from these different business models, some of which are beyond our control, our business, financial condition, or results of operations may be materially and adversely affected.
- We may experience a material adverse change in a significant customer relationship or be negatively impacted by a deterioration in a customer's performance or financial condition in our overseas markets.
- We do not have long-term sales contracts with our key international brand owner customers, from whom we derived the majority of our revenues during the Track Record Period.
- There is no assurance that the trademark registration application for our new logo “gb” will be approved in a timely manner, if at all, or that our new logo “gb” will achieve the same level of brand recognition enjoyed by our existing logo “Goodbaby”.



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## SUMMARY

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- We manufacture a significant portion of our products, and any decline in our production capacity, caused by but not limited to factors such as increases in the cost of, or shortages of, raw materials, labor or energy supplies, will have a material adverse effect on our financial condition and results of operations.
- The manufacturing process for products in our industry is complex and any failure to adhere to quality and safety standards may adversely affect our financial condition and results of operations.
- Material unfavorable changes in our outsourcing cooperation with third-party manufacturers could adversely affect our product supply, quality and cost.
- Our distributors may accumulate excess or obsolete inventory and any excessive build-up of inventory could affect the volume of future orders from our distributors and thus have a material adverse impact on our business.
- Unauthorized use of our trademarks and patents and the sale of counterfeit products carrying our brands or third party-owned brands could result in an erosion of goodwill and loss of sales.
- Third parties may assert or claim that we have infringed their intellectual property rights.
- Our future performance is dependent on our ability to attract and retain key personnel.
- We rely on an integrated information management infrastructure to manage our operations.
- We may not be able to further penetrate into existing markets or expand into other geographical markets.
- The acquisition of other companies or businesses or entering into joint ventures could result in operating difficulties and other harmful consequences.
- We may face product liability claims if our products are defective or are unfit for their intended use.
- Our insurance coverage may not completely cover the risks related to our business and operations.
- Our production may be disrupted by events beyond our control, including operational hazards or natural calamities.
- Changes to international trade regulations, quotas, tariffs and duties may affect prices of and demand for our products.
- We may cease to receive the preferential tax treatment we currently enjoy.
- There are significant uncertainties under the EIT Law relating to withholding tax on dividends received from our PRC subsidiaries.

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## SUMMARY

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- Under the EIT Law, we may be classified as a “resident enterprise” of China. Such classification could result in unfavorable tax consequences to us and our non-PRC shareholders.
- Dividends payable by our Company to our foreign investors and gain on the sale of our Shares may become subject to withholding taxes under PRC tax laws.
- We do not exercise complete control over the practice and manner of the ultimate retail sales by our distributors, their sub-distributors and the retail outlets which they operate.
- The implementation of the Employment Contract Law and increase in labor costs in the PRC may adversely affect our business and profitability.
- The recent global financial crisis had negative repercussions on the global economy, including the durable juvenile product industry. If another economic downturn occurs in the future, it may adversely affect our business, liquidity, financial conditions, results of operations and prospects.
- We may be unable to obtain financing on favorable terms, or at all, to meet our funding requirements.

### **Risks Relating to Our Industry**

- We operate in a highly competitive industry.
- Global or regional economic, political and social conditions could adversely affect our industry.
- Our sales may be affected by seasonality.
- Unanticipated regulatory changes may have an adverse impact on our financial condition and results of operations.

### **Risks Relating to Conducting Business in China**

- The PRC’s economic, political and social conditions and government policies could adversely affect our business.
- We are subject to foreign exchange rate fluctuations.
- We may not be able to successfully manage the risks presented by our hedging activities.
- Government control of currency conversion and future movements in exchange rates may restrict our ability to pay dividends in foreign currencies.
- PRC regulations regarding investment and loans by offshore holding companies to PRC entities may delay or prevent our Company from using the proceeds of the Global Offering to make additional capital contributions or loans to members of our Group.

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## SUMMARY

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- Our ability to pay dividends and utilize cash resources in our subsidiaries is dependent upon our PRC subsidiaries' earnings and distributions.
- Failure by our Shareholders or beneficial owners who are PRC residents to make any required applications and filings pursuant to regulations relating to offshore investment activities by PRC residents may prevent us from being able to distribute profits and could expose us and our PRC resident shareholders to liability under PRC law.
- The national and regional economies in China and our prospects may be adversely affected by natural disasters, acts of God, and occurrence of epidemics.
- Present or future environmental and safety laws and regulations in China may adversely affect our business.
- The PRC legal system is less developed than other countries and laws may not be interpreted or enforced in a consistent manner.

### **Risks Relating to the Global Offering and Ownership of Our Shares**

- There has been no prior public market for our Shares.
- The liquidity and market price of our Shares may be volatile which could result in substantial losses for investors purchasing Shares in the Global Offering.
- Our Shares may trade at prices significantly below the Offer Price.
- As the offer price of our Shares is higher than our adjusted consolidated net tangible assets per Share, you will experience immediate dilution to your attributable adjusted consolidated net tangible assets per Share.
- We may be unable to pay any dividend on our Shares.
- Future sales of substantial amounts of our Shares in the public market could have a material adverse effect on the prevailing market price of our Shares.
- The interests of our Controlling Shareholders may not be aligned with those of our other Shareholders.
- Certain facts and statistics in this prospectus relating to the Chinese economy and durable juvenile products industry are derived from various government and official sources and may not be reliable.
- We cannot guarantee the accuracy of facts and other statistics with respect to certain information obtained from the Frost & Sullivan Report contained in this prospectus.

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## DEFINITIONS

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*In this prospectus, the following expressions shall have the meanings set forth below unless the context requires otherwise.*

“Application Form(s)”	<b>white</b> application form(s), <b>yellow</b> application form(s), and <b>green</b> application form(s) or, where the context so requires, any of them, relating to the Public Offer
“Articles of Association” or “Articles”	the articles of association of our Company as amended from time to time, a summary of which is set out in Appendix V
“associate”	has the meaning ascribed thereto under the Listing Rules
“BEHL”	Beyond Holdings Limited, a company incorporated in the BVI and a member of the Parent Group
“Board of Directors” or “Board”	the board of directors of our Company
“Britax”	Britax Excelsior Ltd., one of our customers and an independent third party
“Business Day”	any day (other than a Saturday or Sunday) in Hong Kong on which banks in Hong Kong are open generally for normal banking business
“BVI”	the British Virgin Islands
“CAGR”	compound annual growth rate
“Capitalization Issue”	the issue of 771,700,000 Shares to be made upon the capitalization of certain sums standing to the credit of the share premium account of our Company as referred to in the section headed “Further Information about the Company and its subsidiaries — 3. Resolutions in writing of the shareholder of the Company passed on November 5, 2010” in Appendix VI of this prospectus
“Cayman Islands Companies Law” or “Cayman Companies Law”	the Companies Law (2010 Revision) of the Cayman Islands, as amended from time to time
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Clearing Participant”	a person admitted to participate in CCASS as a direct clearing participant or general clearing participant
“CCASS Custodian Participant”	a person admitted to participate in CCASS as a custodian participant

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## DEFINITIONS

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“CCASS Investor Participant”	a person admitted to participate in CCASS as an investor participant who may be an individual or joint individuals or a corporation
“CCASS Participant”	a CCASS Clearing Participant or a CCASS Custodian Participant or a CCASS Investor Participant
“children’s car safety seats” and “car seats”	removable children’s car safety seats for use in passenger vehicles to protect children from injury or accident
“Company,” “our Company,” “GIHL,” “we” and “us”	Goodbaby International Holdings Limited, an exempted company incorporated in the Cayman Islands on July 14, 2000 as an exempted company with limited liability and, except where the context otherwise requires, all of its consolidated subsidiaries
“Company Law”	the Company Law of the PRC (中華人民共和國公司法), as enacted by the Standing Committee of the Eighth NPC on December 29, 1993 and effective on July 1, 1994, as amended, supplemented or otherwise modified from time to time
“connected person”	has the meaning ascribed thereto under the Listing Rules
“Continuing Operations”	our operations which are principally in the design, research and development, manufacture, marketing and sale of strollers, children’s car safety seats, cribs, bicycles and tricycles, and other durable juvenile products
“controlling shareholder”	has the meaning ascribed thereto under the Listing Rules
“Controlling Shareholders”	means CRF Enterprise and PUD, and the controlling shareholders of CRF Enterprise, namely CRF Investment Limited and ARC Capital Holdings Limited and, the controlling shareholders of PUD, namely Mr. Song and Ms. Fu
“CRF Enterprise”	CRF Enterprise Limited, a limited company incorporated in the BVI, details of which are described in the section headed “Relationship with our Controlling Shareholders”
“CSAL”	Chi Shung Assets Limited, a company incorporated in the BVI and a member of the Parent Group
“CSRC”	the China Securities Regulatory Commission (中國證券監督管理委員會)
“de-merger process”	the divestment of GCPC’s entire business including the development, manufacturing and sale of non-durable juvenile products, as well as the distribution and retail business in China

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## DEFINITIONS

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“Directors”	the directors of our Company
“Discontinued Operations”	the operations that have been discontinued prior to this Offering, and which exclude the Continuing Operations
“Dorel”	Dorel Industries Inc., one of our customers and an independent third party
“durable juvenile products”	tangible long-lasting, hardware products for external use and are intended for use or that may be reasonably expected to be used by children. Such products include strollers, children’s car safety seats, bicycles, tricycles, cribs and other products, such as e-cars and high-chairs
“e-cars”	electric ride-on toy cars
“EIT”	the PRC enterprise income tax
“EIT Law”	the PRC Enterprise Income Tax Law (企業所得稅法) approved during the Fifth Session of the 10th National People’s Congress that went into effect on January 1, 2008
“Frost & Sullivan”	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., a global market research and consulting company, which is an independent third party
“Frost & Sullivan Report”	a market research report dated November 2, 2010
“FSCP”	First Shanghai Child Products Limited, a company incorporated in the BVI and a member of the Parent Group
“G-Baby Holdings” or “GBHL”	G-Baby Holdings Limited, a company incorporated in the BVI, the sole shareholder of the Company
“GBHK”	Goodbaby (Hong Kong) Limited, a company incorporated in Hong Kong and a member of our Group
“GBJP”	Goodbaby Japan Co. Ltd, a company incorporated in Japan and a member of our Group
“GBNE”	Turn Key Design Coöperatie U.A., a cooperative incorporated in the Netherlands and a member of our Group
“GCCL”	Goodbaby China Commercial Co., Ltd.* (好孩子(中國) 商貿有限公司), a wholly foreign-owned enterprise established in the PRC and a member of the Parent Group
“GCHL”	Goodbaby (China) Holdings Limited, a company incorporated in Hong Kong and a member of the Parent Group



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## DEFINITIONS

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“GCPC”	Goodbaby Child Products Co., Ltd.* (好孩子兒童用品有限公司), a wholly foreign-owned enterprise established in the PRC and an indirect wholly owned subsidiary of our Company
“GCPI”	Goodbaby Children’s Products, Inc., a company incorporated in Indiana, United States, and a member of our Group
“GCTP”	Kunshan Goodbaby Tommee Tippee Child Products Co., Ltd.* (昆山好孩子湯美天地嬰兒用品有限公司), a Sino-foreign equity joint venture established in the PRC and held as to 51% by GCPC and 49% by an independent third party
“GDP”	gross domestic product
“GGCL”	Goodbaby Group Co., Ltd., formerly known as Jiangsu Goodbaby Group Company Limited, our major founding shareholder
“Global Coordinator” or “Sole Global Coordinator”	Morgan Stanley
“Global Offering”	the Public Offer and the International Offer
“GPCL”	Geoby Electric Vehicle Co., Ltd.* (捷奧比電動車有限公司), a wholly foreign-owned enterprise established in the PRC and a member of the Parent Group
“GPHL”	Geoby Paragon Holdings Limited, a company incorporated in Hong Kong and a member of the Parent Group
“Green application form(s)”	the application form(s) to be completed by the White Form eIPO service provider designated by the Company
“Group” or “our Group”	our Company and its subsidiaries and associated companies and, in respect of the period before our Company became the holding company of such subsidiaries (or before such associated companies became associated companies of our Company), the entities which carried on the business of the present Group at the relevant time
“HK\$” or “HK dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HKSCC Nominees”	HKSCC Nominees Limited, a wholly owned subsidiary of HKSCC
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC

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## DEFINITIONS

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“Hong Kong Offer Shares”	30,000,000 new Shares (subject to adjustment as described in the section entitled “Structure of the Global Offering”) being offered by us for subscription at the Offer Price under the Public Offer
“Hong Kong Underwriters”	the several underwriters of the Public Offer listed in “Underwriting — Hong Kong Underwriters”
“Hong Kong Underwriting Agreement”	the underwriting agreement dated on or around November 10, 2010 relating to the Public Offer entered into or to be entered into among us, the Controlling Shareholders, GBHL, the Hong Kong Underwriters and the Global Coordinator
“IAS”	International Accounting Standards
“IFRSs”	International Financial Reporting Standards, which collective term includes standards and interpretations approved by the International Accounting Standards Board (IASB), and the IAS and interpretations issued by the International Accounting Standards Committee (IASC)
“International Offer”	the offer of International Offer Shares to professional, institutional and other investors, as further described in “Structure of the Global Offering”
“International Offer Shares”	270,000,000 Shares (subject to adjustment and the exercise of the Over-allotment Option as described in “Structure of the Global Offering”) which are the subject of the International Offer, of which 171,000,000 Shares are to be offered by us and 99,000,000 Shares are to be offered for sale by the Selling Shareholder
“International Underwriters”	the group of underwriters, led by the Global Coordinator, which is expected to enter into the International Underwriting Agreement to underwrite the International Offer
“International Underwriting Agreement”	the underwriting agreement relating to the International Offer expected to be entered into amongst, inter alia, the Company, the Selling Shareholder, the Controlling Shareholders, the International Underwriters and the Global Coordinator to be dated on or around November 17, 2010
“Jingtian” or “JT”	Jingtian & Gongcheng, Attorneys at Law
“Latest Practicable Date”	November 5, 2010, being the latest practicable date for ascertaining certain information in this prospectus prior to its publication
“Listing”	the listing of the Shares on the Stock Exchange

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## DEFINITIONS

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“Listing Date”	the date on which dealings in the Shares first commence on the Stock Exchange, expected to be on or around November 24, 2010
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)
“Main Board”	the main board of the Stock Exchange
“Maximum Offer Price”	the maximum price under the Global Offering of HK\$4.90 per Share
“MGCR”	Mothercare-Goodbaby China Retail Limited, a company incorporated in Hong Kong and held as to 70% by RCBL, and 30% by an independent third party
“MGRL”	Mothercare-Goodbaby Retailing Co. Ltd.* (好孩子好媽咪零售有限公司), a wholly foreign-owned enterprise established in the PRC and wholly-owned by MGCR
“Ministry of Finance”	The PRC Ministry of Finance (中國財政部)
“Morgan Stanley”	Morgan Stanley Asia Limited
“Mothercare”	Mothercare plc (including such company’s brand name), a maternity and baby care products retailer originated from the United Kingdom and our Parent Group’s joint venture partner in China
“Mr. Song”	Mr. Song Zhenghuan, our executive Director, chairman of our Company, chief executive officer and the founder of our Group
“Ms. Fu”	Ms. Fu Jingqiu, Mr. Song’s spouse
“Ningbo Goodbaby” or “GCPN”	Ningbo Goodbaby Child Products Co., Ltd.* (寧波好孩子兒童用品有限公司), a Sino-foreign equity joint venture established in the PRC, which is owned as to 60% by GCPC, as to 25% by Goodbaby (Hong Kong) Limited and as to 15% by Ningbo Nantian Metal Co., Ltd.* (寧波南天金屬有限公司)
“Offer Price”	the final Hong Kong dollar price per Share (exclusive of brokerage, Stock Exchange trading fee and SFC transaction levy) at which the Offer Shares are to be issued pursuant to the Public Offer, to be determined as further described in “Structure of the Global Offering — Determining the Offer Price”

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## DEFINITIONS

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“Offer Shares”	the Hong Kong Offer Shares and the International Offer Shares including, where relevant, any additional existing Shares sold and transferred pursuant to the exercise of the Over-allotment Option
“our European market”	countries in Europe to which we sell our products, which were Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden and the U.K., during the Track Record Period
“Other Overseas Markets”	overseas markets other than North America and our European market, including markets such as South America, Southeast Asia, the Middle East, Japan, Russia and India
“Other Retained Business”	as defined in the section headed “Relationship with our Controlling Shareholders — Operations retained by our Controlling Shareholders”
“Over-allotment Option”	the option to be granted by CRF Enterprise to the Global Coordinator (on behalf of the International Underwriters) under the International Underwriting Agreement, exercisable by the Global Coordinator on behalf of the International Underwriters at any time from the date of the International Underwriting Agreement until 30 days after the last date for lodging of applications under the Public Offer, pursuant to which the Global Coordinator may require CRF Enterprise to sell up to 45,000,000 existing Shares, (representing in aggregate approximately 15% of the number of Offer Shares initially available under the Global Offering) at the Offer Price to, among other things, cover over-allocation in the International Offer, as further described in “Structure of the Global Offering — The Over-allotment Option”
“Parent Group” or “Parent Company”	the Company’s Controlling Shareholders and their subsidiaries (excluding our Group)
“PBOC”	The People’s Bank of China (中國人民銀行), the central bank of the PRC
“PBOC Rate”	the exchange rate for foreign exchange transactions set daily by the PBOC based on the previous day’s PRC interbank foreign exchange rates and with reference to current exchange rates on the world financial markets
“PCPC”	Kunshan Paragon Child Products Co. Ltd.* (昆山百瑞康兒童用品有限公司), a wholly foreign-owned enterprise established in the PRC and a member of our Group

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## DEFINITIONS

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“Play”	Play, S.A., one of our customers and an independent third party
“PRC” or “China”	the People’s Republic of China which, except where the context otherwise requires and for purposes of this prospectus only, does not include Taiwan, Hong Kong and Macau Special Administrative Regions
“PRC GAAP”	the accounting rules and regulations in the PRC, currently consisting of the Accounting Standards for Business Enterprises and the Accounting Regulations for Financial Enterprises (2001)
“PRC government”	the central government of the PRC including all political subdivisions (including provincial, municipal and other local or regional government entities) and organizations of such government or, as the context requires, any of them
“Price Determination Date”	the date, expected to be on or around November 17, 2010 but no later than November 23, 2010, on which the Offer Price is to be fixed for the purposes of the Global Offering
“Principal Share Registrar”	Butterfield Fulcrum Group (Cayman) Limited
“Public Offer”	the offer of Hong Kong Offer Shares for subscription by the public in Hong Kong for cash at the Offer Price, on and subject to the terms and conditions described in this prospectus and the Application Forms
“PUD”	Pacific United Developments Limited, a private limited company incorporated in the BVI, whose ownership is described in the section headed “Relationship with our Controlling Shareholders”
“QIBs”	qualified institutional buyers within the meaning of Rule 144A
“R&D”	research and development, which for our Group includes market research, concept design, and product development and design
“RCBL”	Richy Bright Limited, a company incorporated in the BVI and a member of the Parent Group
“Regulation S”	Regulation S under the U.S. Securities Act
“Reorganization”	the reorganization of the businesses comprising our Group, as described in the section headed “History, Reorganization and Group Structure”

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## DEFINITIONS

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“Retained Business”	as defined in the section headed “Relationship with our Controlling Shareholders — Operations retained by our Controlling Shareholders” representing the entire Discontinued Operations
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Rule 144A”	Rule 144A under the U.S. Securities Act
“SAFE”	the State Administration of Foreign Exchange (國家外匯管理局)
“SAIC”	the State Administration for Industry and Commerce (國家工商行政管理總局)
“Sale Shares”	the 99,000,000 Shares initially being offered for sale by the Selling Shareholder at the Offer Price under the International Offer
“Securities and Futures Commission” or “SFC”	the Securities and Futures Commission of Hong Kong
“Selling Shareholder”	GBHL
“SFO”	the Securities and Futures Ordinance of Hong Kong (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“SGCP”	Shanghai Goodbaby Child Products Co., Ltd.* (上海好孩子兒童用品有限公司), a limited company established in the PRC and a member of the Parent Group
“SGOL”	Shanghai Goodbaby Online Service Co. Ltd.* (上海好孩子在線服務有限公司), a wholly foreign-owned enterprise established in the PRC and a member of the Parent Group
“Share(s)”	ordinary shares of nominal value of HK\$0.01 each in the capital of our Company
“Share Option Scheme”	the share option scheme adopted by our Company pursuant to a resolution passed by our Shareholder on November 5, 2010 that is conditional upon the Listing
“Shareholder(s)”	holder(s) of the Share(s)
“SHFS”	Shanghai Goodbaby Fashion Co., Ltd.* (上海好孩子兒童服飾有限公司), a limited company established in the PRC on January 20, 1998 and held as to 25% by GCHL and 75% by GCCL



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## DEFINITIONS

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“Silver Cross”	Silver Cross (UK) Ltd., one of our customers and an independent third party
“Sponsor”	Morgan Stanley
“Stabilizing Manager”	Morgan Stanley or any of its affiliates or any persons acting for it
“Stock Borrowing Agreement”	the stock borrowing agreement to be entered into between CRF Enterprise and the Stabilizing Manager on or around November 17, 2010
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“stroller”	a wheeled collapsible carriage in which a small child may be pushed
“Track Record Period”	the three financial years of the Group ended December 31, 2009 and the seven months of the Group ended July 31, 2010
“Trademark office”	The Trademark Office of the SAIC (中國國家工商行政管理總局商標局)
“Underwriters”	the Hong Kong Underwriters and the International Underwriters
“Underwriting Agreements”	the Hong Kong Underwriting Agreement and the International Underwriting Agreement
“United Kingdom” or “U.K.”	the United Kingdom of Great Britain and Northern Ireland
“United States” or “U.S.”	the United States of America, including its territories and possessions
“US\$” or “U.S. dollars”	United States dollars, the lawful currency of the United States
“U.S. Securities Act”	the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder
“White Form eIPO”	the application for Hong Kong Offer Shares to be issued in the applicant’s own name by submitting an application online through the designated website of White Form eIPO <a href="http://www.eipo.com.hk">www.eipo.com.hk</a>
“White Form eIPO Service Provider”	Computershare Hong Kong Investor Services Limited
“WTO”	the World Trade Organization

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## DEFINITIONS

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“%”	per cent.
“*”	denotes an English translation of a Chinese name and is for identification purposes only

Unless otherwise specified, all references to any shareholdings in our Company assume no exercise of the Over-allotment Option.

If there is any inconsistency between the official Chinese name of the PRC laws or regulations or the PRC government authorities or the PRC entities mentioned in this prospectus and their English translation, the Chinese version shall prevail.

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## FORWARD-LOOKING STATEMENTS

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This prospectus contains forward-looking statements, including, without limitation, words and expressions such as “expect,” “believe,” “plan,” “intend,” “estimate,” “project,” “anticipate,” “may,” “will,” “would” and “could” or similar words or statements, in particular, in “Business” and “Financial Information” in relation to future events, our future business or other performance and development, the future development of our industry and the future development of the general economy of our key markets and the global economy.

These statements are based on numerous assumptions regarding our present and future business strategy and the environment in which we will operate in the future. Forward-looking statements reflecting our current views with respect to future events are not a guarantee of future performance and are subject to certain risks, uncertainties and assumptions, including the risk factors described in this prospectus, and the following:

- future developments in the durable juvenile product industry globally, and in particular in China, North America and our European market;
- the regulatory environment for the durable juvenile product industry as well as the outlook of the industry generally;
- the amount and nature of, and potential for, future development of our business;
- our business strategy and plan of operation; and
- our dividend policy.

Subject to the requirements of applicable laws, rules and regulations, we do not have any obligation to update or otherwise revise the forward-looking statements in this prospectus, whether as a result of new information, future events or otherwise. As a result of these and other risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this prospectus might not occur in the way we expect, or at all. Accordingly, you should not place undue reliance on any forward-looking information. All forward-looking statements contained in this prospectus are qualified by reference to the cautionary statements set out in this section.

In this prospectus, statements of or references to our intentions or any of our Directors are made as at the date of this prospectus. Any such intentions may change in light of future developments.

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## RISK FACTORS

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*You should carefully consider all of the information in this prospectus, including the risks and uncertainties described below prior to investing in our Shares. You should pay particular attention to the fact that we are a company with operations in China and are governed by a legal and regulatory environment which in some respects may differ from that which prevails in other countries. Our business, financial condition, results of operations and prospects could be materially and adversely affected by any of these risks. The trading price of our Shares could decrease due to any of these risks, and you may lose all or part of your investment.*

### RISKS RELATING TO OUR BUSINESS

#### **We may fail to anticipate or respond to changes in consumer tastes in a timely manner**

Our ability to compete successfully requires us to effectively anticipate, gauge and respond to changing consumer demands and tastes for our product lines and to provide both domestic and overseas consumers with a range of durable juvenile products. Our customers are international brand owners and distributors of our products. A successful strategy requires us to adequately respond to the needs of our customers. We cannot assure you that we will be successful in anticipating changing consumer preferences or developing new products to meet shifts in demand. Our failure to successfully translate market trends into attractive product offerings would have a material adverse effect on our business, financial condition, results of operations and prospects.

#### **Our business model may not be viable if we are not successful in introducing new designs and products or making innovations in our existing products**

Our continued success depends on our ability to consistently make improvements to existing products as well as to create new products, through our R&D, for commercialization. We introduce and upgrade new products and innovations to existing products from time to time and leverage on our existing reputation in the market to attract distributors to purchase our products and which, in some instances, allow us to price our products at a premium. Should we fail in introducing new designs and products or making innovations to our existing products, we may no longer be able to distinguish ourselves from other competitors. Hence, we believe our ability to be continuously successful and dominate the industry depends heavily on our R&D capability. If our R&D capability were to deteriorate significantly as a result of a loss of key R&D personnel, fundamental technological changes in the industry to which we cannot adapt, the loss of funding for our R&D, or other reasons, we could, lose significant market share to competitors. Therefore, our business model may not be viable if we experienced any significant deterioration.

#### **Our reputation could be harmed and our financial condition and results of operations could be adversely affected if the reputation and market acceptance enjoyed by the “好孩子 Goodbaby” and “小龍哈彼 Happy Dino” brands in China were to deteriorate, whether due to our inability to sustain our brand recognition, or due to factors affecting the businesses of our Parent Group, which is not part of our Group but currently uses the “好孩子 Goodbaby” and “媽媽好孩子 Mama’s Goodbaby” brands**

According to Frost & Sullivan, “好孩子 Goodbaby” brand is the best-known durable juvenile products brand in China, and “小龍哈彼 Happy Dino” also enjoys significant market recognition. We derive substantial benefits from, we believe, the reputation and market acceptance of “好孩子 Goodbaby” and “小龍哈彼 Happy Dino” brands, including the ability to set prices for our products at levels we prefer, attract

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customers, hire and retain key personnel, and enjoy an extensive domestic distribution network. On July 22, 2010, we launched our new logo “gb”, which we expect to gradually replace the English language version of our logo “Goodbaby” used on our products. Similarly, in China, “好孩子gb” is expected to gradually replace “好孩子Goodbaby”. As a result of the de-merger of GCPC, trademarks relating to the manufacture and sale of non-durable juvenile products and the operation of retail outlets will be transferred to GCCL, a subsidiary of our Parent Company that is not a member of our Group. The trademarks relating to these brands used by our Parent Group are different from the trademarks retained by our Group. Our Parent Group currently uses the “好孩子 Goodbaby”, “好孩子 gb” and “媽媽好孩子 Mama’s Goodbaby” brands in the manufacture and sale of non-durable juvenile products and in the operation of retail outlets. In future, our Parent Group also owns the right to use “小龍哈彼 Happy Dino” in the manufacture and sale of non-durable juvenile products and in the operation of retail outlets. Any misuse of the “好孩子 Goodbaby”, “好孩子 gb” and “媽媽好孩子 Mama’s Goodbaby” brands, or any negative publicity associated with our Parent Group, may materially and adversely affect our reputation and market acceptance enjoyed by these brands in our businesses. Furthermore, if we are unable to effectively promote our brands used in our businesses we may lose the substantial benefits we currently enjoy from our brand recognition, and our results of operation and financial condition could be adversely affected.

**We operate different business models in connection with operations relating to our self-owned brands and operations relating to international brand owners, and if we are unable to effectively address the risks, difficulties and challenges resulting from these different business models, some of which are beyond our control, our business, financial condition or results of operations may be materially and adversely affected**

We have operations in connection with our self-owned brands as well as operations in connection with international brand owners. Under the business model in connection with operations relating to our self-owned brands, we sell our branded products to distributors in China and Other Overseas Markets, who subsequently distribute our products to retailers through their distribution channel. Our success in operating this business model for our self-owned brand operations is dependent on the maintenance and promotion of our brands, our ability to maintain and expand our distribution network in these target markets and our ability in maintaining our product quality control. We cannot assure you that we will be successful in promoting or maintaining our brand position, in maintaining or expanding our distribution network, or in maintaining our product quality control. If we are unable to maintain our brand recognition, our distribution network or our product quality control, we may encounter difficulties in operating this business model for our self-owned brand operations, and our financial condition, results of operations and prospects may be materially and adversely affected as a result.

Under the business model for our operations in connection with international brand owners, we design and develop durable juvenile products either on our own or jointly with these brand owners, and manufacture and sell such products to the brand owners. These durable juvenile products are in turn sold by the brand owners under their brands using their distribution channels. Our success in operating this business model will depend on several factors, including but not limited to, our ability to maintain our product quality control, our ability to remain competitive in our R&D and manufacturing capability, the market perception and consumer acceptance of third party-owned brands, as well as the distribution channels of the international brand owners. We intend to continue enhancing our product quality control procedures. We intend to further strengthen our existing global R&D system by continuing to invest in our market research, product development and design capability. However, in the event that we cannot maintain our R&D capability or that

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other competitors succeed in building up R&D and manufacturing capabilities that are more competitive than ours, we may not be able to successfully operate this business model for our operations in connection with international brand owners. In addition, we have no control over the brand recognition of third party-owned brands or the distribution channels of the international brand owner customers. In the event that there is erosion in market perception of the third party-owned brands or disruption in the distribution channels of our international brand owner customers, the demand for products under these third party-owned brands may be reduced, which could result in a corresponding decrease in demand for our products that our international brand owner customers would purchase from us. Accordingly, we cannot assure you that we will be able to effectively address the risks, difficulties and challenges presented by the different business models that we operate.

**We may experience a material adverse change in a significant customer relationship or be negatively impacted by a deterioration in a significant customer's performance or financial condition in our overseas markets**

Dorel is our largest customer. It accounted for approximately 51.9% of our total revenue from Continuing Operations in 2007, 49.3% in 2008, 50.3% in 2009 and 44.7% for the seven months ended July 31, 2010. We cannot assure you that Dorel will continue to purchase products from us or that we will be able to continue our business with Dorel at the desired levels. Dorel may, as a result of competitive considerations, financial conditions or otherwise, decrease its purchases from us or change its manner of doing business with us. In addition, if Dorel experiences a deterioration in its performance or financial condition, it may require us to assume more credit risk relating to its receivables or limit our ability to collect the amounts due to us related to Dorel's previous purchases, either of which could result in us limiting or even discontinuing our business with Dorel. If our business dealings with Dorel cease or the level or frequency of Dorel's orders for our products materially declines and we are unable to secure new orders from other customers to replace such a loss or reduction, our business, financial condition, results of operations and prospects will be adversely affected.

**We do not have long-term sales contracts with our key international brand owner customers, from whom we derived the majority of our revenues during the Track Record Period**

Outside China, our customers include international brand owners, including owners of internationally leading durable juvenile products brands such as "Safety 1st", "Cosco", "Quinny", "Maxi Cosi", "Silver Cross" and "Play". We design and develop durable juvenile products either on our own or jointly with these brand owners, and manufacture and sell such products to the brand owners. These durable juvenile products are in turn sold by the brand owners under their brands using their distribution channels. Maintaining close relationships with these customers is very important to our business. During the years ended December 31, 2007, 2008 and 2009 and the seven months ended July 31, 2010, 62.5%, 63.8%, 63.6% and 63.7% of our revenue from Continuing Operations were derived from our international brand owner customers in North America and our European market, respectively. We do not enter into long-term sales contracts with our customers. Our orders are received on a purchase order basis. We cannot assure you that we will be able to retain the business of our existing customers at the desired levels or at all. A decision by a major key international brand owner customer, whether motivated by competitive considerations, financial difficulties, economic conditions or otherwise, to decrease its purchases from us or to change its manner of doing business with us, could have a material adverse effect on our business, financial condition, results of operations and prospects. In addition, any significant changes in the operations or financial condition of a key international brand owner customer, including consolidation or change of ownership, restructuring,

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bankruptcy and liquidation could cause us to limit or even discontinue our business with them. Any such change might also require us to assume more credit risk relating to such a customer's receivables or limit our ability to collect amounts owed to us related to previous purchases by that customer, all of which could have a material adverse effect on our business, financial condition, results of operations and prospects. Finally, any economic decline in our overseas markets, particularly in North America and our European market, could significantly affect our customers' demand for our products, and have a material adverse effect on our business, financial condition, results of operations and prospects.

**There is no assurance that the trademark registration application for our new logo "gb" will be approved in a timely manner, if at all, or that our new logo "gb" will achieve the same level of brand recognition enjoyed by our existing logo "Goodbaby"**

On July 22, 2010, we launched our new logo "gb", which we expect to gradually replace the English language version of our logo "Goodbaby" used on our products. Similarly, in China, "好孩子 gb" is expected to gradually replace "好孩子 Goodbaby". We have applied for registration of the trademark for our new logo "gb" in China and our overseas markets. However, the approval process for trademark registrations is a lengthy process that can last as long as two years. As of the Latest Practicable Date, our trademark registration applications relating to our new logo "gb" in China and our overseas markets were still pending for approval by the relevant governmental authorities. There is no assurance that such registration will be approved and, consequently, we may not be able to acquire rights to such a trademark. In addition, there may be delays in the approval process. As the trademark and new logo are important to our continuous business development, any delay in obtaining or failure to obtain our trademark could have a material adverse effect on our business, financial condition and results of operations.

We intend to launch our new logo "gb" gradually over time. We cannot assure you that our new logo "gb" will be recognized by our customers and achieve the same level of brand recognition enjoyed by our existing logo "Goodbaby". In addition, since the new logo "gb" will also be similar to the logos used by our Parent Group, we cannot assure you that there will not be confusion among consumers of our new logo "gb" with our Parent Group's logos, and any negative publicity associated with our Parent Group may materially and adversely affect our reputation and market acceptance enjoyed by our new logo "gb".

**We manufacture a significant portion of our products, and any decline in our production capacity, caused by but not limited to factors such as increases in the cost of, or shortages of, raw materials, labor or energy supplies, will have a material adverse effect on our financial condition and results of operations**

Our production capacity is integral to our production control and supply chain management system, which depends on our ability to manage the key factors affecting our production capacity, namely, raw materials, labor and energy.

The cost of raw materials from our Continuing Operations constituted 75.2%, 77.6%, 77.0% and 74.3% of our cost of sales for the years ended December 31, 2007, 2008 and 2009 and for the seven months ended July 31, 2010, respectively. Our primary raw materials include plastic, steel, fabrics, wooden products and aluminum. We may be unable to obtain adequate supplies of raw materials in the appropriate quantities and quality, in a timely manner and at a reasonable cost. If the supply of raw materials is substantially interrupted or reduced or if there are significant increases in the prices we pay for our raw materials or if there are unfavorable fluctuations in the quality of these raw materials, we may incur additional costs to acquire



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significant quantities of these raw materials to maintain our production schedules and commitment to our customers. In addition, if we cannot identify alternative sources of raw materials when needed, or obtain sufficient raw materials when required, the resulting loss of production volume could lead to a stock shortage at our retail outlets and adversely impact our ability to deliver products to our customers in a timely manner, which could harm our reputation, business, financial condition, results of operations and prospects.

Our manufacturing is labor intensive and at times we have experienced labor shortages. We cannot assure you that we will not experience any shortage of labor or that the cost of labor in China will not increase in the future. If we experience a shortage of labor, we may not be able to maintain our production volumes. In the Yangtze River Delta area, where we operate, labor costs are significantly higher than those in most other parts of China. In the event that we experience a shortage of labor in the Yangtze River Delta area, we would have to relocate our manufacturing operations to the interior parts of China or outsource a larger proportion of our production overseas. If we relocate our manufacturing operations elsewhere, we cannot assure you that we would be able to maintain the same level of efficiency in our production facilities. In addition, if labor costs increase in China, our production costs will increase and we may not be able to pass these increases on to our customers due to competitive pricing pressures, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

We consume substantial amounts of energy in our manufacturing operations. We currently obtain most of our electricity from the public electricity network. Many cities and provinces in China have suffered serious power shortages in recent years. Many of the regional grids do not have sufficient power-generating capacity to satisfy fully the increased demand for electricity driven by continual economic growth and persistent hot weather. To date, our operations in China have not been materially affected by power supply shortages, and we maintain several standby generators to keep our key operations running in case of a power outage. However, we cannot assure you that we will always have access to sufficient supplies of electricity in the future to accommodate our production requirements and planned growth and that such power shortages will not cause material production disruptions and delays in delivery schedules in the future. If this were to occur, our business, financial condition, results of operations and prospects could be materially adversely affected.

If one or more of the factors cited above were to occur, our financial condition and results of operations will be materially adversely affected.

### **The manufacturing process for products in our industry is complex and any failure to adhere to quality and safety standards may adversely affect our financial condition and results of operations**

The durable juvenile product industry is subject to quality and safety standards in jurisdictions where we operate. In addition, such standards are generally higher than those stipulated in many other industries, in large part due to the need to protect infants and children from harm arising from defective products. For example, strollers and children's car safety seats may be subject to mass recalls if there are incidents of such models allegedly resulting in injury or death to infants or children. On December 18, 2009, one of our largest international brand owner customers voluntarily recalled approximately 447,000 children's car safety seats sold under their brands, including children's car safety seats produced by us. To the best knowledge of our Directors, such voluntary product recall by this customer was the only incident involving our products during the Track Record Period and up to the Latest Practicable Date. On November 8, 2007, an independent third party seller of durable juvenile products, which was not our direct customer nor had any form of contact with

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us, had recalled its cribs sold under its brands. We had sold products, on an OEM basis, through the independent third party seller's independent merchandiser and we had terminated our working relationship with the independent merchandiser of such independent third party seller in March 2007 and have not sold any products to such independent third party seller and its independent merchandiser since then. We are not able to verify that the recalled products were manufactured by us. To the best knowledge of our Directors, such product recall was not due to any manufacturing defect in our products. We cannot assure you that future instances of product recalls by our customers will not have a material adverse effect on our or our customers' reputation, financial condition and results of operations. We believe that end consumers value durable juvenile products companies that have a reputation for adherence to quality and safety. We compete in large measure on our ability to manufacture products that adhere to safety and quality standards. If we fail to adhere to quality and safety standards that meet the expectations of end-consumers when manufacturing our products, our reputation may be harmed, we may lose critical customer orders, or our products may be recalled and we face product liability claims.

**Material unfavorable changes in our outsourcing cooperation with third-party manufacturers could adversely affect our product supply, quality and cost**

During the years ended December 31, 2007, 2008 and 2009 and the seven months ended July 31, 2010, in terms of units produced, we outsourced 9.4%, 9.8%, 12.9% and 13.0%, respectively, of our production (from Continuing Operations) to third-party manufacturers. Third-party manufacturers may not be able to provide us with products of sufficiently high quality either in a timely manner or at a competitive price. We may, from time to time, need to reject products that do not meet our specifications, which could result in a stock shortage or potential delays in delivering products to our customers. In addition, if there are significant increases in the prices quoted by our third-party manufacturers, we may not be able to pass these increases on to our customers due to competitive pricing pressures. In such cases, we may have to seek alternative third-party manufacturers with comparable prices and products or develop similar manufacturing capabilities internally which may result in delivery delays to our customers. If we are unable to locate suitable alternative third-party manufacturers or manufacture these products internally, we may have to cease sales of such items, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

**Our distributors may accumulate excess or obsolete inventory and any excessive build-up of inventory could affect the volume of future orders from our distributors and thus have a material adverse impact on our business**

In China, we sell all of our products to our distributors, who maintain their own inventories of our products. Our distributors in turn distribute our products to end consumers through retail outlets. In order to track the inventory level of our distributors, our personnel conduct both scheduled and random visits to our distributors in an effort to assess their inventory levels. However, we may not be able to accurately track the inventory levels of our distributors or to identify any excessive inventory build-up at our distributors. In addition, our distributors may be unable to sell an adequate amount of their inventories of our products in a given period to retailers, which may result in a build-up of inventory at our distributors. In such event, these distributors likely would reduce future orders until their inventory levels realign with demand from retail outlets. As such, any excessive build-up of inventory levels of our distributors could reduce the volume of future orders from our distributors and thus have a material adverse impact on our sales to our distributors and accordingly, our financial condition and results of operations.

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### **Unauthorized use of our trademarks and patents and the sale of counterfeit products carrying our brands or third party-owned brands could result in an erosion of goodwill and loss of sales**

Our trademarks and patents are important to our success and competitive position. Our policy is to register and protect our trademarks and patents in China. In addition to trademarks already registered in our name, we have applied for registration of certain trademarks in various jurisdictions, including the PRC, Hong Kong, our European market and the United States. We have also applied for patents in the PRC. Details of our intellectual property rights are set out in Appendix VI to this prospectus under the heading “Further Information About The Business — Intellectual property rights of the Group.” We cannot assure you that such applications will be successful and should any of them be challenged, rejected or become unsuccessful for any other reason, we may be unable to use such trademarks and patents and it may be difficult for us to establish any claim against any infringement of those trademarks or patents.

We cannot assure you that the actions we take to protect our trademarks and patents will prove to be sufficient. The unauthorized use of our trademarks on or patents in counterfeit products could harm our market image and reputation, which could have a material adverse effect on our business, financial condition, results of operations and prospects. Our trademarks and patents have been infringed in the past. We have vigorously defended against such infringement, and we believe we have been successful thus far in protecting our rights and reputation. We cannot assure you that there will not be future acts of infringement of our trademarks and patents by other parties, nor can we assure you that we will be able to defend ourselves successfully against such acts, as we had done in the past.

In addition, our brand names, or names similar to our brand names, may be registered or in use by third parties in markets we may wish to enter. As a result, we may have to incur significant expenses to acquire the right to use our brand names in such markets. If we are unable to do so, we may be prevented from entering such markets or may only be able to do so using a different brand name.

We also sell products under third party-owned brands for both our domestic and overseas markets. We cannot assure you that there will be no unauthorized sale of counterfeit products. Sale of counterfeit products may result in an erosion of goodwill or a loss of consumer confidence in the third party-owned brands, which could have a material adverse effect on the sales of our products, our business, financial condition, results of operations and prospects.

### **Third parties may assert or claim that we have infringed their intellectual property rights**

Our competitors or other third parties may have intellectual property rights and interests which could potentially come into conflict with ours. If any trademark or patent infringement or other intellectual property claim against us is successful, we may have to pay damages to the claimant for losses they have or might have suffered. Furthermore, we may not have a legal right to continue to develop, produce, use or sell products that are adjudicated to have infringed third parties’ intellectual property rights. We may be legally required to expend significant resources to redesign our products so that they do not infringe third parties’ intellectual property rights or we may be required to obtain relevant licenses to avoid further infringements. Intellectual property litigation against us could significantly disrupt our business, divert our management’s attention or consume much of our financial resources. As a result, any intellectual property dispute could have a material adverse effect on our business, financial condition and results of operations. To the best knowledge of our Directors, as of the Latest Practicable Date, there has been no incident relating to our infringement of third parties’ intellectual property rights.

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## **RISK FACTORS**

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### **Our future performance is dependent on our ability to attract and retain key personnel**

Our future performance depends to a significant extent upon our ability to continue to attract, retain and motivate key personnel, including members of our senior management team and our skilled technical and market research, product development and design personnel. We expect the demand for skilled and experienced personnel in China to increase as the durable juvenile product industry expands. In addition, we will require an increasing number of experienced executives, engineers and other skilled employees to implement our growth plans. If we lose the services of any of these key personnel without suitable replacement, such loss may limit our competitiveness, interrupt our production processes, reduce our manufacturing quality or cause customer dissatisfaction, any of which would adversely affect our business, financial condition, results of operations and prospects. Moreover, we do not maintain “key person” insurance for the loss of any key personnel. If we are unable to retain or replace our existing personnel or attract, retain and motivate experienced personnel in the future, our operations may be disrupted and the growth of our business may be delayed or restricted.

### **We rely on an integrated information management infrastructure to manage our operations**

We depend on our integrated information management infrastructure, particularly our Enterprise Resource Planning (“ERP”) system, including the supporting Standard Operating Procedures (“SOP”) that are part of the ERP system, to effectively manage our production control and supply chain. Our ERP system maintains the data needed for a variety of business functions such as quota, inventory, financial, human resources and customer relationship management. If our ERP system breaks down or suffer from material disruptions, whether due to design defects or technical or human error, we may not be able to manage our production control and supply chain, which could result in our inability to estimate our costs, disrupt our supply chain and, in the worst case, have a material adverse effect on our financial condition and results of operations. Furthermore, our continued growth may be restricted if our ERP system cannot be modified or upgraded to meet the increased needs of our larger and more diverse operations.

### **We may not be able to further penetrate into existing markets or expand into other geographical markets**

In China, distribution channels have undergone significant changes and may continue to evolve in the future. For example, maternity and childcare specialty stores have become increasingly important as a point of sale for durable juvenile products, a trend that was not fully recognized within the industry until recently. We must continue to monitor trends in product distribution and to make necessary changes in order to optimize our current distribution network as well as exploit new channels of distribution. If we are unable to maintain and further develop our current distribution network, our results of operations will be adversely affected.

Outside of China, we sell durable juvenile products to our international brand owner customers who in turn sell under their brands using their distribution channels. If our current or future customers are unable to maintain their current distribution network in these overseas markets, our financial condition and results of operations may be adversely affected.

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When we enter new overseas markets, we will seek out customers to whom we will sell products either under our brands or under third party-owned brands, and if we are unable to find suitable or reliable customers, our overseas expansion strategy would be significantly affected. In addition, expansion may require a significant amount of capital investment and divert the resources and time of our management. We cannot assure you that we will be able to leverage our experience to expand into other new geographical markets. Our failure to expand into other new markets may have a material adverse effect on our business, financial condition and results of operations and we may not have the same degree of success in these new markets that we have had to date, or at all.

### **The acquisition of other companies or businesses or entering into joint ventures could result in operating difficulties and other harmful consequences**

To enhance our growth, we may acquire businesses or enter into joint ventures that we believe would enhance our products and brands and/or our sales and distribution network. Our ability to grow through acquisitions or joint ventures depends upon our ability to identify, negotiate successfully with and acquire suitable targets. Even if we successfully complete an acquisition or joint venture transaction, we may experience:

- difficulties in integrating the acquired or joint venture business, its personnel or its products into our existing business;
- delays or failures in realizing the benefits of the acquired or joint venture business or its products;
- diversion of our management's time and attention from other business concerns;
- higher costs of integration than we anticipated; or
- difficulties in retaining key employees of the acquired business who are necessary to manage the acquired business.

Any of the above factors could have a material adverse effect on our business, financial condition, results of operations and prospects.

### **We may face product liability claims if our products are defective or are unfit for their intended use**

If our products are unfit for their intended use or contain design or manufacturing defects, we may face product liability claims from our customers or distributors or end users of our products. Currently, PRC law does not require us to purchase product liability insurance in China. We do, however, carry product liability insurance in China for products that we sell in China because the products sold in China are principally sold under our self-owned brands. For our overseas markets, our products are sold to international brand owners who in turn sell products under their brands using their distribution channels. Except for e-cars for which we have purchased product liability insurance due to a request from one of our customers, we generally do not carry product liability insurance for our products sold overseas. We are capable of purchasing product liability insurance for our overseas operations but chose not to do so because it is not mandatory for us to purchase such product liability insurance and our products sold in the overseas markets are principally sold under our customers' brands. If we were to purchase product liability insurance for our overseas operations, any such additional insurance costs would not have a material impact on our business and results of

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operations for our overseas markets. Our overseas customers may or may not carry product liability insurance, depending on the requirements of relevant laws where our products are marketed or sold. Although the approach to our product liability insurance coverage is consistent with the industry norm, we cannot assure you that our product liability insurance will be sufficient to cover any claims that may be brought against us and as a result our business, financial condition, results of operations and prospects may be adversely affected if our insurance does not cover our liabilities, or if we are required to pay higher premiums in the future as a result of these liabilities. Our products may also be subject to mass recall and we may also have to spend significant resources and time to defend ourselves if legal proceedings for product liability are instituted against us. If any such claims are made, our reputation may also be adversely affected, which may lead to loss of future business and our business, financial condition, results of operations and prospects could be materially adversely affected.

### **Our insurance coverage may not completely cover the risks related to our business and operations**

Natural disasters, acts of war, terrorist acts, political unrest and epidemics, or other events which are beyond our control, may adversely affect our business, financial condition and results of operations. We may bear the risk of loss of raw materials or finished products in transit. We may also face the risk of loss or damage to our properties, machinery and inventories due to the occurrence of any of the above events. Furthermore, we are subject to hazards and risks that are normally associated with our operations. Our production activities are conducted primarily at our production facilities located in Kunshan and Ningbo. Our products are produced, packaged and stored at the same locations. Our operations are subject to interruption or damage by fire, power failure and power shortages, hardware and software failure, floods, natural disasters and other events beyond our control at our production facility. As a result, any interruption could seriously compromise our production activities, and our business, financial condition and results of operations may be materially and adversely affected. We cannot assure you that our insurance policies are sufficient to cover all the risks associated with our operations. Losses incurred for liabilities not sufficiently covered by our insurance policies may have a material and adverse effect on our business, financial condition and results of operations.

### **Our production may be disrupted by events beyond our control, including operational hazards or natural calamities**

Our manufacturing equipment includes potentially dangerous equipment, such as blast furnaces, generators, waste water processing units, and chemical storage silos. In addition, raw materials that we store at our facilities include combustible chemicals that are particularly vulnerable to fire risk. Any significant accident or fire could interrupt our operations and result in legal and regulatory liabilities. Our insurance coverage for accidents resulting from the proper or improper use of such equipment, and our fire insurance, may be inadequate to offset losses arising from claims related to accidents or fires. Moreover, any equipment involved in an accident, malfunction or fire may be damaged or destroyed, and we may need to devote time and resources to repair or restore it, thereby adversely impacting our business, financial condition, results of operations and prospects. The operation of our manufacturing equipment may be disrupted for reasons that are beyond our control, including natural disasters, industrial accidents, fires, arson, terrorist attacks, technical failures and labor disputes.



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### **Changes to international trade regulations, quotas, tariffs and duties may affect prices of and demand for our products**

The countries from which we procure raw materials or components for production of our durable juvenile products, the countries into which our products are imported or the countries to which our products are exported, may from time to time impose additional new quotas, duties, tariffs and requirements regarding where raw materials must be purchased, additional workplace regulations or other restrictions on our imports, including adversely modifying existing restrictions. Adverse changes in these costs and restrictions could harm our business. During the Track Record Period and up to the Latest Practicable Date, to the extent that we are subject to anti-dumping measures in the relevant overseas jurisdictions in which we have operations, we were not aware of any non-compliance with such anti-dumping measures. We cannot assure you that future international trade regulations, quotas, tariffs and duties will not increase our costs or provide our competitors with an advantage over us, either of which may have a material adverse effect on our business, financial condition, results of operations and prospects.

The PRC's entry into the WTO may result in increased foreign competition in China, including increased alliances between foreign companies and domestic competitors, and revisions to regulations designed to protect domestic enterprises. Such increased foreign competition could adversely impact our business, financial condition, results of operations and prospects.

### **We may cease to receive the preferential tax treatment we currently enjoy**

Certain of our subsidiaries enjoyed preferential corporate income tax rates which were lower than the standard tax rate during the Track Record Period as approved by the relevant tax authorities or operated in areas with preferential corporate income tax policies in the PRC.

On March 16, 2007, China's EIT Law was announced, followed by the announcement of the related detailed implementation regulations on December 6, 2007, with both taking effect on January 1, 2008. Under the EIT Law, foreign-invested enterprises and domestic companies are subject to a uniform tax rate of 25%, which is lower than the previous uniform tax rate of 33%. Changes to the PRC taxation laws, rules and regulations mean that comparisons between our past post-tax financial results may not be meaningful and should not be relied upon as indicators of our future performance. Furthermore, there can be no assurance that there will be no further changes to the PRC tax laws that could adversely affect us. In addition, any increase in our EIT rate in the future due to the introduction of the EIT Law could have an adverse effect on our financial condition and results of operations.

Pursuant to relevant laws and regulations in the PRC and with approval from the responsible tax authorities, GCPC has been qualified as a "Hi-Tech Enterprise" and subject to a preferential tax rate of 15% from 2008 to 2010. There is no assurance that GCPC will continue to receive the preferential tax treatment after 2010.



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### **There are significant uncertainties under the EIT Law relating to withholding tax on dividends received from our PRC subsidiaries**

Under the EIT Law, the profits of a foreign invested enterprise arising in 2008 and onwards which are distributed to its immediate holding company outside the PRC will be subject to a withholding tax rate of 10.0%. Pursuant to a special arrangement between Hong Kong and the PRC, the profits distributed by a PRC company to a Hong Kong resident enterprise will be taxed at a rate of no more than 5.0% if the Hong Kong resident enterprise owns over 25% of the PRC company. Further, according to the Circular of State Administration of Taxation on Printing and Issuing the Administrative Measures for Non-resident Individuals and Enterprises to Enjoy the Treatment Under Taxation Treaties (關於印發《非居民享受稅收協定待遇管理辦法(試行)》的通知), which became effective on October 1, 2009, the lower tax rate does not automatically apply. Approvals from competent local tax authorities are required before an enterprise can enjoy the relevant tax treatments relating to dividends under relevant taxation treaties. However, according to a tax circular issued by the State Administration of Taxation in February 2009, if the main purpose of an offshore arrangement is to obtain a preferential tax treatment, the PRC tax authorities have the discretion to adjust the preferential tax rate enjoyed by the relevant offshore entity. We cannot assure you that the PRC tax authorities will not levy a higher withholding tax rate to dividends received by our subsidiaries in Hong Kong from our PRC subsidiaries.

### **Under the EIT Law, we may be classified as a “resident enterprise” of China. Such classification could result in unfavorable tax consequences to us and our non-PRC shareholders**

Under the EIT Law, an enterprise established outside of China with “de facto management bodies” within China is considered a “resident enterprise,” meaning that it can be treated in a manner similar to a Chinese enterprise for enterprise income tax purposes. The implementing rules of the EIT Law define “de facto management” as “substantial and overall management and control over the production and operations, personnel, accounting, and properties” of the enterprise. As no official interpretation or application of this new “resident enterprise” classification is currently available, it is unclear how the PRC tax authorities will determine whether an entity will be classified as a “resident enterprise.”

If the PRC tax authorities determine that our Cayman Islands holding company or Goodbaby (Hong Kong) Limited is a “resident enterprise” for PRC enterprise income tax purposes, a number of unfavorable PRC tax consequences could follow. We may be subject to enterprise income tax at a rate of 25% on our worldwide taxable income as well as PRC enterprise income tax reporting obligations. In our case, this would mean that income such as interest on offering proceeds and other income sourced from outside the PRC would be subject to PRC enterprise income tax at a rate of 25%, in comparison to no taxation in the Cayman Islands.

In addition to the uncertainty as to the application of the new “resident enterprise” classification, there can be no assurance that the PRC Government will not amend or revise the taxation laws, rules and regulations to impose stricter tax requirements, higher tax rates or apply the EIT Law, or any subsequent changes in PRC tax laws, rules or regulations retroactively. As there may be different applications of the EIT Law and any amendments or revisions, comparisons between our past financial results may not be meaningful and should not be relied upon as indicators of our future performance. If such changes occur or if such changes are applied retroactively, such changes could materially and adversely affect our results of operations and financial condition.

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### **Dividends payable by our Company to our foreign investors and gain on the sale of our Shares may become subject to withholding taxes under PRC tax laws**

Under the EIT Law and implementation regulations issued by the State Council, PRC income tax at the rate of 10% is applicable to dividends payable to investors that are “non-resident enterprises” (and that do not have an establishment or place of business in the PRC, or that have such establishment or place of business but the relevant income is not effectively connected with the establishment or place of business) to the extent such dividends have their source within the PRC. Similarly, any gain realized on the transfer of Shares by such investors is also subject to 10% PRC income tax if such gain is regarded as income derived from sources within the PRC unless a treaty otherwise provides. The 10% income tax rate applicable to dividends or gain realized on the transfer of Shares may be subject to a reduced rate of tax based on an available tax treaty between the PRC and the government of the jurisdiction of which the recipient is a tax resident. If our Company is considered a PRC “resident enterprise,” for those non-PRC shareholders, it is unclear whether the dividends our Company pays with respect to our Company’s Shares or the gain the investors may realize from the transfer of the Shares would be treated as income derived from sources within the PRC and be subject to PRC tax. If our Company is required under the EIT Law to withhold PRC income tax on dividends payable to our foreign Shareholders, or if the investors are required to pay PRC income tax on the transfer of the Shares, the value of your investment in our Company’s Shares may be materially and adversely affected.

### **We do not exercise complete control over the practice and manner of the ultimate retail sales by our distributors, their sub-distributors and the retail outlets which they operate**

In China, we currently do not own or operate any retail outlets, and we depend on our distributors, including a Connected Party, GCCL, who sell products to their sub-distributors and their retailers, to sell our products. Due to the large number of our distributors and the sheer size of the market, it may be difficult to effectively monitor our distributors’ practices. In addition, even though we have direct contractual relationships with some of our distributors, we do not have any contractual relationship with those ultimate retail outlets who contract with and operate under our distributors or their sub-distributors. While we seek to monitor the retail outlets by maintaining close relationships with the operators of such outlets and monitoring their inventory and sales performance, our control over the ultimate retail sales by these retailers and the retail outlets which they operate is limited. For more information on how we assess the performance of our distributors, sub-distributors and their retail outlets, please see “Business — Sales and Distribution — Our Domestic Business.” In addition, we contractually require our distributors to instruct or require their sub-distributors and retailers to sell our products to consumers at our suggested retail price. However, we cannot give assurance that our suggested retail prices will be followed by the retail outlets, which may subsequently induce artificial price fluctuation and adversely affect the sales of our products, which may in turn materially and adversely affect our results of operations.

### **The implementation of the Employment Contract Law and increase in labor costs in the PRC may adversely affect our business and profitability**

The Employment Contract Law became effective on January 1, 2008 in China. It imposes more stringent requirements on employers in relation to entry into fixed term employment contracts, hiring of temporary employees and dismissal of employees. In addition, under the “Regulations on Paid Annual Leave for Employees” (職工帶薪年休假條例) and its implementation measures, which became effective on January 1, 2008 and September 18, 2008, respectively, employees who have worked continuously for more

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than one year are entitled to a paid vacation ranging from five to 15 days, depending on the length of the employees' work time. Employees who waive their vacation time at the request of employers shall be compensated for three times their normal daily salaries for each vacation day being waived. As a result of the new law and regulations, our labor costs may increase due to implementation of any such new protective measures. We also expect our labor costs to increase as a result of wage increases in China driven by the increased competition for labor resulting from the strong growth of the PRC economy. We also cannot assure you that labor disputes, work stoppages or strikes will not arise in the future. Increases in our labor costs and future disputes with our employees could adversely affect our business, financial condition or results of operations.

**The recent global financial crisis had negative repercussions on the global economy, including the durable juvenile products industry. If another economic downturn occurs in the future, it may adversely affect our business, liquidity, financial conditions, results of operations and prospects**

The recent global financial crisis caused substantial volatility in the capital markets and a downturn in the global and PRC durable juvenile product industries. Demand for our strollers and related products may decrease if the level of consumption in the PRC is affected by these changing market conditions, which may adversely impact cash flow generated from our operations. Furthermore, the availability of credit to entities, such as ourselves, operating within emerging markets, is significantly influenced by levels of investor confidence in such markets as a whole and any factors that may impact market confidence could affect the costs or availability of funding for entities within any of these markets. These challenging market conditions have resulted in reduced liquidity, widening of credit spreads, lack of price transparency in credit markets, a reduction in available financing and a tightening of credit terms. If another economic downturn occurs or there are prolonged disruptions to the credit markets in the future, this could limit our ability to borrow funds from our current or other funding sources or cause the continued access to funds to become more expensive, and our business may be exposed to a downturn in sales that might be caused by such tightening of credit conditions, and our results of operations, financial condition and prospects may be materially and adversely affected.

**We may be unable to obtain financing on favorable terms, or at all, to meet our funding requirements**

We currently fund our operations principally by the proceeds from sales of our products and the extension of existing bank financing. To finance our ongoing operations, existing and future capital expenditure requirements, acquisition and investment plans and other funding requirements, we may need to obtain adequate financing from external sources to supplement our internal sources of liquidity in the future. Our ability to obtain external financing in the future is subject to a variety of uncertainties, including, among other things:

- regulatory approvals to raise financing in the domestic or international markets;
- our financial condition, results of operations, cash flows and credit history;
- the condition of the global and domestic financial markets; and
- changes in the PRC monetary policy with respect to bank interest rates and lending practices and conditions.

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We cannot assure you that we will be able to secure sufficient cash flow from our operations or additional bank financing in the future on favorable terms or at all or that any fluctuation in interest rates will not affect our ability to fund our operations and planned developments. If adequate funding is not available to us on favorable terms, or at all, we may not be able to fund our existing operations and develop or expand our business and, therefore, our business, financial condition and results of operations may be materially and adversely affected.

### **RISKS RELATING TO OUR INDUSTRY**

#### **We operate in a highly competitive industry**

The durable juvenile products market is highly fragmented and competitive. Some of our competitors may have better brand recognition, R&D capabilities and production capabilities than ours. In China, we cannot assure you that our leading position in durable juvenile products will not be effectively challenged by other competitors, including international competitors with potentially more financial and human resources compared to us. For our domestic market and our Overseas Markets where we sell our branded products, we face competition primarily from third-party local durable juvenile product brand owners in the mass market and owners of international brands in the mid- to high-end market. As such, our branded products compete for sales against international brand owners who might also be our customers. In North America and our European market, we cannot assure you that we will continue to be able to sell to many internationally leading juvenile products companies, or that such companies will not seek other durable juvenile products suppliers instead of us. We may not be able to compete effectively against our competitors, maintain our market share and profit margins. We cannot assure you that we will be able to continue to differentiate ourselves from other durable juvenile products companies and competitively market the products necessary to retain current business or attract new customers. Failure to maintain our competitive position may materially adversely affect our business, financial condition, results of operations and prospects.

#### **Global or regional economic, political and social conditions could adversely affect our industry**

External factors such as potential terrorist attacks, acts of war, financial crises, economic recessions or geopolitical and social turmoil in those parts of the world that serve as markets for our products, such as China, North America and our European market, could adversely affect our business, financial condition results of operations and prospects in ways that we cannot predict. For example, the durable juvenile product industry as well as our business and results of operations were affected by the recent global financial crisis and economic downturn. According to the China Toy Association, in 2009, the overall decline in China's export sales of strollers and accessories was 23.2%. Our overseas sales of strollers and accessories decreased by 5.3% in 2009. As such, uncertainties relating to economic, political and social conditions could make it difficult for our customers and us to accurately plan future business activities. More generally, these geopolitical, social and economic conditions could result in increased volatility in worldwide financial markets and economies that could adversely impact our revenue. We are not insured for losses and interruptions caused by terrorist attacks or acts of war. Therefore, any of these events or circumstances could adversely affect our business, financial condition, results of operations and prospects.

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### **Our sales may be affected by seasonality**

A significant portion of our revenue is derived from overseas markets. We believe that there is a seasonal pattern in the spending behavior of overseas consumers, particularly in North America and our European market. Periods prior to major holidays in North America and our European market, such as Christmas and New Year, have typically coincided with higher revenue recorded for our business. As a result of these fluctuations, comparisons of sales and operating results between different periods within a single financial year may not be meaningful and should not be relied upon as indicators of our performance.

In China, the demand for our products is affected by seasonal factors and consumer consumption patterns and, as a result, our sales are also subject to seasonal fluctuations. The peak seasons for our sales are the period from Chinese New Year to June and from September to October. Due to these seasonal factors consumption patterns (most of which are outside our control), our operating results and financial condition may fluctuate from period to period.

### **Unanticipated regulatory changes may have an adverse impact on our financial condition and results of operations**

We operate in a highly regulated industry both in China and overseas. We seek to adhere strictly to regulations in all the jurisdictions in which we operate, particularly those regulations pertaining to safety and quality. Nevertheless, changes in regulations may have an adverse impact on our financial condition and results of operations if we are unable to respond timely to such changes by, for example, not being able to produce sufficient quantities of a product that adhere to such new regulations. We may also be negatively affected by regulations on the sourcing of raw materials or components, to the extent we are unable to procure such materials or components on a cost-effective basis, if at all.

## **RISKS RELATING TO CONDUCTING BUSINESS IN CHINA**

### **The PRC's economic, political and social conditions and government policies could adversely affect our business**

A significant proportion of our assets and operations are located in China and we derive a substantial percentage of our revenue from our operations in China. Accordingly, our business, financial condition, results of operations and prospects are, to a significant degree, subject to the economic, political, social conditions and government policies in the PRC. The economy of China differs from the economies of most developed countries in many respects, including the level of government involvement, the level of economic development, China's GDP growth rate and foreign exchange controls.

While the Chinese economy has experienced significant growth in the past 20 years, the growth has been concentrated in certain geographic areas and sectors of the economy. The PRC government has implemented various measures to encourage economic growth and guide the allocation of resources. Some of these measures may benefit the overall economy of China, but may also have a negative impact on us. For example, our business, financial condition, results of operations and prospects may be adversely affected by government control over capital investments or changes in applicable tax regulations.

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The economy of China has been transitioning from a planned economy to a more market-oriented economy. Nevertheless, a substantial portion of productive assets in China are still owned by the PRC government. Many of the reforms are unprecedented or experimental, however, and are expected to be modified from time to time. In addition, the PRC government continues to play a significant role in regulating industry development by imposing industrial policies. The PRC government also exercises significant control over China's economic growth through the allocation of resources, controlling payment of foreign currency-denominated obligations, setting monetary policy and providing preferential treatment to particular industries or companies. We cannot assure you that the Chinese economy will continue to grow or that the PRC government will not regulate our industry in a manner detrimental to our business. Any slowdown in the growth of the Chinese economy could have a material adverse effect on our business, financial condition, results of operations and prospects.

### **We are subject to foreign exchange rate fluctuations**

Our foreign exchange risk arises mainly from the mismatch between the currency of our sales, purchases and operating expenses. Our reporting currency is the Hong Kong dollar. Our sales are denominated mainly in Renminbi and U.S. dollars, which represented 24.1% and 75.9% respectively, of our revenue from Continuing Operations in 2009. Our purchases are primarily denominated in RMB and U.S. dollars, which represented 90.9% and 9.1% of our total cost of purchases, respectively, from Continuing Operations in 2009. Our bank loans and borrowings are denominated in RMB and U.S. dollars, which represented 85.9% and 14.1% respectively, of our total indebtedness in 2009. On July 21, 2005, the PRC Government changed its policy of pegging the value of the RMB to the U.S. dollar and the RMB was permitted to fluctuate within a narrow and managed band against a basket of foreign currencies. The PRC Government has since made further adjustments to the exchange rate system. The RMB appreciated 6.9%, 6.9% and 0.1% against the U.S. dollar in 2007, 2008 and 2009, respectively. Our profit margins will be negatively affected to the extent that we are unable to increase the U.S. dollar selling prices of the products we sell to our overseas customers to account for any appreciation of the RMB against the U.S. dollar. Further, any future significant fluctuations in exchange rates will result in increases or decreases in our reported costs and earnings, and also adversely affect the carrying value of our non-Hong Kong dollar-denominated assets and the amount of our equity, and, accordingly, our business financial condition, results of operations and prospects.

### **We may not be able to successfully manage the risks presented by our hedging activities**

There are limited hedging instruments available in China to reduce our exposure to exchange rate fluctuations between the Renminbi and other currencies. We have entered into various forward currency contracts to manage our exchange rate exposures pursuant to our hedging policy, which is to enter into forward exchange contracts for anticipated future cash flows in foreign currencies based on a certain percentage of sales that are expected to be in foreign currencies. For further details of our hedging policy, please refer to the section headed "Financial Information — Financial Instruments." For the years ended December 31, 2007, 2008 and 2009 and the seven months ended July 31, 2010, as a result of hedging activities for our operations, we recorded changes in the fair value of the forward contracts amounting to gain/(loss) of HK\$8.5 million, HK\$(27.1) million, HK\$(0.2) million and HK\$1.7 million, respectively, on our income statement. These forward currency contracts are not designated as cash flow, fair value or net investment hedges. We cannot assure you that we will be able to successfully manage the risks involved in hedging activities in the future or that our business, financial condition, results of operations and prospects will not be adversely affected by our hedging activities.



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### **Government control of currency conversion and future movements in exchange rates may restrict our ability to pay dividends in foreign currencies**

The PRC government's control of currency conversion and future movements in exchange rates may restrict our ability to pay dividends in foreign currencies. We receive substantially all of our China-related revenue in RMB, which is not a freely convertible currency. We may need to obtain foreign currency to pay dividends declared, if any, in respect of our Shares and to pay foreign exchange expenses and liabilities, if any. The PRC government may take measures at its discretion in the future to restrict access to foreign currencies for current account transactions if foreign currencies become scarce in China, or to prevent a flight of capital from China. We may not be able to pay dividends in foreign currencies to our shareholders if the PRC government restricts access to foreign currencies for current account transactions. In addition, devaluation of the RMB could adversely affect the value of dividends (if any) payable on our Shares in foreign currency terms. Foreign exchange transactions under our capital account may continue to be subject to significant foreign exchange controls and require approval from SAFE. These limitations could affect our ability to obtain foreign exchange through equity financing, or to obtain foreign exchange for capital expenditures.

The Hong Kong dollar, our reporting currency, is currently pegged to the U.S. dollar. If the Hong Kong dollar were unpegged from the U.S. dollar, our financial results would be subject to further exchange rate fluctuations.

### **PRC regulations regarding investment and loans by offshore holding companies to PRC entities may delay or prevent our Company from using the proceeds of the Global Offering to make additional capital contributions or loans to members of our Group**

Any capital contributions or loans which our Company, as an offshore entity, makes to PRC members of our Group that are foreign-invested enterprises, including the proceeds of the Global Offering, are subject to PRC regulations. Capital contributions must be approved by the PRC Ministry of Commerce or its local counterparts. Foreign investors must apply to SAFE or local SAFE departments for foreign loan registration certificates and foreign exchange settlements in order to provide shareholder loans to foreign-invested enterprises in the PRC. Such foreign loans must not exceed the statutory limits. The recipient of a foreign loan must submit the foreign loan registration certificate to open and maintain a special foreign exchange account with the PBOC or another SAFE approved bank, and may then repay the foreign loan with its own foreign exchange funds or by purchasing foreign exchange with RMB upon receiving SAFE approval. There can be no assurance that we will be able to obtain these approvals on a timely basis, or at all. If we fail to obtain such approvals in a timely manner or at all, our ability to capitalize on the relevant PRC members of our Group or fund our operations or utilize the proceeds of the Global Offering in the manner described in the section entitled "Future Plans and Use of Proceeds" may be negatively affected, which could materially and adversely affect the liquidity of the relevant PRC member of our Group, our ability to grow, financial condition and results of operations.

### **Our ability to pay dividends and utilize cash resources in our subsidiaries is dependent upon our PRC subsidiaries' earnings and distributions**

Our Company is a holding company. Our revenue is generated from our business operations conducted through our subsidiaries. Our Company's ability to make dividend payments and other distributions in cash, pay expenses, service any debts incurred, and finance the needs of other subsidiaries, depends upon the

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receipt of dividends, distributions or advances from our subsidiaries. The ability of our subsidiaries to pay dividends or other distributions may be subject to their earnings, financial position, cash requirements and availability, applicable laws, rules and regulations, and restrictions on making payments to our Company contained in financing or other agreements. If any of our subsidiaries incurs debt in its own name, the instruments governing the debt may restrict dividends or other distributions on its equity interest to us. These restrictions could reduce the amount of dividends or other distributions that our Company receives from our subsidiaries, which could in turn restrict our ability to fund our business operations and to pay dividends to our Shareholders. Our Company's future declaration of dividends may not reflect our historical declarations of dividends and will be at the absolute discretion of our Board.

Furthermore, applicable PRC laws, rules and regulations permit payment of dividends by our PRC subsidiaries only out of their retained earnings, if any, determined in accordance with PRC accounting standards. Our PRC subsidiaries are required to set aside a certain percentage of their after-tax profit based on PRC accounting standards each year to their respective reserve funds in accordance with the requirements of relevant laws and provisions in their respective articles of associations. As a result, our PRC subsidiaries are restricted in their ability to transfer a portion of their net income to us either in the form of dividends, loans or advances. Any limitation on the ability of our PRC subsidiaries to pay dividends to us could materially and adversely limit our ability to grow, make investments or acquisitions that could be beneficial to our businesses, pay dividends or otherwise fund and conduct our business.

Distributions by our PRC subsidiaries to our Company in forms other than dividends may be subject to government approval and taxes. Any transfer of funds from our Company to our PRC subsidiaries, either as a shareholder loan or as an increase in registered capital, is subject to registration with, or approval of, the relevant PRC Government authorities. In addition, our PRC subsidiaries are not permitted to lend funds directly to each other under Chinese law. These limitations on the flow of funds between and amongst us and our PRC subsidiaries could restrict our ability to respond to changing market conditions or appropriately allocate funds to our PRC subsidiaries in a timely manner, or at all.

**Failure by our Shareholders or beneficial owners who are PRC residents to make any required applications and filings pursuant to regulations relating to offshore investment activities by PRC residents may prevent us from being able to distribute profits and could expose us and our PRC resident shareholders to liability under PRC law**

The Circular Concerning Relevant Issues on the Foreign Exchange Administration of Raising Funds through Overseas Special Purpose Vehicles and Investing Back in China by Domestic Residents ("SAFE Circular") promulgated by SAFE on October 21, 2005 which became effective on November 1, 2005, and the implementing regulations in Notice 106 promulgated by SAFE on May 29, 2007 which became effective on the same day require PRC residents with direct or indirect offshore investments, including overseas special purpose vehicles, to file a Registration Form of Overseas Investments Contributed by Domestic Individual Residents and register with SAFE, and to update SAFE's records within 30 days of any major change in capital, including increases and decreases of capital, share transfers, share swaps, mergers or divisions. Any non-compliance may result in a fine imposed on the PRC entities in which the PRC resident has a direct or indirect investment, the prohibition of distributions from capital reductions, share transfers or liquidations, from such PRC entities to the relevant offshore entity or contribution of additional capital into PRC entities by the relevant offshore entity. Accordingly, our ability to contribute additional capital into such PRC entities may be materially and adversely affected.



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Due to the uncertainty concerning the reconciliation of the notices with other approval requirements, it remains unclear how the SAFE Circular and Notice 106, and any future legislation concerning offshore or cross-border transactions will be interpreted, amended and implemented by the relevant PRC Government authorities. To the best of our knowledge, as at the Latest Practicable Date, our PRC Shareholders with offshore investments in our Group have registered with SAFE. Any failure by such relevant PRC Shareholders to register with SAFE may result in the prohibition of distributions from capital reductions, share transfers, or liquidations of, or contribution of additional capital to, our PRC subsidiaries, and may affect our ownership structure, acquisition strategy, business operations, and ability to make dividend payments to our Shareholders.

### **The national and regional economies in China and our prospects may be adversely affected by natural disasters, acts of God, and occurrence of epidemics**

Our business is subject to general economic and social conditions in China. Natural disasters, epidemics and other acts of God which are beyond our control may adversely affect the economy, infrastructure and livelihood of the people in China. Some regions in China, including the cities where we operate, are under the threat of flood, earthquake, sandstorm, snowstorm, fire, drought, or epidemics such as Severe Acute Respiratory Syndrome (“SARS”), H5N1 avian flu or the human swine flu, also known as Influenza A (H1N1). For instance, a serious earthquake and its successive aftershocks hit Sichuan Province in May 2008 and resulted in tremendous loss of lives and destruction of assets in the region. In addition, past occurrences of epidemics, depending on their scale, have caused different degrees of damage to the national and local economies in China. A recurrence of SARS or an outbreak of any other epidemics in China, such as the H5N1 avian flu or the human swine flu, could interrupt our operations or the services or operations of our suppliers and customers, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

### **Present or future environmental and safety laws and regulations in China may adversely affect our business**

Our business is subject to certain PRC laws and regulations relating to environmental and safety matters. The discharge of waste and pollutants from our manufacturing operations into the environment may give rise to liabilities that may require us to incur costs to remedy such discharge. In addition, while we believe we are currently in compliance with all material applicable environmental laws, we cannot assure you that situations which will give rise to material environmental liabilities will not be discovered or that any environmental laws adopted in the future will not materially increase our operating costs and other expenses. We cannot assure you that we will be able to comply with new legislations should the PRC government impose stricter environmental protection standards and regulations in the future. Any increase in production costs resulting from the implementation of additional environmental protection measures and/or failure to comply with new environmental laws or regulations may have a material adverse effect on our business, financial condition, results of operations or prospects.

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### **The PRC legal system is less developed than other countries and laws may not be interpreted or enforced in a consistent manner**

Substantially all our operations are, and will continue to be, conducted in China. The PRC legal system is based on written statutes, and prior court decisions can only be used as a reference. Since 1979, the PRC government has promulgated laws and regulations in relation to economic matters such as foreign investment, corporate organization and governance, commerce, taxation and trade, with a view to developing a comprehensive system of commercial law. However, because these laws and regulations have not been fully developed, and because of the limited volume of published cases and the non-binding nature of prior court decisions, interpretation of PRC laws and regulations involves a degree of uncertainty. Depending on the government agency or how an application or case is presented to such an agency, we may receive less favorable interpretations of laws and regulations than our competitors.

In general, the PRC judiciary is relatively inexperienced in enforcing the laws and regulations that currently exist, leading to a degree of uncertainty as to the outcome of any litigation. Further, it may be difficult to obtain swift and equitable enforcement, or to obtain enforcement of a judgment by a court of another jurisdiction. In addition, any litigation in China may be protracted and result in substantial costs and diversion of resources and management attention. In addition, the introduction of new PRC laws and regulations and the interpretation of existing ones may be subject to policy changes reflecting domestic political or social changes. As the PRC legal system develops, the promulgation of new laws, changes to existing laws and the preemption of local regulations by national laws may have a material adverse effect on our business, financial condition, results of operations and prospects.

### **RISKS RELATING TO THE GLOBAL OFFERING AND OWNERSHIP OF OUR SHARES**

#### **There has been no prior public market for our Shares**

Before the Global Offering, there was no public market for our Shares. While we have applied to have our Shares listed on the Stock Exchange, we cannot assure you that an active public market for our Shares will develop. The Offer Price of our Offer Shares will be determined by agreement between the Global Coordinator, on behalf of the Underwriters, and us for ourselves and for the Selling Shareholder, and may not be indicative of prices that will prevail in the trading market. You may not be able to resell your Shares at a price that is attractive to you or at all.

#### **The liquidity and market price of our Shares may be volatile which could result in substantial losses for investors purchasing Shares in the Global Offering**

The liquidity and market price for our Shares may fluctuate significantly and rapidly as a result of the following factors, among others, some of which are beyond our control:

- variations of our results of operations (including variations arising from foreign exchange rate fluctuations);
- changes in securities analysts' estimates of our financial performance;
- announcement by us of significant acquisitions, strategic alliances or joint ventures;

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- addition or departure of key personnel;
- fluctuations in stock market prices and volume;
- involvement in litigation; and
- general economic and stock market conditions.

### **Our Shares may trade at prices significantly below the Offer Price**

In recent years, stock markets in general, and particularly the markets for the shares of companies with substantial operations in China, have experienced increasing price and volume fluctuations, some of which have been unrelated or disproportionate to the operating performance of such companies. These broad market and industry fluctuations may adversely affect the market price of our Shares.

### **As the offer price of our Shares is higher than our adjusted consolidated net tangible assets per Share, you will experience immediate dilution to your attributable adjusted consolidated net tangible assets per Share**

Assuming an Offer Price of HK\$3.70 (being the lower end of the estimated Offer Price range), and after deduction of estimated underwriting fees and listing related expenses, our pro forma adjusted consolidated net tangible assets per Share would be approximately HK\$1.17, or a pro forma adjusted consolidated net tangible assets per Share of HK\$1.40, assuming an offer price of HK\$4.90 (being the higher end of the estimated Offer Price range). Therefore, purchasers of our Shares in the Global Offering will experience an immediate dilution representing the difference between the Offer Price and the pro forma adjusted consolidated net tangible assets per Share. If we issue additional Shares in the future, purchasers of our Shares may experience further dilution.

### **We may be unable to pay any dividend on our Shares**

We will only pay dividends out of the accumulated realized profits of our Company so far as not previously utilized by distribution or capitalization, less the accumulated realized losses of our Company, so far as not previously written off in a reduction or reorganization of capital duly made. Our ability to pay dividends will therefore depend on the ability of our Company to generate sufficient accumulated net realized profits.

Our Company is a holding company established in the Cayman Islands and operates its business through its operating subsidiaries, principally in China. Therefore, the availability of funds to us to pay dividends to our Shareholders and to service our indebtedness will depend in large part upon dividends received from our operating subsidiaries. If these subsidiaries incur debt or losses, such indebtedness or loss may impair their ability to pay dividends or other distributions to us. As a result, our ability to pay dividends and to service our indebtedness will be restricted. For further information regarding our declaration and payment of dividends, see the section headed “Financial Information — Dividend Policy” in this prospectus.

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Our ability to declare dividends in relation to our Shares will also depend on our future financial performance, which, in turn, depends on our success in implementing our business strategy and expansion plans and on financial, competitive, regulatory, and other factors, general economic conditions, demand for and prices of our products, costs of supplies and other factors specific to our industry, many of which are beyond our control. The receipt of dividends from our operating subsidiaries may also be affected by the passage of new laws, adoption of new regulations or changes to, or in the interpretation or implementation of existing laws and regulations and other events out of our control. PRC laws require that dividends be paid only out of the net profit calculated according to PRC accounting principles, which differ in many aspects from generally accepted accounting principles in other jurisdictions, including IFRSs. In addition, restrictive covenants in our credit facilities or other agreements that we may enter into in the future may also restrict the ability of our operating subsidiaries to make distributions to us. Therefore, these restrictions on the availability and usage of our major source of funding may impact our ability to pay dividends to our Shareholders.

We cannot assure you that we will declare dividends at all in the future.

### **Future sales of substantial amounts of our Shares in the public market could have a material adverse effect on the prevailing market price of our Shares**

The market price of our Shares could decline as a result of future sales of substantial amounts of our Shares or other securities relating to our Shares in the public market or the issuance of new Shares, or the perception that such sales or issuances may occur. Future sales, or perceived sales, of substantial amounts of our Shares could also materially and adversely affect our ability to raise capital in the future at a time and at a price we deem appropriate. In addition, our shareholders may experience dilution in their holdings to the extent we issue additional Shares in future offerings.

### **The interests of our Controlling Shareholders may not be aligned with those of our other Shareholders**

Immediately upon completion of the Global Offering, our Controlling Shareholders, CRF Enterprise and PUD, will have effective control over approximately 44.1% and 25.9%, respectively, of our Company's post-Global Offering share capital, respectively. As a result, CRF Enterprise and PUD will be able to exercise significant influence over all matters requiring Shareholders' approval, including the appointment of directors and the approval of significant corporate transactions. They may also have veto power with respect to any Shareholders' action or approval requiring a majority vote except where they are required by the Listing Rules to abstain from voting. Such concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company and our Group or otherwise discourage a potential acquiror from attempting to obtain control of us through corporate actions such as merger or takeover attempts, which could conflict with the interests of our public Shareholders. In the case where the interests of the Controlling Shareholders conflict with those of our other shareholders, or if the Controlling Shareholders choose to cause us to pursue objectives that would conflict with the interests of our other shareholders, such other shareholders could be left in a disadvantageous position by such actions caused by the Controlling Shareholders.

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## RISK FACTORS

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**Certain facts and statistics in this prospectus relating to the Chinese economy and durable juvenile products industry are derived from various government and official sources and may not be reliable**

We derived certain facts and statistics in this prospectus relating to the Chinese economy, the durable juvenile products sector and other related sectors in China from various government and official sources, which we believe are reliable. However, we cannot assure you of the quality or reliability of these source materials. While our directors have taken reasonable care to ensure that the facts and statistics presented are accurately reproduced from such government or official sources, they have not been independently verified by us, the Global Coordinator, the underwriters, nor any of their or our affiliates or advisors. We therefore make no representation as to the accuracy of such facts and statistics.

Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the official statistics in this prospectus relating to the Chinese economy and the durable juvenile products sector and other related sectors in China may be inaccurate, or may not be comparable to statistics produced for other economies, and thus should not be unduly relied upon. Furthermore, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as in other countries. In all cases, investors should give consideration as to how much weight or importance they should attach to or place on these facts or statistics.

**We cannot guarantee the accuracy of facts and other statistics with respect to certain information obtained from the Frost & Sullivan Report contained in this prospectus**

Certain facts and statistics cited in this prospectus, including but not limited to information and statistics relating to the juvenile products industries and markets, are based on the Frost & Sullivan Report. We cannot guarantee the quality or reliability of such facts and statistics. We believe that the source of this information is an appropriate source for such information and have taken reasonable care in extracting and reproducing such information. We have no reason to believe that such information is false or misleading or that any fact has been omitted that would render such information false or misleading. The information has not been independently verified by us, the Selling Shareholder, the Global Coordinator, Bookrunner, Sponsor and Lead Manager, the Underwriters or any other party involved in the Global Offering and no representation is given as to its accuracy. We therefore make no representation as to the accuracy or completeness of such facts and statistics. Accordingly, such facts and statistics should not be unduly relied upon.

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## INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING

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### DIRECTORS' RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS

This prospectus includes particulars given in compliance with the Hong Kong Companies Ordinance, the Securities and Futures (Stock Market Listing) Rules of Hong Kong and the Listing Rules for the purpose of giving information to the public with regard to us. Our Directors collectively and individually accept full responsibility for the accuracy of the information contained in this prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the information contained in this document is accurate and complete in all material respects and not misleading or deceptive, and there are no other facts the omission of which would make any statement in this prospectus misleading.

### The public offer and this prospectus

This prospectus is published solely in connection with the Public Offer. For applicants under the Public Offer, this prospectus and the Application Forms contain all the terms and conditions of the Public Offer.

The Hong Kong Offer Shares are offered solely on the basis of the information contained and the representations made in this prospectus. No person is authorized in connection with the Public Offer to give any information or to make any representation not contained in this prospectus. Any information or representation not contained in this prospectus must not be relied upon as having been authorized by our Company, the Selling Shareholder, the Global Coordinator, the Sponsor, any of the Underwriters, any of their respective directors or any other person involved in the Global Offering.

Neither the delivery of this prospectus nor any subscription or acquisition made under it shall, under any circumstances, create any implication that there has been no change in our affairs since the date of this prospectus or that the information in it is correct as at any subsequent time.

### Underwriting

The Public Offer is part of the Global Offering comprising the Public Offer of initially 30,000,000 Hong Kong Offer Shares and the International Offer of initially 270,000,000 International Offer Shares.

The application for the listing of the Shares is sponsored by the Sponsor. The Public Offer is fully underwritten by the Hong Kong Underwriters under the terms of the Hong Kong Underwriting Agreement and is subject to our Company (for ourselves and on behalf of the Selling Shareholder) and the Global Coordinator (for itself and on behalf of the Underwriters) agreeing on the Offer Price. The Global Offering is managed by the Global Coordinator.

If, for whatever reason, the Offer Price is not agreed between the Global Coordinator and us (for ourselves and the Selling Shareholder) by November 23, 2010, the Global Offering will not become unconditional and will lapse immediately. Further information about the Hong Kong Underwriters and the underwriting arrangements is set out in the section headed "Underwriting" in this prospectus.

### Restrictions on the use of this prospectus

No action has been taken to permit a public offer of the Offer Shares, other than in Hong Kong, or the distribution of this prospectus in any jurisdiction other than Hong Kong. Accordingly, this prospectus may not be used for the purpose of, and does not constitute, an offer or invitation in any jurisdiction or in any

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## INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING

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circumstance in which such an offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation. The distribution of this prospectus and the offering and sale of the Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to any registration made with or authorization by the relevant securities regulatory authorities or an exemption from applicable securities laws. In particular, the Offer Shares have not been offered and sold, and will not be offered or sold, directly or indirectly, in the PRC.

### **Listing**

We have applied to the Listing Committee of the Stock Exchange for listing of, and permission to deal in, the Shares in issue and to be issued and sold pursuant to the Global Offering (including any additional existing Shares that may be sold pursuant to the exercise of the Over-allotment Option). Our PRC legal adviser, Jingtian & Gongcheng, has advised us that we are not required to obtain the approval of other PRC governmental or regulatory authorities in respect of the Listing and the Global Offering. In particular, Jingtian & Gongcheng has advised us that the Provisions on the Takeover of Domestic Enterprises by Foreign Investors do not apply to the Listing and the Global Offering.

No part of our share or loan capital is listed, or dealt in, on any other stock exchange and no such listing or permission to deal is being or is proposed to be sought in the near future.

### **ELIGIBILITY FOR CCASS**

If the Stock Exchange grants the listing of, and permission to deal in, our Shares on the Stock Exchange and we comply with the stock admission requirements of HKSCC, our Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or any other date as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second business day after any trading day. You should seek the advice of your stockbroker or other professional adviser for details of those settlement arrangements as such arrangements will affect your rights and interests.

All necessary arrangements have been made for the Shares to be admitted into CCASS.

All activities under CCASS are subject to the general rules of CCASS and CCASS operational procedures in effect from time to time.

### **HONG KONG REGISTER**

All Shares issued by us pursuant to applications made in the Public Offer will be registered on our Hong Kong register of members to be maintained in Hong Kong. Our principal register of members will be maintained by our Principal Share Registrar in the Cayman Islands.

### **STAMP DUTY**

Dealings in the Shares registered on our Hong Kong register of members will be subject to Hong Kong stamp duty. See the section headed “Taxation of holders of Shares” in Appendix VI of this prospectus.



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## **INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING**

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### **PROFESSIONAL TAX ADVICE RECOMMENDED**

If you are unsure about the taxation implications of subscribing for, purchasing, holding or disposing of, and dealing in, our Shares, you should consult an expert.

We emphasize that none of the Global Coordinator, the Sponsor, the Underwriters, the Selling Shareholder or us, any of our or their respective directors, officers nor any other person involved in the Global Offering accepts responsibility for your tax affairs or liability resulting from your subscription for, purchase, holding or disposing of, or dealing in, our Shares or your exercise of any rights attaching to our Shares.

### **STABILIZATION AND OVER-ALLOTMENT**

Stabilization is a practice used by underwriters in some markets to facilitate the distribution of securities. To stabilize, the underwriters may bid for, or purchase, the newly issued securities in the secondary market, during a specified period of time, to retard and, if possible, prevent a decline in the market price of the securities below the offer price. In Hong Kong, the price at which stabilization is effected is not permitted to exceed the offer price. In connection with the Global Offering, the Stabilizing Manager, on behalf of the International Underwriters, may overallocate or effect transactions with a view to supporting the market price of the Shares at a level higher than that which might otherwise prevail for a limited period after the Listing Date. Such transactions may be effected in compliance with all applicable laws and regulatory requirements. However, there is no obligation on the Stabilizing Manager, its affiliates or any person acting for it to do this. Such stabilization, if commenced, will be conducted at the absolute discretion of the Stabilizing Manager, its affiliates or any person acting for it and may be discontinued at any time, and must be brought to an end after a limited period.

Further details with respect to stabilization and the Over-allotment Option are set out in the section headed “Structure of the Global Offering — The Over-allotment Option” and “Structure of the Global Offering — Stabilizing Action” in this prospectus.

### **PROCEDURE FOR APPLICATION**

The application procedure for the Hong Kong Offer Shares is set out in “How to Apply for Hong Kong Offer Shares” and on the relevant Application Forms.

### **CONDITIONS OF THE PUBLIC OFFER**

Details of the conditions of the Public Offer are set out in “Structure of the Global Offering — Conditions of the Public Offer.”

### **STRUCTURE OF THE GLOBAL OFFERING**

Details of the structure of the Public Offer and the International Offer, including their respective conditions, and the Over-allotment Option, are set out in “Structure of the Global Offering.”



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## INFORMATION ABOUT THIS PROSPECTUS AND THE GLOBAL OFFERING

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### EXCHANGE RATE CONVERSION

For the purpose of illustration only and unless otherwise specified in this prospectus, the translation of Renminbi into Hong Kong dollars has been made at the rate of RMB0.87236 to HK\$1.00, the exchange rate set by PBOC for foreign exchange transactions prevailing on July 30, 2010. No representation is made that (i) Renminbi amounts could have been, or could be, converted into U.S. dollars; or the RMB amounts could have been, or could be, converted into Hong Kong dollars at such rates or at any other rate on such date or on any other date.

### ROUNDING

Any discrepancy in any table between totals and sums of individual amounts listed in any table is due to rounding.

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## DIRECTORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING

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### DIRECTORS

<b>Name</b>	<b>Residential address</b>	<b>Nationality</b>
<i>Executive Directors</i>		
SONG Zhenghuan	Room 801, Tower 6 Lijing Garden, Yushan Town Kunshan Jiangsu Province PRC	Chinese
WANG Haiye	Room 606, Tower 4 Lishe New Village, Yushan Town Kunshan Jiangsu Province PRC	Chinese
<i>Non-Executive Directors</i>		
GRADEL, Christopher Marcus	House 3 Severn 8 8 Severn Road The Peak Hong Kong	British
CHIANG Yun	8N Scenic Villas Pokfulam Hong Kong	Chinese
<i>Independent Non-executive Directors</i>		
BRUCE, Iain Ferguson	Apt. F 7 Peel Rise The Peak Hong Kong	British
LONG Yongtu	Apartment 602, Unit 2 Building 5 No. 8 He Ping Road Chaoyang District Beijing PRC	Chinese
SHI Xiaoguang	No. 1001, 1/F Yard 1 Xiangheyuan Road Dongcheng District Beijing PRC	Chinese

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## DIRECTORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING

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### PARTIES INVOLVED

**Sole Global Coordinator,  
Bookrunner, Sponsor and  
Lead Manager**

Morgan Stanley Asia Limited  
46th Floor, International Commerce Centre  
1 Austin Road West  
Kowloon  
Hong Kong

**Legal advisors to the Company**

*as to Hong Kong and U.S. law:*  
Sidley Austin  
Level 39, Two International Finance Centre  
8 Finance Street  
Central  
Hong Kong

*as to PRC law:*  
Jingtian & Gongcheng  
34th Floor, Tower 3, China Central Place  
77 Jianguo Road, Chaoyang District  
Beijing 100025  
PRC

*as to Cayman Islands law:*  
Appleby  
8th Floor, Bank of America Tower  
12 Harcourt Road, Central  
Hong Kong

**Legal advisors to the Sponsor and  
the Underwriters**

*as to Hong Kong and U.S. law:*  
Paul, Hastings, Janofsky & Walker  
22nd Floor, Bank of China Tower  
1 Garden Road  
Central  
Hong Kong

*as to PRC law:*  
Jun He Law Offices  
China Resources Building, 20th Floor  
8 Jianguomenbei Avenue  
Beijing 100005  
PRC

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## DIRECTORS AND PARTIES INVOLVED IN THE GLOBAL OFFERING

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**Reporting accountants**

Ernst & Young  
Certified Public Accountants  
18th Floor, Two International Finance Centre  
8 Finance Street  
Central  
Hong Kong

**Property valuers**

Jones Lang LaSalle Sallmanns Limited  
17th Floor Dorset House  
Taikoo Place  
979 King's Road  
Quarry Bay  
Hong Kong

**Receiving bankers**

Standard Chartered Bank (Hong Kong) Limited  
15th Floor, Standard Chartered Tower  
388 Kwun Tong Road  
Hong Kong

Wing Lung Bank  
45 Des Voeux Road Central  
Hong Kong

Hang Seng Bank  
83 Des Voeux Road Central  
Hong Kong

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## CORPORATE INFORMATION

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<b>Registered office</b>	Cricket Square Hutchins Drive P. O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
<b>Head Office</b>	Liji Road, Kunshan Development District Jiangsu Province, 215331 PRC
<b>Principal place of business in Hong Kong</b>	Room 2061, 20th Floor Two Chinachem Exchange Square 338 King's Road North Point Hong Kong
<b>Company Secretary</b>	PAU Lai Mei
<b>Authorized Representatives</b>	SONG Zhenghuan Room 801, Tower 6 Lijing Garden, Yushan Town Kunshan Jiangsu Province PRC  PAU Lai Mei Tricor Services Limited Level 28, Three Pacific Place 1 Queen's Road East, Hong Kong
<b>Members of the Audit Committee</b>	BRUCE, Iain Ferguson (Chairman) SHI Xiaoguang LONG Yongtu
<b>Members of the Remuneration and Nomination Committee</b>	BRUCE, Iain Ferguson (Chairman) SHI Xiaoguang LONG Yongtu
<b>Cayman principal share registrar and transfer office</b>	Butterfield Fulcrum Group (Cayman) Limited Butterfield House, 68 Fort Street P.O. Box 609 Grand Cayman KY1-1107 Cayman Islands

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## CORPORATE INFORMATION

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<b>Hong Kong Share Registrar</b>	Computershare Hong Kong Investor Services Limited Shops 1712-1716 17th Floor, Hopewell Centre 183 Queen's Road East Wanchai Hong Kong
<b>Compliance adviser</b>	Guotai Junan Capital Limited 27/F, Low Block, Grand Millennium Plaza 181 Queen's Road Central, Hong Kong
<b>Principal banker</b>	Bank of China Kunshan Branch 306 Qianjinzonglu Kunshan Jiangsu Province PRC
<b>Company's Website</b>	<a href="http://www.gbinternational.com.hk">www.gbinternational.com.hk</a> (information contained in this website does not form part of this prospectus)

## INDUSTRY OVERVIEW

*Certain facts, information, statistics and data relating to the Chinese economy and the industry in which we operate that are presented in this section and elsewhere in this prospectus are derived from publicly available government official sources (including various publications issued by PRC Government entities). The information derived from such sources may not be consistent with the information compiled within or outside China. Moreover, certain facts, information, statistics and data set forth in this section and elsewhere in this prospectus are derived from a market research report prepared by Frost & Sullivan, an independent marketing and consulting agency. We believe that the sources of this information are appropriate sources for such information and have taken reasonable care in extracting and reproducing such information. We have no reason to believe that such information is false or misleading or that any fact has been omitted that would render such information false or misleading. The information has not been independently verified by us, the Selling Shareholder, the Sole Global Coordinator, Bookrunner, Sponsor and Lead Manager, the Underwriters or any other party involved in the Global Offering and no representation is given as to its accuracy or correctness and accordingly it should not be unduly relied on.*

### GLOBAL DURABLE JUVENILE PRODUCT MARKET OVERVIEW

According to Frost & Sullivan, China, North America and our European market are among the largest major durable juvenile product markets globally. During the past five years, China has enjoyed fast annual growth of approximately 14.8%, and such momentum is estimated to continue in the next five years. The durable juvenile product markets in China, North America and our European market is expected to reach US\$3,450 million, US\$4,778 million, US\$4,632 million, respectively, in terms of retail sales value, by 2014. The table below illustrates the market dynamic of the three largest durable juvenile product markets.

	China	North America	Our European market
2009A Retail Sales Value (US\$ million) . . . . .	1,805	3,673	3,885
2014E Retail Sales Value (US\$ million) . . . . .	3,450	4,778	4,632
CAGR (%) (2005A-2009A) . . . . .	14.8	6.9	3.3
CAGR (%) (2010E-2014E) . . . . .	13.8	5.5	4.4

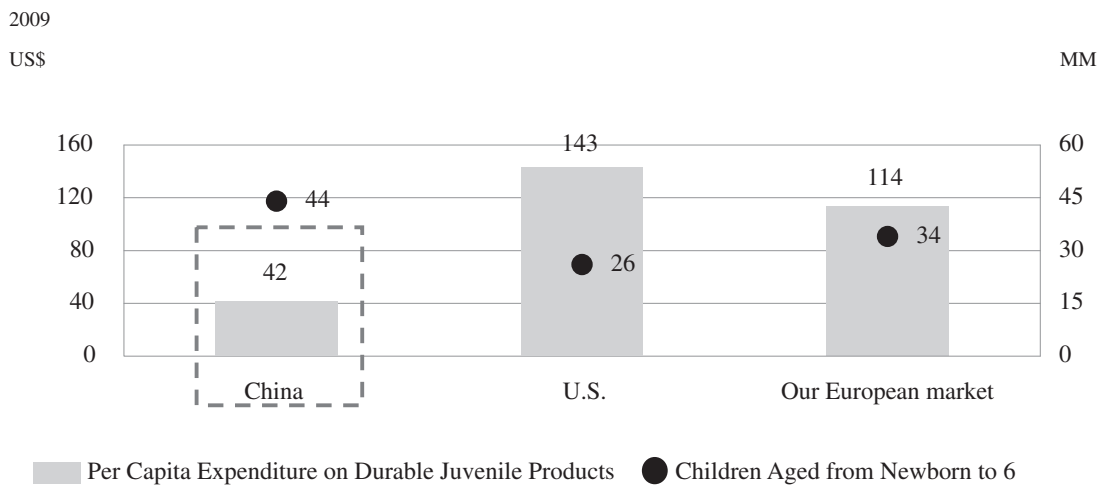
Source Frost & Sullivan Report

Despite the significant growth in the past few years, China's durable juvenile product market remains relatively under-developed when compared to developed countries. According to Frost & Sullivan, in 2009, the consumption of durable juvenile products per capita in the U.S. and our European market was approximately US\$143 and US\$114 respectively, considerably higher than that of China, which was approximately US\$42. In addition, in 2009, China had approximately 44 million children aged from newborn to six years old, higher than the number of similarly aged children in developed countries, signifying a strong growth potential for the durable juvenile product market in China. The chart below sets forth the 2009 consumption of durable juvenile products per capita in China, U.S. and our European market.



## INDUSTRY OVERVIEW

### Per Capita Expenditure on Durable Juvenile Products<sup>(1)</sup> and Children Aged from Newborn to 6



Source Frost & Sullivan Report

Note:

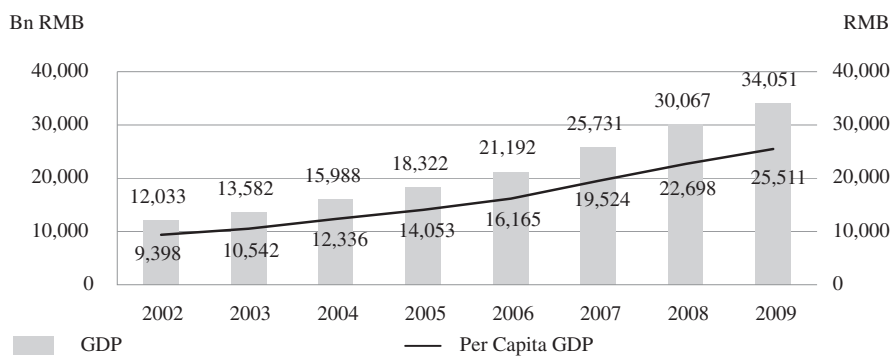
- Per capita expenditure is calculated based on the population aged from newborn to six years old.

## DURABLE JUVENILE PRODUCT MARKET IN CHINA

### Economic Environment Overview

Since the introduction of economic reforms by the Chinese government in the late 1970's, the Chinese economy has expanded significantly. According to Frost & Sullivan, from 2002 to 2009, China's GDP grew from RMB12,033 billion to RMB34,051 billion, representing a CAGR of 16.0%. During the same period, GDP per capita increased from RMB9,398 to RMB25,511, representing a CAGR of 15.3%. The economy in China is expected to continue to grow rapidly in the coming years. The following chart sets forth the nominal GDP and per capita GDP from 2002 to 2009 in China.

### GDP and Per Capita GDP



Source Frost & Sullivan Report

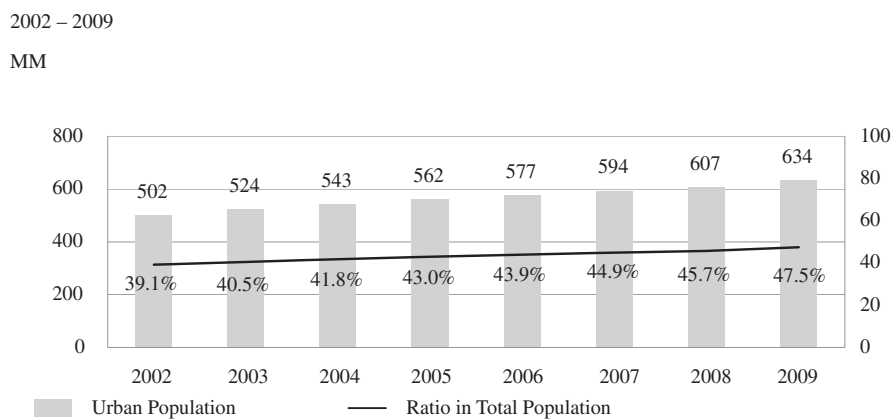
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## INDUSTRY OVERVIEW

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China is experiencing an unprecedented urbanization of its population due to the rapid growth of the Chinese economy. The urban population has increased dramatically as people from rural and less developed areas have migrated to cities in search of better jobs and higher living standards. According to Frost & Sullivan, the total urban population in China increased from 502 million at the end of 2002 to 634 million at the end of 2009, representing a CAGR of 3.4%, outpacing a CAGR of 0.5% for total population growth for the same period. During the same period, the urban population as a percentage of the total population increased from 39.1% to 47.5%. The chart below sets forth the total urban population and urban population as a percentage of the total population in China as of the periods indicated.

### Urban Population Growth Trend



Source Frost & Sullivan Report

Personal income in China has been increasing with the economic growth and rapid urbanization in China. According to Frost & Sullivan, from 2005 to 2009, the per capita annual disposable income of urban households in China increased from US\$1,281 to US\$2,514, representing a CAGR of 18.4% over this five-year period, while the per capita annual net income of rural household increased from US\$397 to US\$759, representing a CAGR of 17.6%, for the same period.

Consumption patterns in China have also shifted significantly in recent years as a result of rapid urbanization and the growing affluence of consumers in urban areas. Urban consumers are spending increasing amounts of their disposable income on branded and lifestyle-enhancing products and services. In making purchasing decisions, urban consumers are increasingly guided by factors other than price and utility, such as design, safety and brand.

Urban consumers are increasingly directing their spending towards durable juvenile products, especially branded durable juvenile products with higher quality and safety standards. According to Frost & Sullivan, an urban household spent, on average, US\$75 on durable juvenile products in 2009, and such spending by urban households is expected to grow to over US\$129 by 2014, representing a CAGR of 10.7% from 2010.

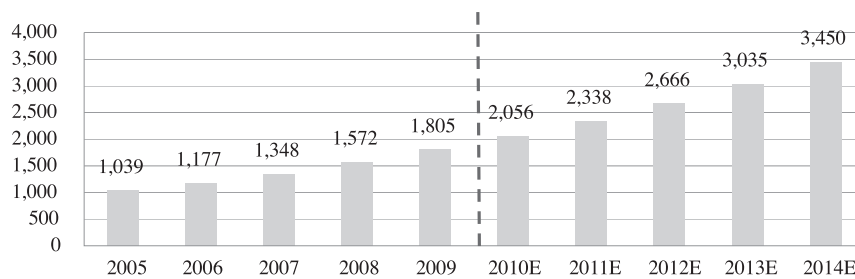
## INDUSTRY OVERVIEW

### Overview of Durable Juvenile Product Market

According to Frost & Sullivan, the retail market for durable juvenile products in China has experienced robust growth in the recent years. The historical retail sales of durable juvenile products increased from US\$1,039 million in 2005 to US\$1,805 million in 2009, representing a CAGR of 14.8%, and are projected to further grow to US\$3,450 million in 2014 at a CAGR of 13.8% from 2010 to 2014. The following chart shows the historical and forecast retail sales of durable juvenile products in China from 2005 to 2014.

#### Durable Juvenile Product Market in China by Retail Sales

2005 – 2014  
US\$MM

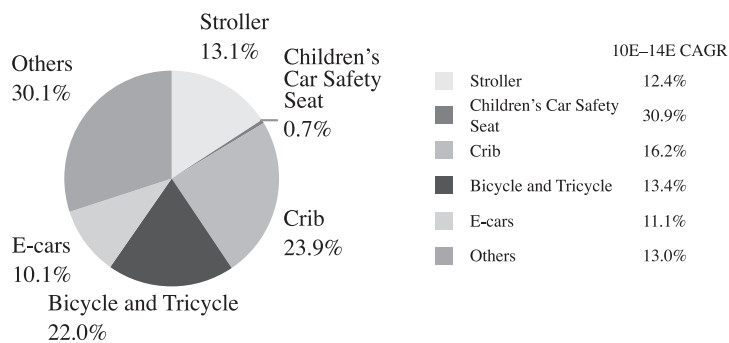


Source Frost & Sullivan Report

In 2009, strollers, children’s car safety seats, cribs, bicycles and tricycles, e-cars and other durable juvenile products accounted for 13.1%, 0.7%, 23.9%, 22.0%, 10.1% and 30.1%, respectively, of the total durable juvenile product market in terms of retail sales, and with the children’s car safety seats and cribs segments enjoying the fastest growth within the market in China, according to Frost & Sullivan. The following chart illustrates the 2009 retail sales by product type within the durable juvenile product market in China and the contribution to the total market of each segment.

#### Retail Sales by Product Type within the Durable Juvenile Product Market

2009  
%

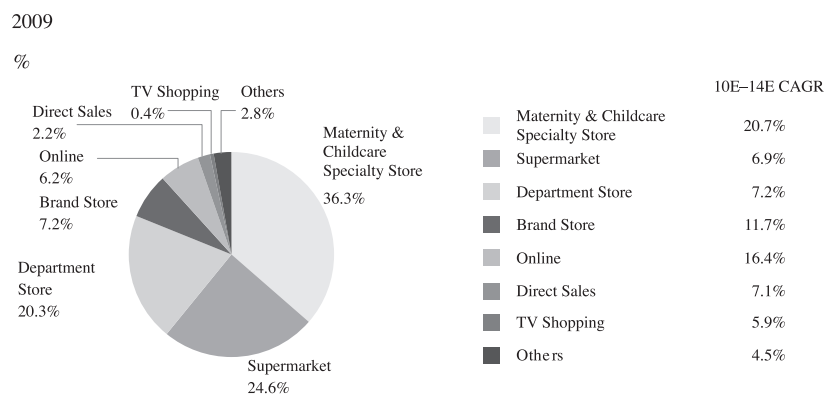


Source Frost & Sullivan Report

## INDUSTRY OVERVIEW

According to Frost & Sullivan, department stores, supermarkets, and maternity and childcare specialty stores are the primary for the retail sale of durable juvenile products in China, which accounted for 20.3%, 24.6% and 36.3%, respectively, of retail sales of durable juvenile products in China. Maternity and childcare specialty stores are becoming the fastest-growing channel in China, as a result of an increasing number of parents purchasing durable juvenile products in maternity and childcare specialty stores. This distribution channel is expected to further grow with a CAGR of 21.2% from 2009 to 2014, with a growth rate higher than the online channel, the next fastest growing channel, which demonstrates a CAGR of 16.0% for the same period. The following chart illustrates the 2009 distribution channels by retail sales in the durable juvenile products market.

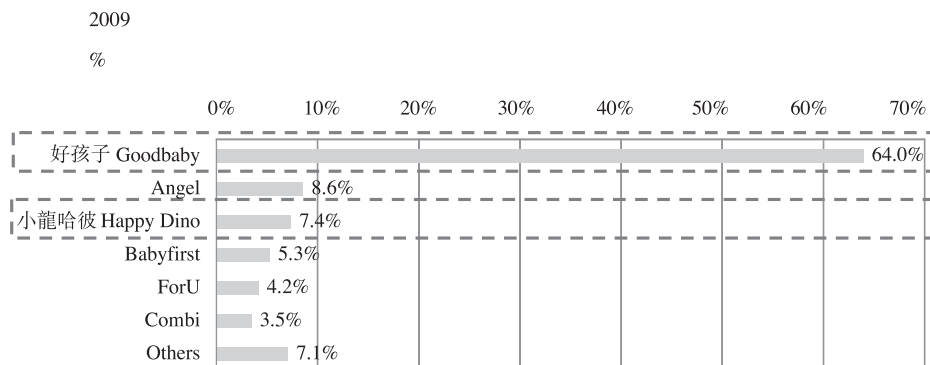
**Distribution Channel by Retail Sales**



Source Frost & Sullivan Report

The durable juvenile product market in China is highly fragmented with hundreds of players in the market. However, the “好孩子 Goodbaby” brand still commands leading brand awareness in China, according to Frost & Sullivan. The chart below sets forth the brand awareness of the top durable juvenile product brands in 2009.

**Durable Juvenile Products Brand Awareness<sup>(1)</sup> in China**



Source Frost & Sullivan Report

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## INDUSTRY OVERVIEW

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*Note:*

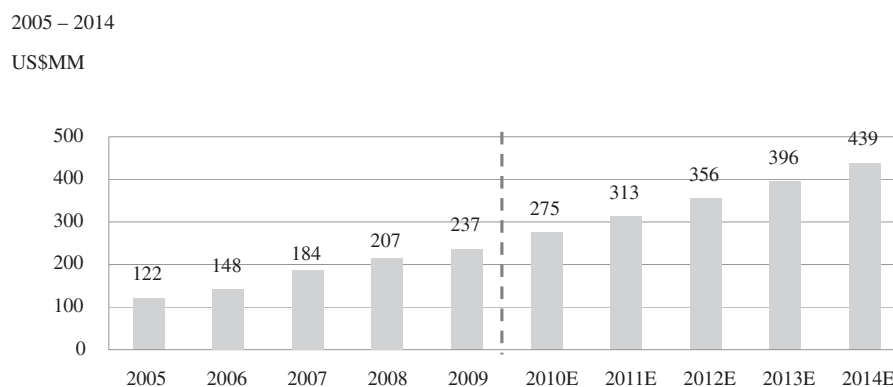
1. Brand awareness is evaluated in terms of awareness on top of mind. In order to assess the latest brand awareness of customers, Frost & Sullivan as part of its industry consulting work conducted a survey in April 2010. Only the brand awareness for 2009 is presented in the chart because it is the most recent year, and it is considered not practical to conduct a survey of brand awareness retrospectively, since generally a consumer will not be asked to identify the top brands that would have come to his/her mind for prior years such as 2007 and 2008. Accordingly, after discussion with Frost & Sullivan, no survey of brand awareness was conducted for prior years such as 2007 and 2008. As such, only the brand awareness for 2009 is presented in this chart, and commentary of the trend during the Track Record Period is not available.

The durable juvenile products market in China is expected to further grow steadily as a result of (i) a large population of newborn, (ii) the increasing acceptance of “Scientific nurturing” principles by new parents, and (iii) higher level of expenditure on durable juvenile products arising from higher disposable income and increasing attention from parents and grandparents on the juveniles due to the one child policy in China.

### ***Stroller Market***

In 2009, the total market size by retail sales for strollers in China was US\$237 million and grew at a CAGR of 18.2% between 2005 and 2009. Frost & Sullivan forecasts that this market will further grow to over US\$439 million by 2014, representing a CAGR of 12.4% from 2010. The following chart illustrates the stroller market by actual and estimated retail sales in China for the period indicated.

**Chinese Stroller Market by Retail Sales**



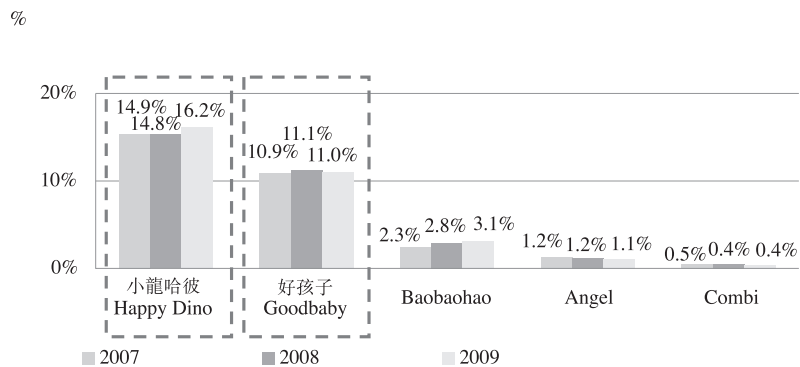
Source Frost & Sullivan Report

In 2009, strollers accounted for 13.1% of the total durable juvenile products market in China. The demand for branded strollers has been growing significantly, largely driven by the increased brand awareness and the higher spending power of urban households. The underlying growth of the stroller market, particularly the mid- to high-end branded and fashionable stroller market, is expected to be driven by the increases in both per capita disposable income and the growth of the urban population.

## INDUSTRY OVERVIEW

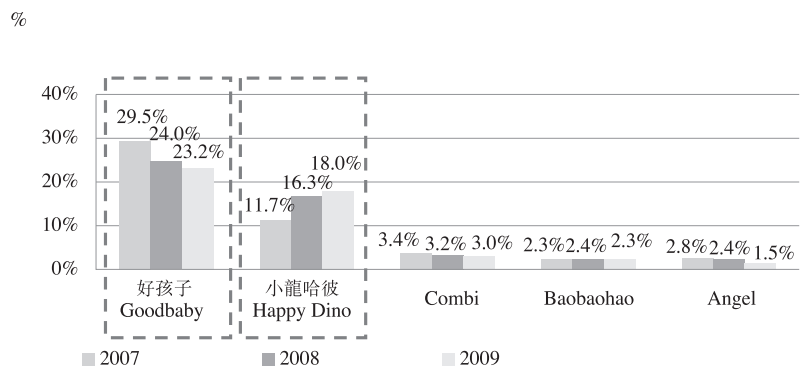
In 2009, the top five brands accounted for approximately 31.8% and 48.0% of the Chinese stroller market in terms of units sold and retail sales respectively. According to Frost & Sullivan, in 2009, the Company had the top two brands in the stroller market in China, with its “好孩子 Goodbaby” brand and “小龍哈彼 Happy Dino” brand commanding a number one market share by units sold of 27.2% and by retail sales of 41.2%, substantially ahead of the market share of the closest competitor’s brand. The “小龍哈彼 Happy Dino” brand ranked first with 16.2% of market share by units sold and ranked second with 18.0% of market share by retail sales. The “好孩子 Goodbaby” brand ranked second with 11.0% of market share by units sold and ranked first with 23.2% of market share by retail sales. Moreover, the Company has consistently ranked top for the past 17 consecutive years. The Company is the largest supplier of strollers in China, as well as in North America and our European market, which supplied one out of every 2.9 strollers among these three markets. In 2009, the brand awareness of “好孩子 Goodbaby” brand (65.9%), together with “小龍哈彼 Happy Dino” brand (13.6%), ranked at the top among all stroller brands, by a wide margin when compared with other competitors. The following charts illustrate the market shares of the top five stroller brands in China from 2007 to 2009.

**Top Stroller Brands’ Market Share by Units Sold**



Source Frost & Sullivan Report

**Top Stroller Brands’ Market Share by Retail Sales**

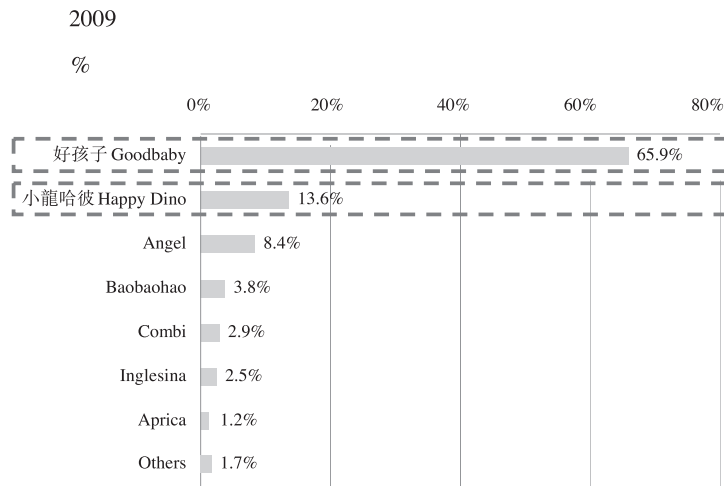


Source Frost & Sullivan Report

## INDUSTRY OVERVIEW

The following chart sets forth the brand awareness of top stroller brands in China.

### Stroller Brand Awareness in China

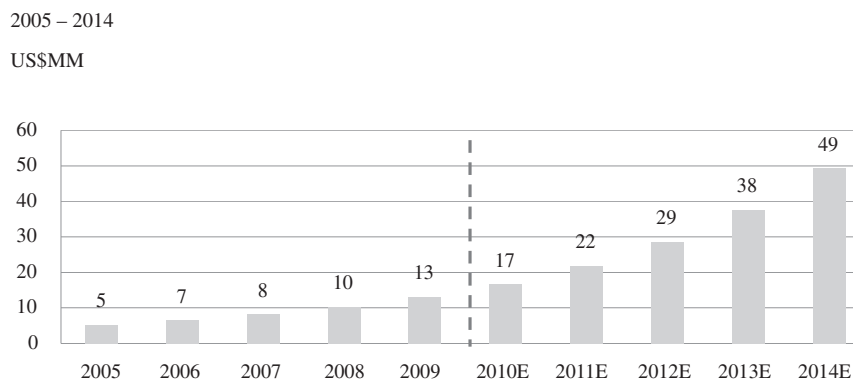


Source Frost & Sullivan Report

### *Children's Car Safety Seat Market*

The children's car safety seat market in China is relatively small but has high growth potential. In 2009, the total retail sales value of the children's car safety seat market in China was US\$13 million and grew at a CAGR of 25.4% between 2005 and 2009. According to Frost & Sullivan, demand for children's car safety seat is expected to continue to grow significantly, as a result of rapid growth in income, rising levels of car ownership, increasing car safety awareness and possible future legislation relating to the use of children's car safety seats. The children's car safety seat market is expected to further grow to over US\$49 million by 2014, representing a CAGR of 30.9% from 2010. The following chart illustrates the children's car safety seat market by retail sales in China.

### Chinese Children's Car Safety Seat Market by Retail Sales



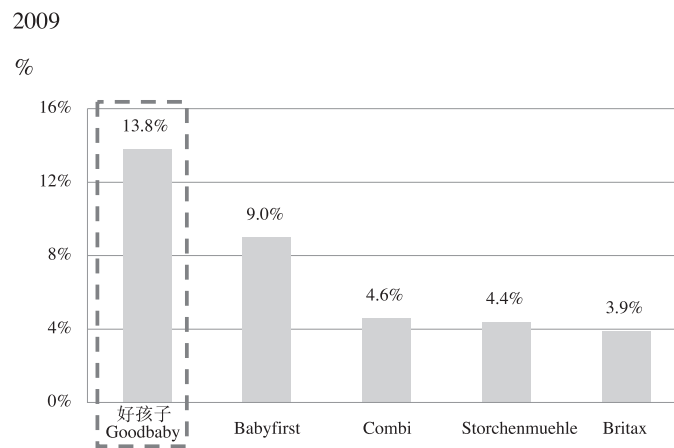
Source Frost & Sullivan Report



## INDUSTRY OVERVIEW

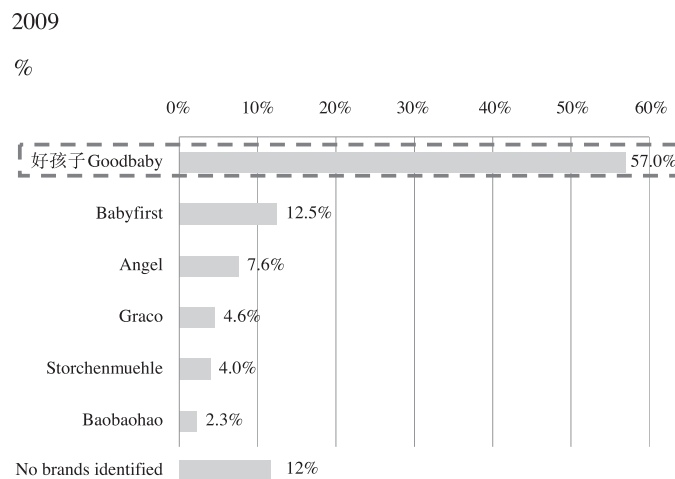
According to Frost & Sullivan, the children’s car safety seat market is relatively fragmented in China, with the top five brands accounting for a combined market share of 35.7% in terms of units sold in 2009. Among this combined market share in 2009, the leading “好孩子 Goodbaby” brand commanded 13.8% of the market share. In addition, the “好孩子 Goodbaby” brand also enjoyed a leading brand awareness in China. The following charts set forth the market share of the top five brands and level of brand awareness of children’s car safety seat brands in China in 2009.

**Top Children’s Car Safety Seat Brands’ Market Share by Units Sold**



Source Frost & Sullivan Report

**Children’s Car Safety Seat Brand Awareness in China**



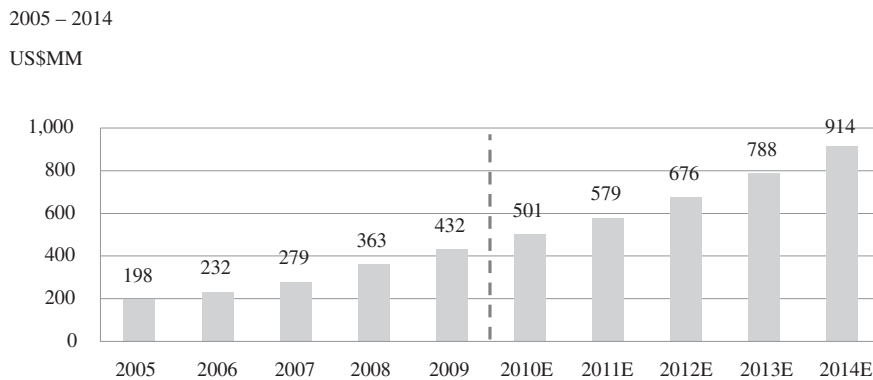
Source Frost & Sullivan Report

## INDUSTRY OVERVIEW

### Crib Market

The crib market in China experienced a robust growth during the past several years. In 2009, the total retail sales value of the crib market in China was US\$432 million and grew at a CAGR of 21.6% between 2005 and 2009. According to Frost & Sullivan, demand for crib will continue to grow significantly, mainly due to improvement in living standards which leads to greater demand for professional baby cribs. The crib market is expected to further grow to over US\$914 million by 2014, representing a CAGR of 16.2% from 2010. The following chart illustrates the crib market by retail sales in China.

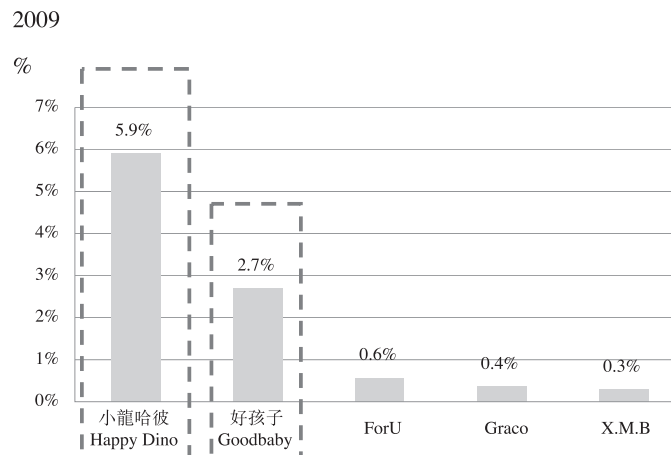
**Chinese Crib Market by Retail Sales**



Source Frost & Sullivan Report

Similar to the children’s car safety seat market, the crib market is fragmented in China, with the two leading brands, “小龍哈彼 Happy Dino” and “好孩子 Goodbaby”, attaining 5.9% and 2.7% market share in terms of units sold, respectively, in 2009. Although the crib market is highly fragmented, the “好孩子 Goodbaby” and “小龍哈彼 Happy Dino” brands both enjoyed leading brand awareness in China in 2009, according to Frost & Sullivan. The following chart sets forth the market share of the top five brands and the level of brand awareness of crib brands in China in 2009.

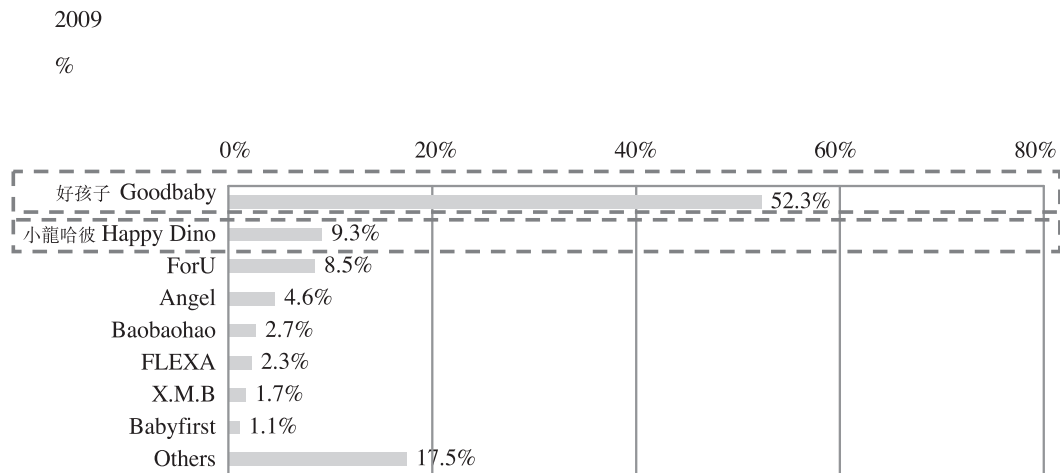
**Top Crib Brands’ Market Share by Units Sold**



Source Frost & Sullivan Report

## INDUSTRY OVERVIEW

### Crib Brand Awareness in China



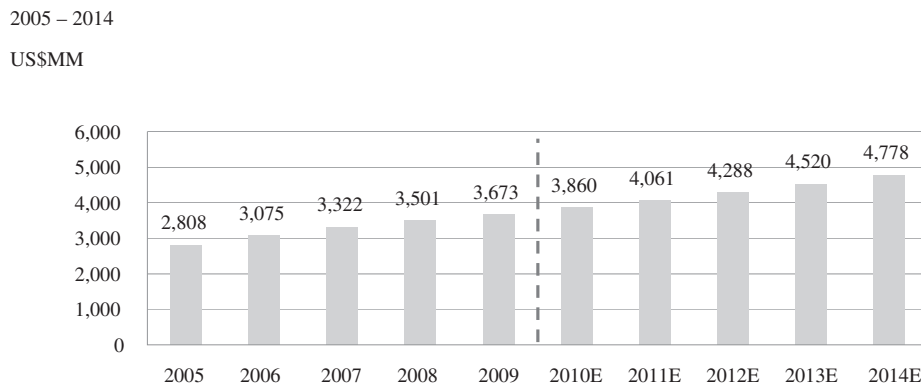
Source Frost & Sullivan Report

## DURABLE JUVENILE PRODUCT MARKET IN NORTH AMERICA AND OUR EUROPEAN MARKET

### Overview of Durable Juvenile Product Market in North America and Our European Market

According to Frost & Sullivan, the retail market for durable juvenile products in North America has experienced steady growth and will continue to grow in the recent years. Retail sales of durable juvenile products increased from US\$2,808 million in 2005 to US\$3,673 million in 2009, representing a CAGR of 6.9%, and are projected to further grow to US\$4,778 million in 2014 at a CAGR of 5.5% from 2010 to 2014. The following chart shows the historical and forecast retail sales of durable juvenile products in North America from 2005 to 2014.

### Durable Juvenile Product Market in North America by Retail Sales



Source Frost & Sullivan Report

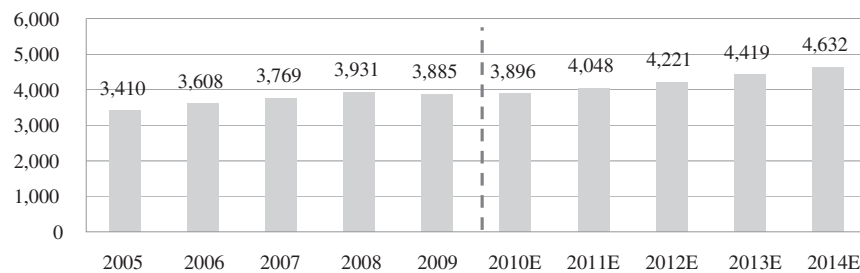
## INDUSTRY OVERVIEW

In our European market, the retail market for durable juvenile products increased from US\$3,410 million in 2005 to US\$3,885 million in 2009, representing a CAGR of 3.3%, and is projected to grow to US\$4,632 million in 2014 at a CAGR of 4.4% from 2010 to 2014. The following chart shows the historical and forecast retail sales of durable juvenile products in our European market from 2005 to 2014.

### Durable Juvenile Product Market in Our European Market by Retail Sales

2005 – 2014

US\$MM



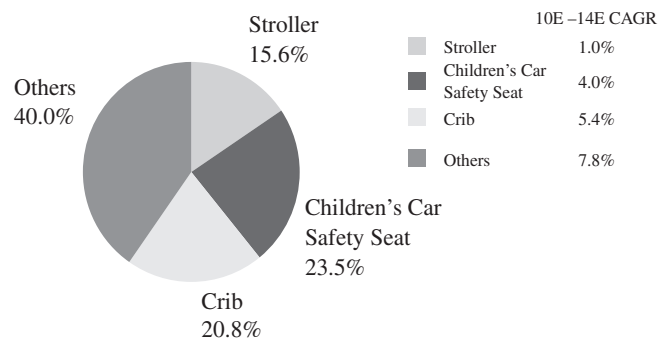
Source Frost & Sullivan Report

In North America, children’s car safety seats represented the largest durable juvenile product type in 2009, accounting for 23.5% of the total market by retail sales, followed by the crib and stroller segments which accounted for 20.8% and 15.6% of the total market by retail sales, respectively. In our European market, strollers represented the largest durable juvenile product type, accounting for 24.5% of the total market by retail sales, followed by the crib and children’s car safety seat segments which took up 18.6% and 16.8% of the total market share by retail sales, respectively, for 2009. The below charts illustrate the retail sales by product type within the durable juvenile product market in North America and our European market for 2009.

### Retail Sales by Product Type within the Durable Juvenile Product Market in North America

2009

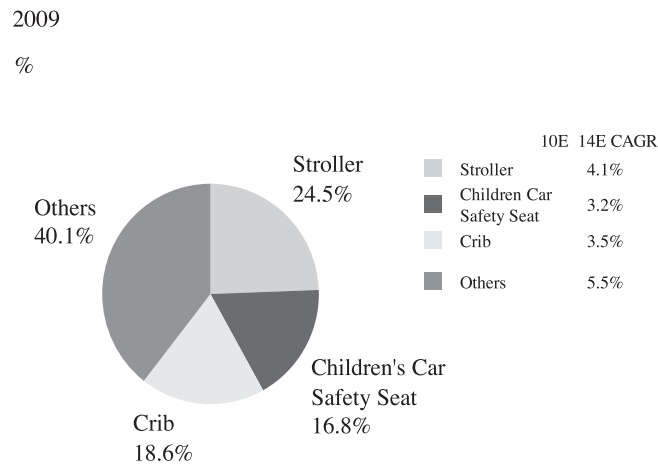
%



Source Frost & Sullivan Report

## INDUSTRY OVERVIEW

### Retail Sales by Product Type within the Durable Juvenile Product Market in Our European Market

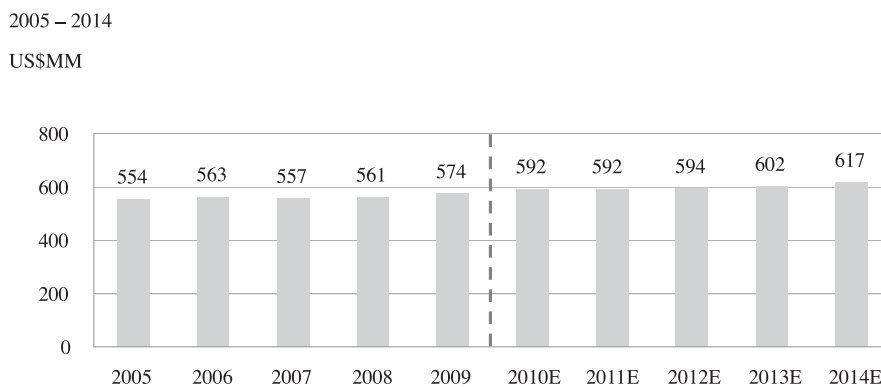


Source Frost & Sullivan Report

#### *Stroller Market*

The stroller markets in North America and our European market are relatively mature and have experienced moderate growth in recent years. In 2009, the total North American stroller market by retail sales value was US\$574 million and grew at a CAGR of 0.9% between 2005 and 2009. Frost & Sullivan Report forecasts that this market will grow to over US\$617 million by 2014, representing a CAGR of 1.0% from 2010. In 2009, the total retail value of stroller market in our European market was US\$952 million and grew at a CAGR of 3.1% between 2005 and 2009. Frost & Sullivan Report forecasts that this market will grow to over US\$1,113 million by 2014, representing a CAGR of 4.1% from 2010. The following chart shows the historical and forecast retail sales of strollers in North America and our European market from 2005 to 2014.

#### Stroller Market in North America by Retail Sales

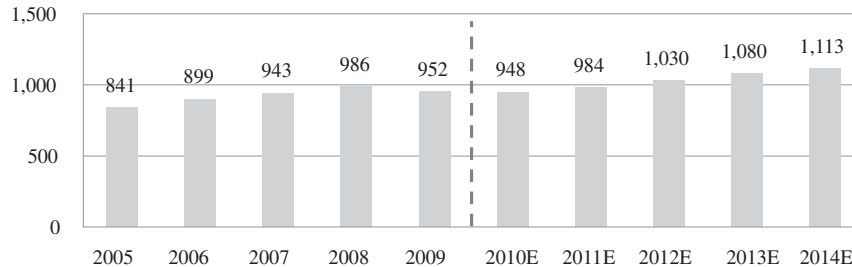


Source Frost & Sullivan Report

## INDUSTRY OVERVIEW

### Stroller Market in Our European Market by Retail Sales

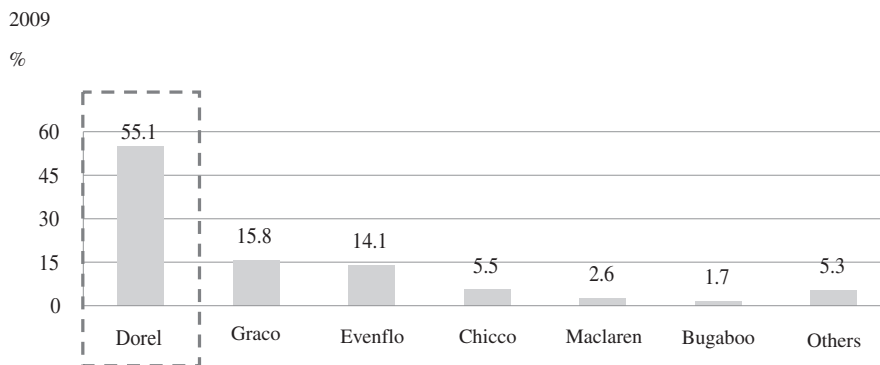
2005 – 2014  
US\$MM



Source Frost & Sullivan Report

The North American stroller market is concentrated with major players, consisting of the Company's key customer, Dorel, and other competitors such as Graco and Evenflo, which accounted for an aggregate 85.0% of the total market share by units sold in 2009. In 2009, the Company's key customer, Dorel commanded 55.1% market share by units sold in North America, substantially ahead of the 15.8% market share of the closest competitor, Graco. The Company has not entered into any exclusivity agreement with our customers in the overseas markets. The Company has been the largest supplier of strollers for the past 11 years. The following chart sets forth the market share of strollers by units sold in North America.

### Stroller Market Share in North America by Units Sold



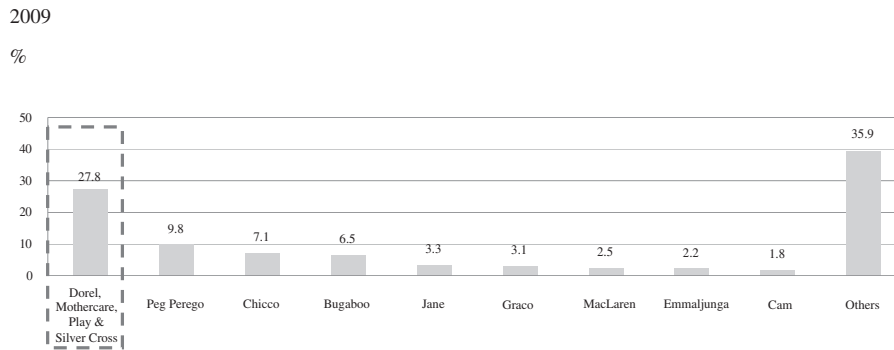
Source Frost & Sullivan Report

The stroller market in our European market is relatively fragmented with the major players, which consist of the Company's key customers and other competitors such as Peg Perego and Chicco, accounting for less than 41.2% of the total market share by units sold in 2009. The Company key customers, which include

## INDUSTRY OVERVIEW

Dorel, Mothercare, Play and Silver Cross, had a combined market share in our European market by units sold of 27.8% in 2009. The following chart sets forth the market share of strollers by units sold in our European market.

**Stroller Market Share in Our European Market by Units Sold**

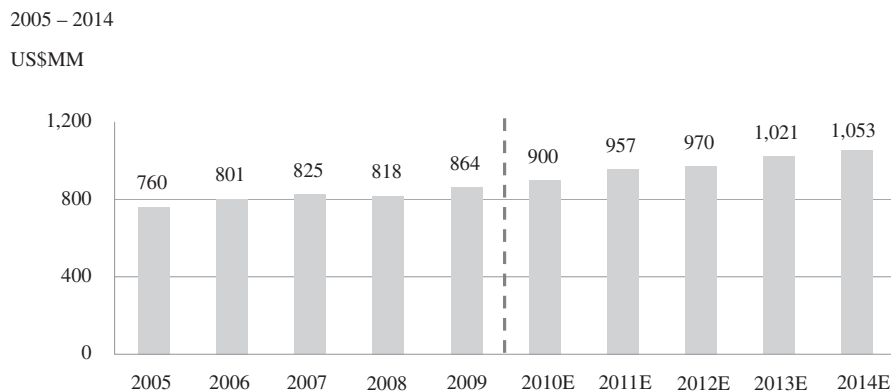


Source Frost & Sullivan Report

### *Children's Car Safety Seat Market*

In the United States, the children's car safety seat market is highly regulated with each state setting its own laws and regulations. The regulations typically require the use of children's car safety seats by children under a certain age. The children's car safety seat market in North America has grown and is expected to grow moderately. In 2009, the total market size for children's car safety seat market by retail sales in North America was US\$864 million and grew at a CAGR of 3.3% between 2005 and 2009. Frost & Sullivan forecasts that this market will further grow to US\$1,053 million by 2014, representing a CAGR of over 4.0% from 2010. The North American market is fragmented with major players, which consist of the Company's key customers and other competitors such as Graco and Combi, accounting for a combined market share by units sold of 31.7% in 2009. The Company supplies children's car safety seats and accessories to Dorel and Britax, which had a 17.4% combined market share by units sold in 2009. The following chart shows the historical and forecast retail sales of children's car safety seat market in North America from 2005 to 2014.

**Children's Car Safety Seat Market in North America by Retail Sales**



Source Frost & Sullivan Report



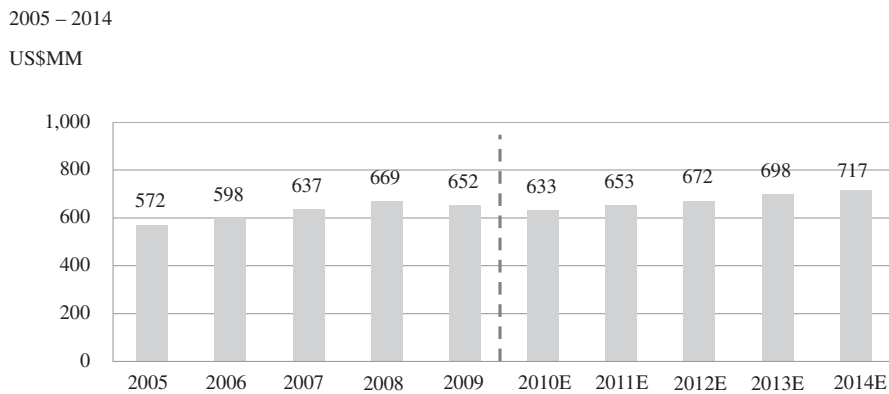
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## INDUSTRY OVERVIEW

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In our European market, legislation currently in force requires the use of children's car safety seats for all children under the age of 12. According to Frost & Sullivan, the total market size by retail sales in our European market in 2009 for children's car safety seats was US\$652 million and grew at a CAGR of 3.3% between 2005 and 2009. Frost & Sullivan forecasts this market will grow to US\$717 million in 2014, representing a CAGR of 3.2%. Our European market is highly concentrated with major players, which consist of the Company's key customers and other competitors such as Team Tex and Jane, accounting for a combined market share by units sold of 72.8% in 2009. The Company's key customers, including Dorel, Silver Cross, Play and Britax, commanded 50.1% of the total market share in our European market in 2009. The following chart shows the historical and forecast retail sales of children's car safety seat market in our European Market from 2005 to 2014.

### Children's Car Safety Seat Market in Our European Market by Retail Sales



Source Frost & Sullivan Report

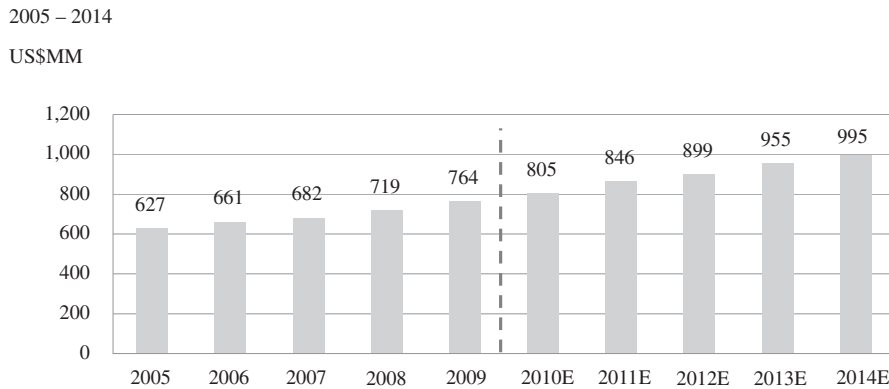
### *Crib Market*

The crib market in North America has grown and is expected to grow steadily. In 2009, the total market size for crib market by retail sales in North America was US\$764 million and grew at a CAGR of 5.1% between 2005 and 2009. Frost & Sullivan forecasts that this market will further grow to US\$995 million by 2014, representing a CAGR of over 5.4% from 2010. The crib market in North America is fragmented with the top five brands commanding a combined market share by units sold of approximately 45.3%, with

## INDUSTRY OVERVIEW

the Company's key customer accounting for 11.2% of the total market share in 2009. The following chart sets forth the historical and forecast retail sales of crib market in North America from 2005 to 2014.

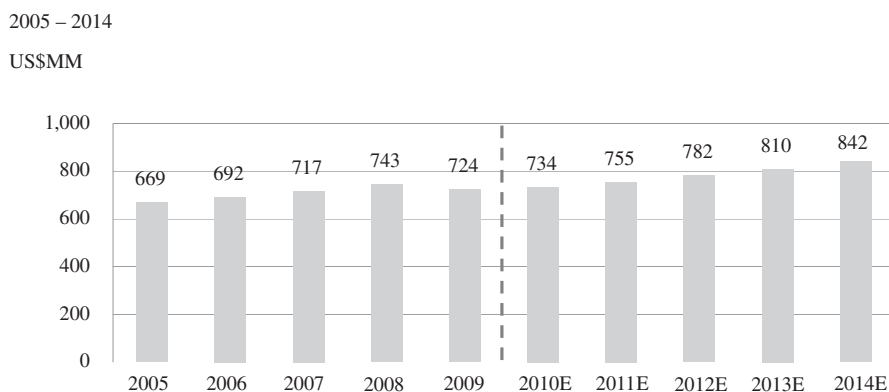
### Crib Market in North America by Retail Sales



Source Frost & Sullivan Report

According to Frost & Sullivan, the total market size by retail sales in our European market in 2009 for the crib market was US\$724 million and grew at a CAGR of 2.0% between 2005 and 2009. Frost & Sullivan forecasts that this market will grow to US\$842 million in 2014, representing a CAGR of 3.5% from 2010. The crib market in our European market is an extremely fragmented market, with the top five brands accounting for a combined market share by units sold of 25.2% in 2009. Dorel, the Company's key customer, attained 4.9% of the total market share in our European market by units sold in 2009. The following chart sets forth the historical and forecast retail sales of the crib market in our European market from 2005 to 2014.

### Crib Market in Our European Market by Retail Sales



Source Frost & Sullivan Report

## INDUSTRY OVERVIEW

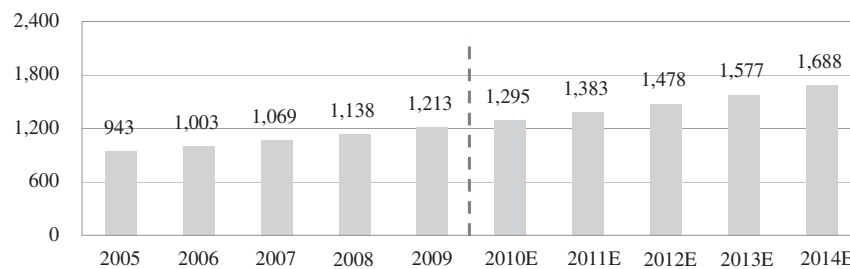
### DURABLE JUVENILE PRODUCT MARKET IN EMERGING MARKETS <sup>(1)</sup>

In emerging markets, including South America, Southeast Asia, Russia, Middle East and India, the retail market for durable juvenile products increased from US\$943 million in 2005 to US\$1,213 million in 2009, representing a CAGR of 6.5%, and is expected to further grow to US\$1,688 million at a CAGR of 6.9% from 2010. The following chart shows the historical and forecast retail sales of durable juvenile products in emerging market from 2005 to 2014.

#### Durable Juvenile Product Market in Emerging Markets by Retail Sales

2005 – 2014

US\$MM



Source Frost & Sullivan Report

*Note:*

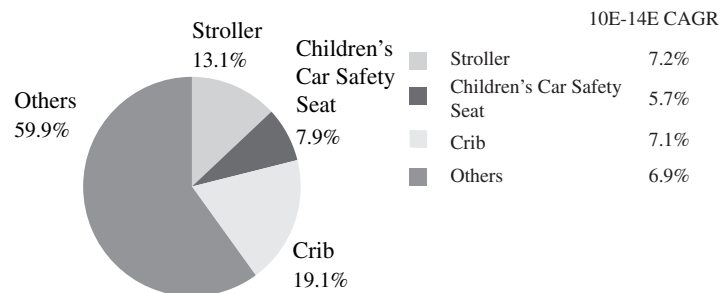
1. Emerging Markets include South America, Southeast Asia, Russia, Middle East and India.

The below charts illustrate the retail sales by product type within the durable juvenile product market and retail sales by region in emerging markets for 2009.

#### Retail Sales by Product Type within the Durable Juvenile Product Market in Emerging Markets

2009

%



Source Frost & Sullivan Report

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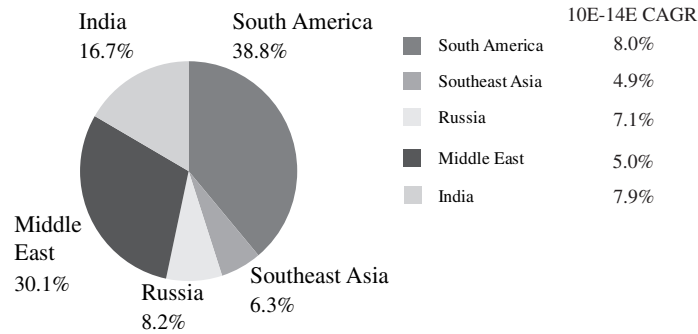
## INDUSTRY OVERVIEW

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### Retail Sales by Region for the Durable Juvenile Product Market in Emerging Markets

2009

%



Source Frost & Sullivan Report

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Source Frost & Sullivan Report

### REPORT PREPARED BY FROST & SULLIVAN

We have engaged Frost & Sullivan, an independent marketing and consulting agency founded in 1961, to conduct research and prepare a report on the durable juvenile products markets in China, North America, our European market and Emerging Market. Frost & Sullivan currently has more than 40 global offices and 1,800 industry consultants. We paid Frost & Sullivan a total of RMB264,203 in fees during the seven months ended July 31, 2010 for its research and report. We have included certain information from the Frost & Sullivan Report in this prospectus because we believe such information facilitates the understanding of this market for potential investors.

In China, the methodology used by Frost & Sullivan in this report involved conducting both primary and secondary research obtained from numerous sources within the durable juvenile products industry in China. The primary research was conducted through focus groups and face-to-face interviews in 20 major provinces/municipalities, which are typically regarded as geographically and economically representative of northern, eastern, southern and western China. The primary research involved two phases: phase one involved demand-side end-users answering a number of quantitative questions followed by an interactive qualitative session to map brand perceptions; phase two involved supply-side interviews with retailers and manufacturers of durable juvenile products. Supply-side interviews were used as a cross-checking mechanism to verify the accuracy of market share and revenue figures that were not contained in publicly available company reports. Secondary research was conducted through review of company reports and independent research reports. Market size and company revenue forecasts were obtained from historical data analysis plotted against macroeconomic factors and mapped against publicly available company forecasts to arrive at their estimates.

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In North America and our European market, primary research was conducted through a telephone interview by Frost & Sullivan analysts. Secondary research was conducted through review of publicly available documents, including company documents and research reports.

For purposes of calculating the market positions of the Company's stroller sales in China and the overseas markets, in determining the Company's revenue from strollers, Frost & Sullivan had used the retail prices of such products sold to ultimate end-users and consumers. Such retail prices are different from the selling prices of the products sold to the Company's customers (i.e., distributors and international brand owners), which is the basis for calculating the Company's revenue presented in the section headed "Financial Information."

The Frost & Sullivan Report adopted certain commonly used assumptions and parameters in the industry research, including GDP growth, children's population growth, regulation regarding product safety and growth of expenditure on children. The research results may be affected by the accuracy of these assumptions and the choice of these parameters.

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## REGULATIONS

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*This section sets out summaries of certain aspects of PRC, North American and our European market's laws and regulations, which are relevant to our Group's operations and business.*

### PRC

The principal PRC laws and regulations relevant to our business are the PRC Law on Product Quality (中國產品質量法) (“Product Quality Law”), PRC Law on the Protection of Consumer Rights (中國消費者權益保護法) (“Consumer Protection Law”), Anti-Unfair Competition Law of the PRC (中國反不正當競爭法) (“Competition Law”) and various PRC tax laws. These laws and regulations are summarized in this section.

#### Product Quality Law

The principal legal provisions governing product liability are set out in the Product Quality Law, which was promulgated on February 22, 1993 and amended on July 8, 2000. Pursuant to the Product Quality Law, a seller shall have the following obligations:

- a check-for-acceptance system for stock replenishment shall be adopted to examine the quality certificates and other labels of such stock;
- measures shall be adopted to keep products for sale in good quality;
- defective or deteriorated products or products, the sale of which have been publicly ordered to be ceased, are not to be sold;
- products must be sold with labels that comply with the relevant provisions;
- sellers must not forge the origin of a product, or falsely use the name and address of another producer;
- sellers must not forge or falsely use product quality marks such as authentication marks; and
- sellers must not mix impurities or imitations into the products, substitute a fake product for a genuine one, a defective product for a high-quality one, or pass off a substandard product as a qualified one in the sale of products.

Pursuant to the Product Quality Law, a producer shall have the following obligations:

- be responsible for the quality of products it produces;
- not produce products that have been publicly ordered to cease production;
- not forge the origin of a product, or to falsely use the name and address of another producer;
- not forge or falsely use product quality marks such as authentication marks of another producer;

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## REGULATIONS

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- not mix impurities or imitations into the products, substitute a fake product for a genuine one, a defective product for a high-quality one, or pass off a substandard product as a qualified one in the production;
- ensure that the marks on the products or the packaging of the products are true; and
- for products that are easily broken, inflammable, explosive, toxic, erosive or radioactive and products that cannot be handled upside down in the process of storage or transportation or for which there are other special requirements, the packaging thereof must meet the corresponding requirements, carry warning marks or warnings written in Chinese or draws attention to the method of handling in accordance with the relevant provisions of the state.

Violations of the Product Quality Law may result in the imposition of fines. In addition, the seller or producer will be ordered to suspend its operations and its business license will be revoked. Criminal liability may be incurred in serious cases.

According to the Product Quality Law, consumers or other victims who suffer injury or property losses due to product defects may demand compensation from the producer as well as the seller. Where the responsibility lies with the producer, the seller shall, after settling compensation, have the right to recover such compensation from the producer, and vice versa.

According to Regulations of the People's Republic of China on Certification and Accreditation (中華人民共和國認證認可條例), which was promulgated by the State Council on September 3, 2003 and came into effect on November 1, 2003, the State will promote certification on products, services and management systems conforming to the requirements of the economic and social development; and the term "certification" as mentioned refers to the assessment activities carried out by the certification bodies to testify whether the products, services, and management systems are in conformity with the relevant technical norms and their compulsive requirements or standards, and the term "accreditation" as mentioned refers to the assessment activities carried out by the accreditation bodies to recognize the capabilities and qualifications of the certification bodies, inspection organizations and laboratories, and practicing personnel engaging in such certification activities as appraisal and examination, etc.

According to Administrative Regulations for Compulsory Product Certification (強制性產品認證管理規定), which was promulgated by the General Administration of Quality Supervision, Inspection and Quarantine on July 3, 2009 and came into effect on September 1, 2009, compulsory product certification means that, products specified by the State may not be delivered, sold, imported or used in other business activities until they are certified, and labeled with certification mark. For products that are subject to compulsory product certification, the State implements unified product catalogs, unified compulsory requirements, standards and compliance assessment procedures in technical specification, unified certification marks and unified charging standards. Producers or sellers or importers of products included in the catalogs shall entrust certification bodies designated by the Certification and Accreditation Administration to certify the products produced, sold or imported thereby.

According to the Provisions for the Administration of the Recall of Toys (兒童玩具召回管理規定), which were promulgated by the General Administration of Quality Supervision, Inspection and Quarantine ("AQSIQ") on August 27, 2007, if manufacturers detect any possible defect of toys they provide, they must



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immediately institute a defect investigation to confirm whether there are defects. If the departments of AQSIQ at the provincial level or above detect the possible defects of toys, they may trigger a defect investigation and inform the manufacturers.

Where defects are discovered, manufacturers may be required to recall defective products may choose to recall defective products voluntarily. Recalls are mandatory when, among other things, there are potential life-threatening safety issues or health-related risks arising from the defect. During a recall, manufacturers must immediately suspend the production of the defective product and must disclose to the public information pertaining to the defect. In the case of mandatory recalls, the AQSIQ issues notices or announcements informing manufacturers of the recall. In the case of voluntary recalls, the manufacturer must file its voluntary recall plans with the provincial departments of the AQSIQ.

There are mandatory product safety standards for our products, which are as follows: (i) GB 14748-2006 Safety requirements for wheeled child conveyances (兒童推車安全要求); (ii) GB 14746-2006 Safety requirements for bicycles for young children (兒童自行車安全要求); (iii) GB 14747-2006 Safety requirements for child tricycles (兒童三輪車安全要求); (iv) GB 14749-2006 Safety requirements for baby walking frames (嬰兒學步車安全要求); (v) GB6675-2003 Technic criterion of toys safety (玩具安全技術規範); and (vi) GB19865-2005 Electric toys-Safety (電玩具的安全).

### **Consumer Protection Law**

The principal legal provisions for the protection of consumer interests are set out in the Consumer Protection Law, which was promulgated on October 31, 1993, came into effect on January 1, 1994 and was amended on August 27, 2009. The Consumer Protection Law sets out standards of behavior which business operators must observe in their dealings with consumers, including the following:

- goods and services provided to consumers must comply with the Product Quality Law and other relevant laws and regulations, including requirements regarding personal safety and protection of property;
- providing consumers with true information and advertising concerning goods and services, as well as providing true and clear answers to questions raised by consumers concerning the quality and use of goods or services provided by it;
- issuing purchase or service vouchers to consumers in accordance with relevant national regulations or business practices or upon the request by a consumer;
- ensuring the quality, functionality, applications and duration of use of the goods or services under normal use and ensuring that the actual quality of the goods or services are consistent with that displayed in advertising materials, product descriptions or samples;
- properly performing its responsibilities for guaranteed repair, replacement and return or other liability in accordance with national regulations or any agreement with the consumer; and

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- not setting unreasonable or unfair terms for consumers or excluding itself from civil liability for undermining the legal rights and interests of consumers by means of standard contracts, circulars, announcements, shop notices, etc.

Violations of the above Consumer Protection Law may result in the imposition of fines. In addition, the business operator will be ordered to suspend its operations and its business license will be revoked. Criminal liability may be incurred in serious cases.

According to the Consumer Protection Law, a consumer whose legal rights and interests are prejudiced during the purchase or use of goods may demand compensation from the seller. Where the responsibility lies with the manufacturer or another seller that provides the goods to the seller, the seller shall, after settling compensation, have the right to recover such compensation from that manufacturer or that other seller. Consumers or other injured parties who suffer injury or property losses due to product defects in commodities may demand compensation from the manufacturer as well as the seller. Where the responsibility lies with the manufacturer, the seller shall, after settling compensation, have the right to recover such compensation from the manufacturer, and vice versa.

### **Competition Law**

The principal legal provisions governing market competition are set out in the Anti-Unfair Competition Law, which was promulgated on September 2, 1993 and came into effect on December 1, 1993.

The Anti-Unfair Competition Law provides that business operators shall not undermine their competitors by engaging in the following improper market activities:

- infringement of trademark rights or confidential business information;
- false publicity through advertising or other means, or forgery and dissemination of false information that infringes upon the goodwill of competitors or the reputation of their products; and
- other improper practices, including commercial bribery, cartels, dumping sales at below-cost prices, and offering prizes as sales rebates illegally.

Violations of the Anti-Unfair Competition Law may result in the imposition of fines and, in serious cases, revocation of its business license as well as incurrance of criminal liability.

In addition, according to the Anti-Trust Law, which was promulgated by the Standing Committee of the National People's Congress on August 30, 2007 and came into effect as of August 1, 2008, business operators must not engage in monopolistic practices as part of their economic activities occurring within the PRC, as well as practices outside of the PRC which have the effect of eliminating or restricting Chinese market competition. The "monopolistic practices" include:

- the establishment of monopoly agreements between business operators: Save as otherwise proscribed by the Anti-Trust Law, the following monopoly agreements shall not be made between operators which are in competition: 1) price fixing or price change; 2) limiting the production or

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sales volume; 3) divvying up of the sales or materials market; 4) restricting the purchase of new technology and new equipment or preventing the development thereof; 5) boycott agreements; and 6) other monopoly agreements as determined by the State Council anti-monopoly law enforcement authorities; and the following monopoly agreements shall not be made between business operators and their trading partners: 1) fixing a price for resale to a third party; 2) restricting the minimum price for resale to a third party; and 3) other monopoly agreements as determined by the State Council anti-monopoly law enforcement authorities.

- business operators abusing dominant market position: Business operators who hold a dominant market position shall be prohibited from engaging in the following practices which may be classified as an abuse of said position: 1) selling products at unfairly high or unfairly low prices; 2) selling products at a price lower than cost without legitimate grounds; 3) refusing to conduct exchanges with relevant trading partners without legitimate grounds; 4) forcing trading partners to conduct exchanges only with said operator or a group of operators specified by said operator without legitimate grounds; 5) conducting tie-in sales or adding other unreasonable conditions on an exchange without legitimate grounds; 6) discriminating between trading partners of the same qualifications with regards to transaction price without legitimate grounds; and 7) other practices deemed by the anti-monopoly law enforcement authorities to be abuse of dominant market position.
  
- business operator consolidation which has or may have the effect of eliminating or restricting market competition: When business operator consolidation reaches certain standards for declaration as designated by the State Council, relevant business operators shall report the consolidation to the State Council anti-monopoly law enforcement authorities prior to implementation. If a declaration is not made, the consolidation may not be carried out. Where one of the following is the case relevant to an operator consolidation, declaration to the anti-monopoly law enforcement authorities is not required: 1) one of the parties to a consolidation holds 50% or more assets or shares that grant at least 50% voting rights in each of the other Operators; or 2) in each of the parties to a consolidation, 50% or more assets or shares that grant 50% voting rights in said operators are held by the same business operator which is not party to the consolidation. Unless otherwise proscribed by the Anti-Trust Law, if the consolidation of business operators will or may eliminate or restrict market competition, the State Council anti-monopoly law enforcement authority shall make a decision to prohibit the consolidation.

Our PRC legal adviser, Jingtian & Gongcheng, has confirmed that during the Track Record Period, we have complied with the relevant PRC anti-trust laws and regulations and no material penalty was imposed on us.

### **Environmental Protection Law**

According to Environmental Protection Law of the PRC (the “Environmental Protection Law”) effective as of December 26, 1989, the State Administration for Environmental Protection shall establish the national standards for environment quality. The people’s governments of provinces, autonomous regions and municipalities directly under the Central Government may establish their local standards for environment quality for items not specified in the national standards for environment quality and shall report them to State Administration for Environmental Protection for the record.

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Environmental Protection Law requires all units that cause environmental pollution and other public hazards shall incorporate the work of environmental protection into their plans and establish a responsibility system for environmental protection. These units shall adopt effective measures to prevent and control the pollution and harms caused to the environment by waste gas, waste water, waste residues, dust, malodorous gases, radioactive substances, noise, vibration and electromagnetic radiation generated in the course of production, construction or other activities.

Installations for the prevention and control of pollution at a construction project shall be designed, built and commissioned together with the principal part of the project. No permission shall be given for a construction project to be commissioned or used, until its installations for the prevention and control of pollution are examined and considered up to the standard by the competent department of environmental protection administration that examined and approved the environmental impact statement.

According to Law of the PRC on Prevention and Control of Water Pollution (中華人民共和國水污染防治法) effective as of November 1, 1984 and amended on May 15, 1996 and February 28, 2008, new construction project, expansion, reconstruction project and other installations on water that directly or indirectly discharges pollutants into the water body shall be subject to the state regulations on environmental protection of construction projects. Enterprises and institutions that discharge pollutants directly or indirectly into a water body shall obtain the pollutant discharge license, and report to and register with the local environmental protection department their existing facilities for discharging and treating pollutants, and the categories, quantities and concentrations of pollutants discharged under their normal operation conditions, and also submit to the same department technical information concerning prevention and control of water pollution. Enterprises and institutions that discharge pollutants into a water body shall pay a pollutant discharge fee; if the discharge exceeds the limits set by the national or local standards, they shall pay a fee for excess discharge according to State regulations.

According to Law of the PRC on Prevention and Control of Atmospheric Pollution (中華人民共和國大氣污染防治法) effective as of June 1, 1988 and amended on August 29, 1995 and April 29, 2000, which upon the latest amendment came into effectiveness on September 1, 2000, new construction project, expansion, or reconstruction project that discharges pollutants into air shall be subject to the state regulations on environmental protection of construction projects. Units that discharge atmospheric pollutants shall report to the local administrative department of environmental protection their existing discharge and treatment facilities for pollutants and the categories, quantities and concentrations of pollutants discharged under normal operation conditions and submit to the same department their technical information concerning prevention and control of atmospheric pollution. The State implements a system of collecting fees for discharging pollutants on the basis of the categories and quantities of the atmospheric pollutants discharged, and establishing reasonable standards for collecting the fees therefore according to the needs of strengthening prevention and control of atmospheric pollution and the State's economic and technological conditions.

According to the Law of the PRC on Prevention and Control of Environmental Pollution by Noise (中華人民共和國環境噪聲防治法) effective as of March 1, 1997, new construction project, expansion, or reconstruction project that discharges pollutants into air shall be subject to the state regulations on environmental protection of construction projects. Industrial enterprises that discharge noise during industrial production with fixed facilities shall report to the local environmental protection department categories and

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quantities of their existing facilities for discharging noise, and the noise volume of noise discharged under their normal operation conditions as well as treating facilities against noise, and also submit to the same department technical information concerning prevention and control of noise pollution. Units discharge noise exceeding the relevant standards shall pay the discharge fee subject to the regulations.

According to Law of the PRC on Prevention and Control of Environmental Pollution by Solid Waste (中華人民共和國固體廢物污染環境防治法) amended and effective as of April 1, 2005, the construction of projects which discharge solid waste and the construction of project for storage, use and treatment of solid waste shall be carried out upon the appraisal regarding their effects on environment and in compliance with the relevant state regulations concerning the management of environmental protection in respect of construction projects. Industrial enterprise that discharge solid waste shall report to the local environmental protection administrative department the categories, discharging amount, flow direction, storage, treatment and other materials concerning industrial solid waste. In addition, producers, distributors, importers and users of a product shall be responsible for the prevention and control of the solid wastes it generates or discharges.

### **Production Safety Law**

According to the PRC Production Safety Law (the “Production Safety Law”) effective as of November 1, 2002 and amended on August 27, 2009, the unit shall be equipped with the conditions for safe production as provided in the Production Safety Law and other relevant laws, administrative regulations, national standards and industrial standards. Any entity that is not equipped with the conditions for safe production may not engage in production and business operation activities. The unit shall offer education and training programs to the employees thereof regarding production safety. The designing, manufacturing, installation, using, checking, maintenance, reforming and claiming as useless of safety equipments shall be in conformity with the national standards or industrial standards. In addition, the unit shall provide labor protection articles that meet the national standards or industrial standards to the employees thereof, supervise and educate them to wear or use these articles according to the prescribed rules.

### **PRC Tax Laws**

#### ***Enterprise Income Tax***

Prior to 1 January 2008, income tax payable by foreign-invested enterprises in the PRC was governed by the Foreign-invested Enterprise and Foreign Enterprise Income Tax Law of the PRC (中華人民共和國外商投資企業和外國企業所得稅法) (the “FIE Tax Law”) promulgated on April 9, 1991 and effective on 1 July 1991 and the related implementation rules. Pursuant to the FIE Tax Law, a foreign-invested enterprise was subject to a national income tax at the rate of 30% and a local tax at the rate of 3% unless a lower rate was provided by law or administrative regulations. The income tax on foreign-invested enterprises established in Special Economic Zones, foreign enterprises which have establishments or places in Special Economic Zones engaged in production or business operations, and on foreign-invested enterprises of a production nature in Economic and Technological Development Zones, was levied at the reduced rate of 15%. The income tax on foreign-invested enterprises of a production nature established in coastal economic open zones or in the old urban districts of cities where the Special Economic Zones or the Economic and Technological Development

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Zones are located, was levied at the reduced rate of 24%. Any foreign-invested enterprise of a production nature scheduled to operate for a period of not less than 10 years was exempted from income tax for two years commencing from the first profit-making year (after offsetting all tax losses carried forward from previous years) and allowed a 50% reduction in the following three consecutive years.

According to Enterprise Income Tax Law of the PRC (中華人民共和國企業所得稅法) (the “EIT Law”), which was promulgated on March 16, 2007, the income tax for both domestic and foreign-invested enterprises will be at the same rate of 25% effective from January 1, 2008. And the FIE Tax Law were repealed. However, in accordance with the EIT Law and its relevant implementation rules, there will be a transition period for enterprises that previously receive preferential tax treatments under the FIE Tax Law. Foreign-invested enterprises that are subject to an enterprise income rate lower than 25% may continue to enjoy the lower rate and gradually transit to the new tax rate after the effective date of the Income Tax Law. Foreign-invested enterprises that enjoy a tax rate of 24% will have their tax rate increased to 25% in 2008. Foreign-invested enterprises which enjoy a fixed period of exemptions or reductions under the existing applicable rules and regulations may continue to enjoy such treatment until the expiry of such prescribed period, and for those enterprises whose preferential tax treatment has not commenced due to lack of profit, such preferential tax treatment will commence from the effective date of the EIT Law. And according to the EIT Law, high-and-new technology Enterprises that the state decides to support are subject to the applicable enterprise income tax rate with a reduction of 15%.

### ***Value-added Tax***

Pursuant to the Provisional Regulations on Value-added Tax of the PRC (中華人民共和國增值稅暫行條例) effective from January 1, 1994 (amended on November 5, 2008) and its implementation rules, all entities or individuals in the PRC engaging in the sale of goods, the provision of processing services, repairs and replacement services, and the importation of goods are required to pay value-added tax (“VAT”). VAT payable is calculated as “output VAT” minus “input VAT”. The rate of VAT is 17% or in certain limited circumstances, 13%, depending on the product type.

### ***Business Tax***

Pursuant to the Provisional Regulations of the PRC on Business Tax (中華人民共和國營業稅暫行條例) effective from January 1, 1994 (amended on November 10, 2008) and its implementation rules, all institutions and individuals providing taxable services, transferring intangible assets or selling real estate within the PRC must pay business tax. The items and rates of business tax shall be implemented in accordance with the List of Items and Rates of Business Tax attached to the regulation.

### **Rules on Acquisition of Domestic Enterprises by Foreign Investors**

In August 2006, six PRC regulatory agencies promulgated the Rules on Acquisition of Domestic Enterprises by Foreign Investors (the “M&A Rules”) regulating mergers and acquisitions of domestic enterprises by foreign investors. The M&A Rules, which became effective in September 2006, purport to require that an offshore special purpose vehicle (the “SPV”) formed for listing purposes and controlled directly or indirectly by PRC companies or individuals shall obtain the approval of the CSRC prior to the listing and trading of such SPV’s securities on an overseas stock exchange, especially in the event that the SPV acquires shares of or equity interests in the PRC companies in exchange for the shares of offshore



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companies. As the Group is not controlled by PRC companies or individuals, and all the onshore share interests held by PUD's PRC shareholders had been transferred to offshore companies before the effectiveness of the M&A Rules, the PRC Legal Advisers are of the opinion that the Group does not require CSRC approval for the Listing.

### **NORTH AMERICA**

For our North American market, there are several requirements that apply to U.S. imports of durable nursery products, which include the durable juvenile products such as strollers, infant carriers, cribs, toddler beds, high chairs, bath seats, gates and other enclosure for confining a child, play yards, stationary activity centers, walkers, swings, and bassinets and cradles.

All children's car seats must meet the federal standard FMVSS 213, which is administered by the U.S. National Highway Traffic Safety Administration ("NHTSA"). The CPSC and NHTSA jointly administer safety rules applicable to car seats.

Pursuant to Section 104(b) of the U.S. Consumer Product Safety Improvement Act ("CPSIA"), the Consumer Product Safety Commission ("CPSC") is in the process of reviewing industry standards in place for durable nursery products as of 2008 and implementing mandatory requirements for such products in place of voluntary requirements. The CPSC must either make the existing voluntary safety standards for these products mandatory or provide for a stricter safety standard. The voluntary standards are those set by ASTM International, formerly known as the American Society for Testing and Materials, which is an independent not for profit organization that develops voluntary consensus standards for materials, products, systems, and services. Up to the Latest Practicable Date, new mandatory safety standards have been set for infant walkers and infant bath seats. Action is pending on cribs, bassinets and cradles; other products are not yet under review. There are current voluntary industry standards for strollers, ASTM F833, and for cribs, ASTM F406 and ASTM F1169.

In addition, U.S. law imposes a third-party testing requirement for all consumer products primarily intended for children twelve years of age or younger. Every manufacturer or private labeler of a children's product must have its product tested by an accredited independent testing laboratory and, based on the testing, must have a certificate stating that the product meets all applicable CPSC requirements. The third party testing must address conformity with limitations on lead paint (90 ppm), limitations on lead content (300 ppm) and limitations on small parts. There are also specific third party testing requirements for cribs, baby bouncers, baby walkers and baby jumpers to confirm conformity with the industry standards. Furthermore, the required certificates must be in English (although they also may be in another language). They must include information on the identity of the manufacturer or private labeler of the product, the testing laboratory, and the date and place of manufacturing and testing the product.

Such required certificate must "accompany" the product or product shipment and must be available to CPSC and U.S. Customs and Border Protection ("CBP") upon request. Products without the required certificate cannot be imported or distributed in commerce in the United States. The CPSC has advised that an electronic certificate is acceptable and will be considered "accompanying" a shipment if the certificate is identified by a unique identifier and can be accessed via a World Wide Web URL or other electronic means,

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provided the URL or other electronic means and the unique identifier are created in advance and available with the shipment. Certificates can also be transmitted electronically to a U.S. customs broker with other customs entry documents before a shipment arrives so long as they are available to the CPSC or CBP if the product or shipment is inspected.

The CPSIA requires manufacturers to have a tracking label or other distinguishing permanent mark on any consumer product primarily intended for children twelve and younger. The tracking label must contain certain basic information, including manufacturer or private labeler, location and date of production of the product, and cohort information, including batch, run number or other identifying characteristics of the product.

During the Track Record Period and up to the Latest Practicable Date, to the best knowledge of our Directors, we had complied with the applicable U.S. consumer product safety standards in all material respects in North America.

### **OUR EUROPEAN MARKET**

In our European market, durable juvenile products such as strollers, children's car safety seats and cribs are subject to the General Product Safety Directive: Directive 2001/95/EC of the European Parliament and of the Council of 3 December 2001 on general product safety, OJ L 11, 15 January 2002, p. 4-17, as amended (the "Directive").

The Directive imposes a general safety requirement on any product put on the European Union ("EU") market for consumers or likely to be used by them, including all products that provide a service. Because of the absence of specific EU provisions applicable to strollers, children's car safety seats and cribs, these products must comply with the specific national regulations of the EU Member State in which they are being marketed or sold, or with the voluntary national standards which transpose European standards.

If the products comply with European standards dealing with the risks and risk categories covered by EU Member State legislation, they are generally presumed to be safe for the purposes of the Directive, although additional national requirements may apply. Specific European standards exist for strollers and cribs: CEN Child care articles — Wheeled child conveyances — Safety requirements and test methods (EN 1888:2003); CEN Furniture — Cribs and cradles for domestic use — Part 1: Safety requirements (EN 1130-2:1996); CEN Furniture — Cribs and cradles for domestic use — Part 2: Test methods (EN 1273:2005). No specific European standard exists for children's car safety seats — however, children's car safety seats generally need to comply with United Nations standard ECE R44/03 or ECE R44/04 and additional national requirements may apply.

During the Track Record Period and up to the Latest Practicable Date, to the best knowledge of our Directors, we had complied with the applicable consumer product safety standards in all material respects in our European market.



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### OVERVIEW

We are an international durable juvenile products company headquartered in China. In 2009, we were the largest supplier of strollers in North America<sup>(1)</sup>, our European market and China and we produced one out of every 1.8 strollers sold in North America, one out of every 4.1 strollers sold in our European market, one out of every 3.7 strollers sold in China and one out of every 2.9 strollers sold in all these markets combined, according to Frost & Sullivan. In 2009, we had the largest market share of strollers in terms of units sold and retail value in China, which was 27.2% and 41.2%, respectively, according to Frost & Sullivan. We principally engage in the design, research and development, manufacture, marketing and sale of strollers, children's car safety seats, cribs, bicycles and tricycles, and other durable juvenile products. The durable juvenile products that we design, manufacture and sell are long-lasting hardware products for external use and are intended for use or that may be reasonably expected to be used by children. We are committed to providing safe, innovative, fashionable, easy-to-use strollers and other durable juvenile products throughout the world. For the year ended December 31, 2007, 34.5%, 28.0%, 24.0% and 13.5% of our revenue from Continuing Operations was generated from North America, our European market, China and Other Overseas Markets, respectively. For the year ended December 31, 2008, 30.9%, 32.8%, 22.9% and 13.4% of our revenue from Continuing Operations was generated from North America, our European market, China and Other Overseas Markets, respectively. For the year ended December 31, 2009, 33.0%, 30.6%, 24.1% and 12.3% of our revenue from Continuing Operations was generated from North America, our European market, China and Other Overseas Markets, respectively. For the seven months ended July 31, 2010, 34.8%, 28.9%, 23.9% and 12.3% of our revenue from Continuing Operations was generated from North America, our European market, China and Other Overseas Markets, respectively.

#### **Our China Business**

According to Frost & Sullivan, our brand “好孩子 Goodbaby” (“好孩子” literally means “good child”), is the most recognized brand name for durable juvenile products in China where it enjoys recognition substantially ahead of other competitive brands. We design, produce and sell products principally under our own brands, particularly “好孩子 Goodbaby” and “小龍哈彼 Happy Dino”, both of which enjoy a leading market share in China. We sell to distributors, including to our Parent Group, which, among other operations, operates retail stores under the brand name “Goodbaby”.

#### **Our Overseas Business**

In North America and our European market, we establish strategic relationships with owners of internationally leading durable juvenile products brands, such as “Safety 1st”, “Cosco”, “Quinny” and “Maxi Cosi”. We design and develop durable juvenile products either on our own or jointly with these brand owners, and manufacture and sell such products to the brand owners. These durable juvenile products are in turn sold by the brand owners under their brands using their distribution channels. In Other Overseas Markets, we similarly sell products, which we have designed (or jointly designed in the case of one of our customers) or manufactured, to locally leading brand owners, who then sell and distribute these products under their brands using their distribution channels. We also sell our own branded products to experienced local distributors in Other Overseas Markets.

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<sup>(1)</sup> For purposes of this prospectus, references to “North America” mean the United States and Canada.

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Leveraging our leading R&D capability and product knowledge in the industry, we intend to further consolidate and strengthen our brand reputation, enhance our market penetration and broaden our product offerings in other durable juvenile products segments, such as children's car safety seats, both in China and internationally.

According to Frost & Sullivan,

- In 2009, when asked to identify a single durable juvenile product brand in China, 64.0 out of every 100 respondents identified “好孩子 Goodbaby”, substantially ahead of the second most recognized brand, which was identified by 8.6 out of every 100 respondents.
- In China, we have maintained the largest market share of stroller sales in terms of units sold and retail value for 17 years. In 2009, our “小龍哈彼 Happy Dino” brand commanded a number one market share by units sold of 16.2% in China and our “好孩子 Goodbaby” branded strollers commanded a number two market share by units sold of 11.0% in China, both of which are substantially ahead of the 3.1% market share of the closest competitor's brand. In 2009, our “好孩子 Goodbaby” brand commanded a number one market share by retail value of 23.2% in China and our “小龍哈彼 Happy Dino” branded strollers commanded a number two market share by retail value of 18.0% in China, both of which are substantially ahead of the 3.0% market share of the closest competitor's brand. In 2009, our “好孩子 Goodbaby” brand was ranked first for children's car safety seats in terms of units sold and retail value, and our “小龍哈彼 Happy Dino” brand was ranked first for cribs in terms of units sold and retail value.
- In North America, we have been the largest supplier of strollers for 11 years. In 2009, the strollers that we supplied accounted for 55.1% of the total number of strollers sold in North America and 34.1% of the total sales of strollers in North America in terms of retail value.
- In our European market, we have been the largest supplier of strollers for four years. In 2009, the strollers that we supplied accounted for 24.1% of the total number of strollers sold in our European market and 16.4% of the total sales of strollers in our European market in terms of retail value.
- In 2009, we produced one out of every 2.9 strollers in China, North America and our European market combined.

Our chairman, Mr. Song, first entered into the durable juvenile products business in 1989, when he founded a predecessor company that designed, manufactured and marketed strollers in China. In the same year, this company established the “好孩子 Goodbaby” brand and also introduced the first “push and rock” stroller in China, which had a seat designed to rock gently in the same way as a cradle. In 1990, we were granted a 10-year patent in China for a “push and rock” stroller that we invented. Since 1993, we have become the market leader in terms of stroller sales by units sold and retail value in China, according to Frost & Sullivan. In 1996, we began to sell strollers in North America to an international brand owner, Dorel, with whom we have since established a strategic relationship. By 1999, only three years after our commencement of business in such market, we became the largest supplier of strollers in North America, according to Frost & Sullivan. In 2002, we began to sell strollers in our European market by working strategically with leading international brand owners and, in 2006, according to Frost & Sullivan, we became the largest supplier of

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strollers in our European market. In 2006, we re-branded our “小小恐龍 Little Dinosaur” brand to “小龍哈彼 Happy Dino”. Our “小小恐龍 Little Dinosaur” brand was first launched in 1999 primarily to target the mass market segment in China. “好孩子 Goodbaby” and “小龍哈彼 Happy Dino” were the most popular stroller brands in China in 2009. For the years ended December 31, 2007, 2008 and 2009 and for the seven months ended July 31, 2010, our revenue from stroller sales accounted for 47.8%, 51.0%, 53.1% and 50.7%, respectively, of our total revenue from Continuing Operations. Other durable juvenile products such as children’s car safety seats, cribs, bicycles and tricycles accounted for the remainder of our sales revenue from Continuing Operations during these periods. During the past few years, we have rapidly expanded our product offerings in China and internationally. In North America and our European market, we believe we are the partner of choice for durable juvenile products, especially strollers. As part of our effort to increase our brand recognition overseas, we recently introduced our new logo, “gb”, which we expect to gradually replace the English-language “Goodbaby” logo over time. Similarly, in China, we expect to gradually replace the “好孩子 Goodbaby” logo with “好孩子 gb”.

We seek to maintain a leading position by continuously introducing original industry-leading products and innovations that are widely accepted in our industry. For example, in 1999, we received a 10-year patent in China for a mechanism that allowed strollers to be collapsed and folded using only one hand rather than both hands. Subsequent to the granting of such patent in 1999, we have developed more advanced methods to enable strollers to be collapsed and folded using one hand and have received patents for such mechanisms. We expect to continue developing more advanced methods and mechanisms for strollers as well as our other durable juvenile products. Over the years, we have steadily increased the number of our trademark and patent registrations for our products and innovations and as of September 30, 2010, we had 209 registered trademarks, 85 applications for trademark registration, 2,116 registered patents and 527 applications for patent registration in China. We hold patents of three different categories, namely, invention patents, utility patents and design patents. As of September 30, 2010, we held 93 invention patents, 664 utility patents and 1,359 design patents, and our registration applications for 83 invention patents, 256 utility patents and 188 design patents were pending. For further details on our intellectual property rights, please refer to Appendix VI to this prospectus under the heading “Further Information About The Business — Intellectual Property Rights of the Group. We currently have five R&D centers, in Kunshan, China, Boston, U.S.A., Utrecht, the Netherlands, Tokyo, Japan and, most recently, Hong Kong, with an R&D team of over 300 personnel. Through our strengths in R&D, we seek to continuously provide complete solutions encompassing market research, market-oriented product planning, concept creation, structural design, engineering design as well as fashion design, so that we consistently introduce innovative, high-quality products that are responsive to market demand.

Our business is supported by our efficient and stable production control and supply chain management system. We seek to maintain our supply chain through the establishment of procurement, production and safety standards, the control and management of our production facilities in Kunshan and Ningbo, outsourcing to third parties, as well as related logistical systems. Under this integrated management system, we can constantly analyze and monitor the level of production capacity, quality control and consistency of our products in order to determine the optimal mix of products that we choose to produce through our production facilities, or outsource to reliable third-party manufacturers, most of whom have long-standing relationships with us. Our production and ancillary facilities in Kunshan and Ningbo in China occupy an aggregate of 329,504.07 square meters as of July 31, 2010.

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In China, we sell our products through an extensive distribution network, with 28 provinces, autonomous regions and municipalities in the PRC with coverage of 5,297 maternity and childcare specialty stores, 835 hypermarket outlets, and 664 department store outlets as of July 31, 2010. We sell all of our products in China to distributors, who in turn distribute our products to end consumers through retail outlets operated by the distributors themselves or their sub-distributors. These retail outlets include department stores, hypermarkets and, increasingly, maternity and childcare specialty stores. We collaborate with these retail outlets by inspecting and providing suggestions on the image displays, establishing operating standards relating to personnel and inventory at these outlets, and providing training programs and general assistance to these retail outlets in their operations. In North America and our European market, we sell our products, which we have designed (or jointly designed) or manufactured, to international brand owners, who in turn sell these products under their brands using their distribution channels. In Other Overseas Markets, we similarly sell products, which we have designed (or jointly designed in the case of one of our customers) or manufactured, to locally leading brand owners, who then sell and distribute these products under their brands using their distribution channels. We also sell our own branded products to experienced local distributors in Other Overseas Markets.

We operate different business models in connection with operations relating to our self-owned brands and operations relating to international brand owners. Should we become unable to effectively address the risks, difficulties and challenges resulting from these different business models, some of which are beyond our control, our business, financial condition or results of operations may be materially and adversely affected. In addition, we operate in a highly competitive industry. For our domestic market and our Overseas Markets where we sell our branded products, we face competition primarily from third-party local durable juvenile product brand owners in the mass market and owners of international brands in the mid- to high-end market. As such, our branded products compete for sales against international brand owners who might also be our customers. Failure to maintain our competitive position may materially adversely affect our business, financial condition or results of operations.

As of July 31, 2010, we had 451 distributors in China and had sold our products to 83 international brand owners and 32 distributors in overseas markets. GCCL, a member of our Parent Group, which, among other things, operates retail stores under the “好孩子 Goodbaby” brand, acts as our largest distributor in China, and for the three years ended December 31, 2009 and the seven months ended July 31, 2010, sales to GCCL contributed approximately 12.1%, 10.8%, 8.6% and 7.2%, respectively, of our revenue from Continuing Operations and approximately 50.1%, 47.2%, 35.7% and 30.2%, respectively, of our domestic revenue from Continuing Operations.

As of July 31, 2010, among our 451 distributors in China, 300 had entered into a distributorship agreement with us and the remaining 151 distributors did not have a distributorship agreement with us and principally worked with us on the basis of purchase orders. For the years ended December 31, 2007, 2008 and 2009 and for the seven months ended July 31, 2010, we derived 95.4%, 94.4%, 91.7% and 96.9%, respectively, of our revenue from distributors in China with whom we have entered into distributorship agreements. For our overseas markets, we have not entered into any exclusivity agreement with our customers.

On December 18, 2009, one of our largest customers voluntarily recalled children’s car safety seats sold under their brands, including children’s car safety seats produced by us. On the basis of our continual long-term business relationship with this customer, we sought to support this customer by bearing a part of

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their loss. After the product recall, we continue to maintain a normal business relationship with this customer. In addition, on November 8, 2007, an independent third party seller of durable juvenile products, which was not our direct customer nor had any form of contact with us, had recalled its cribs sold under its brands. We had sold products, on an OEM basis, through the independent third party seller's independent merchandiser and we had terminated our working relationship with the independent merchandiser of such independent third party seller in March 2007. We are not able to verify that the recalled products were manufactured by us. For more details, please refer to the section headed "Business — Quality Control — Recalls" and "Risk Factors — Risks Relating to Business — The manufacturing process for products in our industry is complex and any failure to adhere to quality and safety standards may adversely affect our financial condition and results of operations."

For the years ended December 31, 2007, 2008 and 2009, our revenue from Continuing Operations was HK\$2,586.5 million, HK\$3,266.2 million and HK\$3,032.2 million, respectively, representing a CAGR of 8.3% over the three years ended December 31, 2009, while our profit for the year from Continuing Operations was HK\$162.2 million, HK\$173.5 million and HK\$164.4 million, respectively, representing a CAGR of 0.7% over the three years ended December 31, 2009. Our profit from Continuing Operations decreased from HK\$173.5 million in 2008 to HK\$164.4 million in 2009, primarily attributable to a decrease in revenue in each of our geographical markets, which was a result of the global financial crisis and economic downturn. Although the performance of our product lines was generally impacted by the economic downturn as consumers were more cautious on their spending, the demand for and sales of our strollers and accessories in North America and China had increased in 2009 despite the economic downturn. For more details, please refer to the section headed "Financial Information — Review of Historical Operating Results — Year ended December 31, 2009 Compared to Year Ended December 31, 2008 — Continuing Operations." For the seven months ended July 31, 2009 and 2010, our revenue from Continuing Operations was HK\$1,694.0 million and HK\$2,198.5 million, respectively, representing an increase of 29.8%. Our profit from Continuing Operations for the seven months ended July 31, 2009 and 2010 was HK\$99.4 million and HK\$141.5 million, respectively, representing an increase of 42.4%. For the years ended December 31, 2007, 2008 and 2009 and the seven months ended July 31, 2010, as a result of hedging activities for our operations, we recorded changes in the fair value of the forward contracts amounting to gain/(loss) of HK\$8.5 million, HK\$(27.1) million, HK\$(0.2) million and HK\$1.7 million, respectively, on our income statement. These forward currency contracts are not designated as cash flow, fair value or net investment hedges.

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The table below sets out our revenue from Continuing Operations for our principal products<sup>(1)</sup> and their respective percentage of revenue from Continuing Operations, by geographical market, for the periods indicated.

	For the year ended December 31,						For the seven months ended July 31,			
	2007		2008		2009		2009		2010	
	Sales	% of sales	Sales	% of sales	Sales	% of sales	Sales	% of sales	Sales	% of sales
(HK\$ millions)		(HK\$ millions)		(HK\$ millions)		(HK\$ millions)		(HK\$ millions)		
<b>Our European Market</b>										
Strollers and accessories . . . . .	532.6	20.6%	772.7	23.7%	636.4	21.0%	317.1	18.7%	411.2	18.7%
Car seats and accessories . . . . .	123.4	4.8%	157.1	4.8%	161.2	5.3%	71.5	4.2%	106.6	4.9%
Other durable juvenile products . . . . .	68.0	2.6%	140.5	4.3%	130.8	4.3%	72.6	4.3%	118.3	5.4%
Sub-total . . . . .	<u>724.1</u>	<u>28.0%</u>	<u>1,070.2</u>	<u>32.8%</u>	<u>928.4</u>	<u>30.6%</u>	<u>461.2</u>	<u>27.2%</u>	<u>636.1</u>	<u>28.9%</u>
<b>North America</b>										
Strollers and accessories . . . . .	337.9	13.1%	434.9	13.3%	513.0	16.9%	304.7	18.0%	357.6	16.3%
Car seats and accessories . . . . .	249.0	9.6%	270.1	8.3%	203.1	6.7%	140.2	8.3%	156.0	7.1%
Other durable juvenile products . . . . .	304.3	11.8%	305.4	9.4%	284.1	9.4%	155.0	9.2%	251.5	11.4%
Sub-total . . . . .	<u>891.2</u>	<u>34.5%</u>	<u>1,010.4</u>	<u>31.0%</u>	<u>1,000.2</u>	<u>33.0%</u>	<u>599.9</u>	<u>35.4%</u>	<u>765.0</u>	<u>34.8%</u>
<b>China</b>										
Strollers and accessories . . . . .	205.2	7.9%	245.6	7.5%	263.4	8.7%	170.6	10.1%	198.1	9.0%
Bicycles, tricycles and e-cars . . . . .	245.8	9.5%	295.1	9.0%	274.2	9.0%	166.0	9.8%	204.6	9.3%
Other durable juvenile products . . . . .	170.9	6.6%	208.3	6.4%	192.5	6.4%	113.2	6.7%	123.5	5.6%
Sub-total . . . . .	<u>621.9</u>	<u>24.0%</u>	<u>749.1</u>	<u>22.9%</u>	<u>730.1</u>	<u>24.1%</u>	<u>449.8</u>	<u>26.6%</u>	<u>526.2</u>	<u>23.9%</u>
<b>Other Overseas Markets</b>										
Strollers and accessories . . . . .	160.7	6.2%	213.8	6.5%	196.5	6.5%	110.2	6.5%	147.6	6.7%
Other durable juvenile products . . . . .	188.6	7.3%	222.7	6.8%	177.0	5.8%	73.0	4.3%	123.7	5.6%
Sub-total . . . . .	<u>349.3</u>	<u>13.5%</u>	<u>436.5</u>	<u>13.4%</u>	<u>373.5</u>	<u>12.3%</u>	<u>183.2</u>	<u>10.8%</u>	<u>271.3</u>	<u>12.3%</u>
<b>Total . . . . .</b>	<u><u>2,586.5</u></u>	<u><u>100.0%</u></u>	<u><u>3,266.2</u></u>	<u><u>100.0%</u></u>	<u><u>3,032.2</u></u>	<u><u>100.0%</u></u>	<u><u>1,694.0</u></u>	<u><u>100.0%</u></u>	<u><u>2,198.5</u></u>	<u><u>100.0%</u></u>

<sup>(1)</sup> For China, we sell products principally under our brands. For North America and our European market, we sell products to international brand owners who then distribute under their brands. For Other Overseas Markets, we sell products to locally leading brand owners who then distribute under their brands as well as our branded products to experienced local distributors.

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The table below sets out our revenue from Continuing Operations for our products sold under our brands and products sold under third party-owned brands in Other Overseas Markets and their respective percentage of revenue from Continuing Operations for the periods indicated.

	For the year ended December 31,						For the seven months ended July 31,			
	2007		2008		2009		2009		2010	
	Sales	% of sales	Sales	% of sales	Sales	% of sales	Sales	% of sales	Sales	% of sales
	(HK\$ millions)		(HK\$ millions)		(HK\$ millions)		(HK\$ millions)		(HK\$ millions)	
<b>Other Overseas Markets</b>										
Products sold under our brands . . . . .	155.7	44.6%	193.4	44.3%	145.7	39.0%	73.4	40.1%	111.6	41.1%
Products sold under third party-owned brands . . . . .	<u>193.6</u>	<u>55.4%</u>	<u>243.1</u>	<u>55.7%</u>	<u>227.8</u>	<u>61.0%</u>	<u>109.8</u>	<u>59.9%</u>	<u>159.7</u>	<u>58.9%</u>
<b>Total . . . . .</b>	<u><u>349.3</u></u>	<u><u>100.0%</u></u>	<u><u>436.5</u></u>	<u><u>100.0%</u></u>	<u><u>373.5</u></u>	<u><u>100.0%</u></u>	<u><u>183.2</u></u>	<u><u>100.0%</u></u>	<u><u>271.3</u></u>	<u><u>100.0%</u></u>

During the Track Record Period, we disposed of certain operations to our Parent Group which are separate and distinct from our core business. For more information relating to the Retained Business and Discontinued Operations, please see the section headed “Relationship with our Controlling Shareholders — Operations retained by our Controlling Shareholders” and Notes 14 and 34 to the Accountants’ Report in Appendix I to this prospectus.

### OUR STRENGTHS

We believe that our leading position in the durable juvenile product business is underpinned by our principal strengths below:

#### **We are the largest supplier of strollers in the key markets in which we operate**

In China, we have maintained our position as a market leader in terms of market share for stroller sales for 17 years. In North America, we have been the largest supplier of strollers for 11 years. In our European market, we have been the largest supplier of strollers for four years. In 2009, we produced one out of 2.9 strollers sold in China, North America and our European market combined. We believe our strong brand recognition and our strong design and R&D capabilities are critical in successfully building and maintaining our leading position in the stroller industry in China and internationally. We believe our leading market position will allow us to benefit from the growth of and the consolidation in the stroller industry in China and internationally. We believe our experience and our leading position in the stroller industry afford us an advantage in entering into other durable juvenile products segments.



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### **As an international durable juvenile product company, we own leading self-owned brands and partner with leading international brand owners**

Our “好孩子 Goodbaby” and “小龍哈彼 Happy Dino” brands are leading durable juvenile products brands in China. In North America and our European market, we design and develop durable juvenile products either on our own or jointly with these leading international brand owners, and manufacture and sell such products to the brand owners. These durable juvenile products are in turn sold by the brand owners under their brands using their distribution channels. In Other Overseas Markets, we similarly sell products, which we have designed (or jointly designed in the case of one of our customers) or manufactured, to locally leading brand owners, who then sell and distribute these products under their brands using their distribution channels.

Our multi-brand strategy enables us to target and satisfy consumers with different preferences and needs, and diversify the risks associated with over-reliance on one brand or a handful of brands. Our global R&D team seeks to cater to the needs of our target consumers for each of the brands, thereby allowing us to maintain and service a wide consumer base.

#### *Our major leading self-owned brands*

Our “好孩子 Goodbaby” brand was launched in 1989 and is the best-known brand of durable juvenile products in China. According to Frost & Sullivan, in 2009, when asked to identify a single durable juvenile product brand in China, 64.0 out of every 100 respondents identified “好孩子 Goodbaby”, substantially ahead of the second most recognized brand, which was identified by 8.6 out of every 100 respondents. Our “好孩子 Goodbaby” brand is the best-known brand of strollers, children’s car safety seats and cribs in China. In 2009, our “好孩子 Goodbaby”-branded strollers commanded a number one market share of 23.2% in terms of retail value in China. We believe our “好孩子 Goodbaby” brand is also gaining recognition in Other Overseas Markets.

Our “小龍哈彼 Happy Dino” brand, originally “小小恐龍 Little Dinosaur” and rebranded to the current brand name in 2006, was launched in 1999. According to Frost & Sullivan, in 2009, our “小龍哈彼 Happy Dino”-branded strollers commanded a number one market share of 16.2%, in terms of units sold in China. Our “小龍哈彼 Happy Dino”-branded cribs also commanded a number one market share in China for cribs by units sold and retail value. Our “小龍哈彼 Happy Dino” products are targeted at the mass market segment and, as we continue to penetrate into the mass market segment, we expect the recognition for our “小龍哈彼 Happy Dino” brand to increase over time.

#### *Major leading third party-owned brands*

“Safety 1st”, which was established in 1984, is a mid-end U.S. brand of baby gear products, children’s car safety seats and strollers.

“Cosco”, a long-established brand since 1941, is a mid-end to mass market brand for strollers, children’s car safety seats and baby gear products.

“Quinny”, established in 2001, is a lifestyle brand in our European market for durable juvenile products including high-end strollers which are predominately sold in specialty shops in our European market.



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“Maxi Cosi” was established in 1968 and is a high-end European brand for children’s car safety seats that has in recent years extended to strollers as well.

“Silver Cross” was established in 1877 and is a high-end U.K. brand for strollers.

“Play” was established in 1966 and is a mid- to high-end Spanish brand.

“Mothercare” is a U.K. retail brand and was established in 1961.

“Safety 1st”, “Cosco”, “Quinny” and “Maxi Cosi” are owned by Dorel. “Silver Cross”, “Play” and “Mothercare” are each owned by companies bearing the same name as the respective brands. In 2009, in the North American market, Dorel commanded a 55.1% market share of stroller sales in terms of units sold, substantially ahead of the 15.8% market share of the closest competitors’ brands. In our European market, our key customers in 2009 commanded a 27.8% market share of stroller sales in terms of units sold.

### **We have established, long-standing strategic relationships with our key international brand owner customers**

In our overseas markets, we have established long-standing strategic relationships with our key international brand owner customers. We believe such relationships have strengthened our market presence in the durable juvenile product industry in these overseas markets. We provide comprehensive, market-oriented product solutions (particularly for strollers) to our international brand owner customers in their respective markets by working closely with them in the design, R&D and manufacture of durable juvenile products. Our strategic relationships with the key international brand owner customers have enabled us to benefit from their market knowledge of the durable juvenile product industry as well as their wide international distribution network, allowing us to reach a diverse and wide consumer base in these overseas markets. We believe that this mutually beneficial relationship with our international brand owner customers will continue to strengthen our market presence and our positioning in the overseas markets.

### **We have a strong and established product design and R&D capability**

We believe we are one of the few PRC-based companies with world-class product design and R&D capability and have distinguished ourselves with our innovation and the introduction of industry-leading products within our industry over the years. We pride ourselves on establishing a strong R&D platform with R&D centers in strategic locations in China, North America, our European market, Japan and Hong Kong. As of July 31, 2010, our R&D team comprised over 300 members and each member has, on average, more than 10 years of experience in our industry. Together with our market research team, our R&D team constantly seeks to identify new product trends and applications to cater to the latest market trends. During the Track Record Period, on average, we introduced 107 new products and product modifications<sup>(2)</sup> each quarter, including brand new products as well as products which were upgraded and improved from our existing products.

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<sup>(2)</sup> New products and product modifications include newly applied technologies and innovations, newly designed products, redesigned products and partially redesigned and modified products and product components.

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We have attained our strong R&D capability through decades of accumulated industry experience, product knowledge and innovation. Accordingly, we believe we possess know-how of the industry that is difficult for competitors to replicate. For example, we were designated a “model enterprise for intellectual property” (全國企事業知識產權示範單位) from the China Intellectual Property Bureau (中國國家知識產權局) in 2009 recognizing our achievements in creating value for our intellectual property. We were one of only 57 companies in China and the only juvenile products company to have received this award as of the Latest Practicable Date. We believe we are a solution provider of choice for strollers and related durable juvenile products in North America and our European market. Our international brand owner customers work closely with us to provide solutions for their needs, such as designing an attractive and stylish stroller that at the same time meets the technical specifications required by consumers, such as easy collapsibility, safety and light weight.

As the largest supplier of strollers in the key markets in which we operate, we have accumulated substantial experience in designing and manufacturing strollers. We believe strollers are the most technically sophisticated and difficult to perfect among durable juvenile products. Accordingly, we will continue to capitalize on the durable juvenile product industry internationally by leveraging our strong capabilities in developing new product lines and applications.

### **We have an efficient and stable production control and supply chain management system**

We have an integrated production control and supply chain management system which we closely monitor. We develop almost all of our products ourselves or jointly with our international brand owner customers and manufacture a significant portion of our products at our own facilities in China. We have been able to effectively and efficiently analyze and monitor our product demand, our inventory level, as well as production capacity, quality control and consistency for our products, in order to determine the desired mix of products that we manufacture or outsource. In addition, to ensure a smooth transition from product development to commercial production at a reasonable cost, we have adopted a Design for Manufacturing (“DFM”) process in which we proactively develop our products, taking into consideration, at an early stage, the manufacturing processes involved, with the aim of increasing the efficiency of our manufacturing functions, including procurement, fabrication, assembly, test, production, shipping and delivery. Our ERP system, including the SOP that we have adopted to map out and document all steps and activities of our supply chain processes, provides us with a platform to interface with our suppliers. We believe the ERP system has enabled us to streamline our supply chain processes, increase the efficiency and stability of our operations, as well as bring high-quality products to market more rapidly and cost-effectively.

Our technology skills as well as our efficient and stable production control and supply chain management system are major characteristics that, we believe, have distinguished us from our competitors and enabled us to maintain our leading position in the stroller market. Specifically, we believe that our production control and supply chain management system has enabled us to respond faster and more flexibly than our competitors to changing market demands, including demands that may require us to ramp up production on short notice, deliver products quickly in different locations, or modify or refine complicated products quickly and efficiently to suit the needs of our consumers.

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### **We have an extensive and effective distribution network**

We reach a diverse consumer base in China through our extensive distribution network. The continual expansion of our distribution network in China during the Track Record Period has accelerated the penetration of our brands and products. In China, we sell our products through an extensive distribution network, with 28 provinces, autonomous regions and municipalities in the PRC with coverage of 5,297 maternity and childcare specialty stores, 835 hypermarket outlets, and 664 department store outlets as of July 31, 2010. We sell our products in China to distributors, who in turn distribute our products to end consumers through retail outlets operated by the distributors themselves or their sub-distributors. Retail outlets include department stores, hypermarkets and, increasingly, maternity and childcare specialty stores. We collaborate with these retail outlets by inspecting and providing suggestions on the image displays at these outlets, establishing operating standards relating to personnel and inventory at these outlets, and providing training programs and assisting these retail outlets in their operations.

To further expand our distribution network in China, we conduct regular distributor fairs three times a year to promote our products among distributors. In 2009, we began organizing provincial fairs throughout China to promote our products to retailers, primarily maternity and childcare specialty stores. Going forward, we intend to continue holding such provincial fairs annually. According to Frost & Sullivan, although maternity and childcare specialty stores are becoming the fastest-growing distribution channel in China, the market for this channel remains fragmented, with no sizable established chain. In many cases, we also actively manage our distribution network by maintaining relationships with retailers to monitor their inventory and sales performance, so as to better understand the local market and refine our sales and distribution efforts. For example, we interact with approximately 7,000 maternity and childcare specialty stores in China through their participation in our provincial fairs. After the fairs have concluded, we continue to maintain our relationship with these maternity and childcare specialty stores by visiting or maintaining contact with these stores by telephone. We started establishing a dedicated team of personnel in 2009 that interacts with these maternity and childcare specialty stores. On average, we visit major maternity and childcare specialty stores once every quarter and other maternity and childcare specialty stores once a year, and we telephone each of the maternity and childcare specialty stores at least once a month. We intend to continue to reach out to more maternity and childcare specialty stores through our provincial fairs.

We believe that our knowledge of the durable juvenile product market in China has enabled us to identify distribution channels that have been, and will continue to be, successful in promoting and selling our durable juvenile products.

### **We enjoy a first-mover advantage in China, where there are significant barriers to entry**

We are one of the first durable juvenile product companies in China that has attained a national and global reach. We were a first mover in the durable juvenile product industry. We have captured significant industry growth opportunities in China and have maintained the largest market share in terms of stroller sales in China for 17 years. We believe it is difficult for our competitors to challenge our leading position in the stroller market, particularly because of the significant barriers to entry in this market, including the following:

- We entered the market when China's durable juvenile product industry was at a nascent stage. We believe we have been leading this industry and have been at the forefront of setting certain industry trends in China. In addition, we have participated in the drafting of national safety

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standards governing China's juvenile product industry and sponsored educational activities and projects relating to pregnancies and maternity care, which are organized by governmental and non-governmental organizations in China. For example, we have provided sponsorship and support to the Pre- and Post-natal Family Education Project (嬰幼兒家庭教育計劃), a nationwide project jointly organized by several PRC ministries that focuses on promoting better understanding and awareness of cultural and health issues for mothers, babies and children. Our active participation in these national activities has, we believe, enabled us to remain competitive in the durable juvenile product industry in China.

- The Chinese durable juvenile product industry is highly fragmented and is different from region to region. Therefore, accurate and timely information regarding the durable juvenile product market is not widely available to locally based durable juvenile product companies. We acquired our knowledge of the nationwide durable juvenile product market through more than two decades of market research, product knowledge and engagement in the market. Our understanding and knowledge of the differences between the urban and rural markets, as well as the regional cultural differences and income disparity in the country, have given us an advantage in understanding the preferences and needs of the end-consumers of our products. We believe that this advantage, which we have attained through many years of experience in the durable juvenile product industry, has allowed us to retain our leading market position in China. We believe it is difficult for our competitors to obtain or build up the requisite knowledge base and expertise to understand the market as comprehensively as we do.
- Our early entry in the market and establishment of strong and stable relationships with local distributors have been critical to our success. Our establishment of and control over our domestic distribution channel enables us to maintain a leading position. We believe it is difficult for our competitors to obtain or build up the requisite experience and understanding of the market to replicate our success in establishing and controlling the distribution channel.

### **We have an experienced, innovative and professional management team with an entrepreneurial spirit and a proven track record**

We have a strong professional management team that is characterized principally by its continued commitment to our Company, its combined culture of entrepreneurship and professional execution capability, and the diverse background, innovative thinking and extensive experience of its members:

***Continued commitment and entrepreneurial spirit:*** Our management team has demonstrated a loyal, continuing and enthusiastic commitment to our Company. The members of our management team have, on average, served our Company for over 13 years. Our founder, Mr. Song, who established the “好孩子 Goodbaby” brand in 1989, is currently our Chairman and Chief Executive Officer, and is responsible for providing the strategic vision for our Company and overseeing our development, including active involvement in our Company's day to day management. In addition, most of the key personnel in our market research, product development and design team have an average tenure with the Group of over 10 years. In 2010, we were awarded the “China Quality Award” (全國質量獎) which is a national award according to China Excellent Performance Evaluation Standard (卓越績效評價準則) in China.

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***Diverse background and extensive experience:*** Our management team includes members with diverse backgrounds and skill sets. By bringing together managers with diverse backgrounds and experiences, we are able to offer and deliver a strong track record through innovative thinking and strong execution capability. A majority of our management team has more than 16 years of domestic and international experience in our industry. We have invested significantly in building an experienced management team across all of our business units. We believe that this has been critical to our success in the past and has positioned us well for further growth and development. We believe our management team’s dedication and vision have been keys to our success, and will continue to be critical to our future.

### OUR STRATEGIES

We intend to further enhance our leading position in the stroller industry and enlarge our market share in other durable juvenile products in China and internationally. To achieve these goals, we will adopt the following strategies:

#### **Enhance our brand recognition**

We intend to further strengthen our established brands by continuing to deliver high-quality products and services under those brands, and continue to strengthen the market image and positioning of our key brands in the market. We will continue consolidating the position of our “好孩子 Goodbaby” brand as the leading brand in the durable juvenile product market in China to capture the fast growing mid- to high-end durable juvenile products market. As for “小龍哈彼 Happy Dino”, we will continuously increase the penetration of the mass market segment in China. We will also broaden our product offerings under the “小龍哈彼 Happy Dino” brand.

We plan to fine-tune our marketing programs to further improve brand loyalty, reputation, and recognition. Our marketing, sales and promotion initiatives have included and we intend to continue to include:

- Enhancement of consumer loyalty in China through the establishment of a consumer management system that seeks to manage and further cultivate our interaction with the end-consumers by utilizing comprehensive call center solutions and enhancing customer service and support;
- Further promotion of our brands outside of China;
- Continuous enhancement of the image of retail outlets;
- In-store marketing and promotions;
- Provincial fairs and distributor fairs;
- Sponsorship of educational activities and projects relating to pregnancies and maternity care, which are organized by governmental and non-governmental organizations;
- Sponsorship of charity events to further enhance our brand recognition; and
- Advertising online and in trade magazines, television and other media.

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### **Strengthen our performance in other durable juvenile products segments in addition to strollers**

We intend to leverage our experience and leading position in the stroller industry and further strengthen our performance in our other existing categories of durable juvenile products in both the domestic and overseas markets, either under our self-owned brands or leading third party-owned brands. Historically, our Company was associated primarily with strollers, but over time we have extended our presence into other durable juvenile product segments. According to Frost & Sullivan, in China, “好孩子 Goodbaby” brand is now the best-known durable juvenile products brand, as well as the best-known brand of strollers, children’s car safety seats and cribs. Accordingly, we seek to further enhance our capability and performance in our other durable juvenile products segments such as children’s car safety seats, cribs, bicycles and tricycles. We also intend to leverage our experience in our existing durable juvenile products segments and extend our technologies into designing and developing new products such as stationary activity play centers. Although we do not have strong experience in running these new products such as stationary activity play centers, we believe that we can leverage our experience in our other durable juvenile products segments in the design, development and commercialization of these new products.

We intend to leverage our experience and leading position in the stroller industry to further expand into the children’s car safety seats market in both our domestic and overseas markets. Specifically, as part of our effort to strengthen our presence in the children’s car safety seats market, we intend to continue our active involvement and participation in formulating new national safety standards for China’s juvenile products industry. We also seek to further enhance our R&D capability on the design and development of children’s car safety seats by recruiting more experienced personnel with appropriate qualifications. We will continue to seek business cooperation opportunities with reputable international brand owners and distributors to enhance our penetration into the children’s car safety seats market overseas.

### **Continue to invest in our market research, product development and design capability**

We plan to continue to invest in our market research, product development and design capability to maintain our position in the stroller industry and to develop our growing position in other durable juvenile product markets such as the children’s car safety seat market. Our goal is to continue to translate the results of our market research, product development and design initiatives into commercially successful products in our target markets. To achieve our goal, we intend to further strengthen our existing global R&D system and, in particular, we plan to:

- Further enhance our specialization and division of labor in the R&D process, optimize the collaboration and logistics involved in R&D, and improve the existing physical infrastructure in our R&D centers;
- Continue improving our technology skills in the design and development of strollers and further extending our improved technologies into other durable juvenile product segments;
- Continue to seek out talented individuals to increase the expertise of our market research, product development and design team, as well as expand the size of the existing team, which currently consists of more than 300 professionals spanning Kunshan, Boston, Utrecht, Tokyo and, most recently, Hong Kong;

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- Maintain a workplace environment that is conducive to creativity and innovation by further fostering a cooperative atmosphere, improving our existing evaluation system and encouraging a cooperative exchange of ideas and innovations; and
- Establish other market research, product development and design centers in countries where we see growth potential.

### **Expand our distribution network in China**

We intend to continue to strengthen our position as the leading brand in the durable juvenile product market in China by increasing market penetration through the expansion of our existing distribution network. Specifically, we intend to:

- Continue to strengthen our distribution through hypermarket outlets and department store outlets;
- Enhance our interaction with, monitor of, guidance and support provided to maternity and childcare specialty stores, which is the fastest-growing distribution channel. Specifically, this distribution channel targets the mid-end to mass market consumer segments and constitutes a main area of market penetration. In particular, we interact with approximately 7,000 maternity and childcare specialty stores in China through their participation in our provincial fairs. After the fairs have concluded, we continue to maintain our relationship with these maternity and childcare specialty stores by visiting or maintaining contact with these stores by telephone. We started establishing a dedicated team of personnel in 2009 that interacts with these maternity and childcare specialty stores. On average, we visit major maternity and childcare specialty stores once every quarter and other maternity and childcare specialty stores once a year, and we telephone each of the maternity and childcare specialty stores at least once a month. We intend to continue to reach out to more maternity and childcare specialty stores through our provincial fairs;
- To promote our products through hypermarket outlets, department store outlets and maternity and childcare specialty stores, we plan to continue developing new products to meet the needs of these distribution channels and organize fairs to attract distributors and retailers.

We believe this strategy will allow us to enhance our existing network by encompassing different demographic and socio-economic groups nationwide, thereby strengthening our leading position in the durable juvenile product market in China.

### **Expand our overseas markets**

We will continue to strengthen our presence by taking proactive efforts in understanding the consumer market, including the preferences, needs and behavior patterns of end-consumers. We intend to further collaborate with our existing customers to develop our target markets and selectively identify additional leading international brand owners or experienced local distributors according to local market conditions to deepen our penetration into such target markets. We seek to replicate our business success in China, North America and our European market to strengthen our market presence in emerging markets. We also intend to enter into new, attractive markets either by working with locally leading brand owners or promoting our own brands where we deem appropriate.



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### **Strengthen our servicing platform with our customers**

We work together with numerous international brand owners to maximize our penetration in target markets such as North America and our European market. To further enhance our collaboration, we seek to further develop our service platform which is individually targeted, confidentiality-secured, interactive and focused on responsiveness to our customers needs. Specifically we plan to:

- With respect to each brand, conduct market research and R&D seeking to make such brand more distinctive, having its own characteristics and attributes;
- Establish an interactive and secure channel of communication with our international brand owner customers. We will establish dedicated servicing teams to provide customized service to each international brand owner customers. In the case of our key customers, we may also set up representative offices in the customers' offices, so that projects on which we are cooperating can be closely monitored. We can thereby respond on a timely basis to any urgent matters;
- Create a project management system such that the information relating to the R&D of any project for any two- to three-year period is comprehensively preserved and protected; and
- Continue to improve our firewall system such that each international brand owner's commercial information is strictly protected.

### **Enhance our production control and supply chain management system and increase outsourcing where appropriate**

We seek to continuously enhance our ability to respond rapidly and flexibly to changing market demands by further improving our production control and supply chain management system. With respect to production control, we intend to further improve our manufacturing efficiency and cost control capability by enhancing our DFM process. With respect to supply chain management, only sizable domestic suppliers are currently connected to our supply chain ERP system. We seek to further expand the use of the ERP system to all key suppliers. We also seek to extend the functionality of our ERP system as an interactive ordering system, interfacing with our customers to achieve more efficient and timely management of orders and specific requests by our customers. We believe broadening the usage of the ERP system will help expand our business in the overseas markets. In addition, we intend to continuously improve the efficiency and broaden the functions of our SOP, with the overall aim of enhancing our supply chain management system and further improving our ability to effectively respond to changing market demands in a timely fashion.

By enhancing our ability to integrate our proprietary advanced technology and digital monitoring system into our supply chain management system, we believe we will be better able to ensure the consistency of quality of our manufactured products as well as outsourced products. Furthermore, as the production and supply management system becomes more comprehensive and effective, we plan to increase the proportion of products that we outsource for manufacturing. In addition, we will continue to select, at our discretion, the type of products we outsource. Selective outsourcing has allowed us to devote our production capacities to higher-margin products and given us more flexibility in our production process and capacity, which we believe has allowed, and will continue to allow, us to respond faster and more flexibly to changing market demands.



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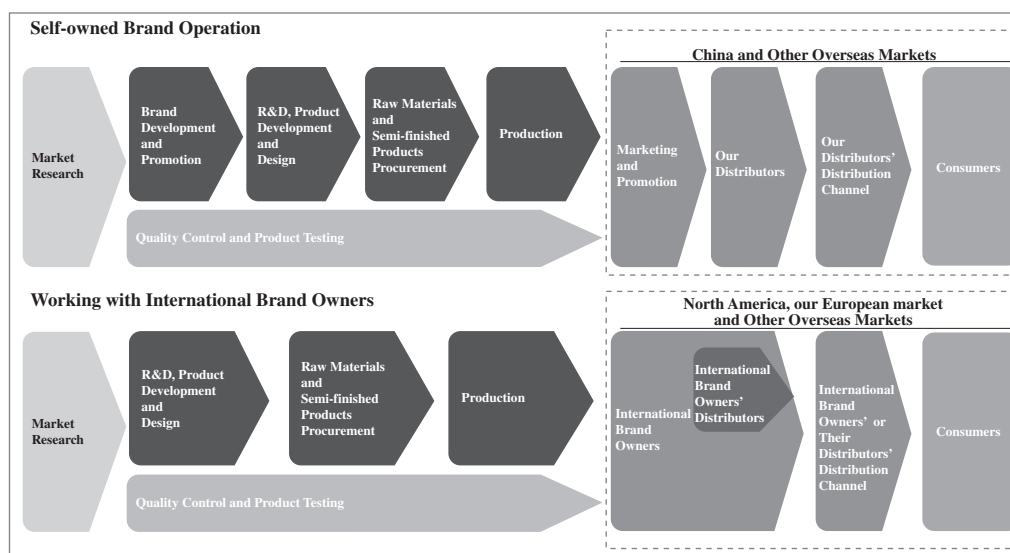
### Selectively pursue acquisition and strategic alliance opportunities

The Chinese durable juvenile product industry remains highly fragmented and we expect that it will experience consolidation over time. We aim to be at the forefront of this consolidation and seek to increase our market share significantly, despite our already leading position in the market. We plan to consider opportunities to acquire new brands, products or distribution platforms that complement our existing business. We believe that pursuing selective acquisitions of companies and alliances with international brand owners could enhance our competitiveness and further solidify our market position. In addition to these criteria, we also seek potential targets with a reputable management, a solid track record and a good operating platform. We will carefully consider and evaluate each potential acquisition and alliance on its merits to ensure that our existing business platform will derive appropriate benefits. As at the date of this prospectus, we have not identified any suitable investment targets.

### OUR BUSINESS MODEL

Our business model is catered to operations in connection with our self-owned brands as well as operations in connection with international brand owners. Our business model is further modified in accordance with the different circumstances of our four major markets: China, North America, our European market, and Other Overseas Markets. Regardless of the markets in which we operate, our R&D centers in Kunshan, Boston, Utrecht, Tokyo and Hong Kong are able to work together to create new products or innovations to existing projects that are catered to our different markets.

Our business model can be summarized as follows:



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### Operations in connection with our self-owned brands

For products that we sell under our self-owned brands in China and Other Overseas Markets, we create concept and product designs that are tested and analyzed through our market research. Designs with potential for commercialization are either sent to our manufacturing plants for sample production or outsourced to reliable third-party manufacturers. After multiple rounds of evaluation and improvements, we launch new products and designs for mass production. In China, because of our leading position in the durable juvenile products industry, we believe we are better able to obtain information on consumer needs and preferences throughout China, which enables us to respond effectively to such trends. Our nationwide distribution network serves as a platform through which we deliver products and introduce product concepts to a broad and diverse consumer base through our distributors and their sub-distributors. In China, substantially all of the products we design, develop and introduce are labeled under our own brands such as “好孩子 Goodbaby” and “小龍哈彼 Happy Dino”. We sell our self-owned branded products in Other Overseas Markets to experienced local distributors who in turn distribute our branded products through their distribution channels.

### Operations in connection with international brand owners

For products that we sell under the brands of our international brand owner customers in North America, our European market and Other Overseas Markets, we carry out market research to monitor market developments and anticipate market trends and changing consumer preferences. For these markets, we establish strategic relationships with owners of internationally leading durable juvenile products brands and independently or jointly design and develop durable juvenile products according to market conditions and needs. These products are either manufactured by us or outsourced to reliable third-party manufacturers. We sell products to such brand owners who in turn sell under their distribution channels.

## BRANDS AND PRODUCTS

### Brands

We have leading self-owned brands, such as “好孩子 Goodbaby” and “小龍哈彼 Happy Dino” brands, and we partner with international brand owners to sell durable juvenile products under their leading international brands among which we have established strategic relationships with key brand owners.

In China, “好孩子 Goodbaby” generally caters to the mid- to high-end market, and its end-consumers are typically located in first and second-tier cities. “小龍哈彼 Happy Dino” generally caters to the mass market segment throughout China. “Goodbaby EU” primarily targets the high-end segment of the Chinese durable juvenile products market to appeal to consumers who prefer European fashions and trends. “純之星 Globe Clairs” products, which are designed for consumers preferring Japanese fashions and trends, are generally sold to the high-end market, with its end-consumers generally located in first- and second-tier cities in China.

We also sell “好孩子 Goodbaby”, “小龍哈彼 Happy Dino”, “Goodbaby EU” and “純之星 Globe Clairs” products in Other Overseas Markets. Our “好孩子 Goodbaby” brand is viewed as the most recognized durable juvenile products brand in China, and we intend to further promote this brand in overseas markets.

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We intend to increase the penetration of the “小龍哈彼 Happy Dino” brand into the mass market segment in China and to increase the brand recognition and popularity of our “小龍哈彼 Happy Dino” brand in overseas markets. We intend to further promote our “Goodbaby EU” and “純之星 Globe Clairs” brands in the respective target markets.

In North America and our European market, our products are sold to owners of internationally leading durable juvenile products brands, such as “Safety 1st”, “Cosco”, “Quinny” and “Maxi Cosi”. We design and develop durable juvenile products either on our own or jointly with these leading international brand owners, and manufacture and sell such products to the brand owners. These durable juvenile products are in turn sold by the brand owners under their brands using their distribution channels. We will continue to implement this strategy to further increase our penetration into our target markets in North America and our European market.

### *Our major self-owned brands*

	Name	Commencement Year	Target Markets	Target Customers	Description
	Goodbaby/gb <sup>(1)</sup>	1989	China, Japan, Korea, Hong Kong, Taiwan, Middle East, Southeast Asia, South America, Russia	Mid- to high-end	“好孩子 Goodbaby” brand was launched in 1989 with the introduction of the first “push and rock stroller” in China. “好孩子 Goodbaby” brand is now the best-known brand of durable juvenile products in China.
	Happy Dino <sup>(2)</sup>	1999	China, South America, Middle East, Southeast Asia, Russia	Mass market	Happy Dino offers a range of products similar to Goodbaby products and are geared towards the mass market segment.
	Globe Clairs	2007	China, Japan, Taiwan, Hong Kong, Southeast Asia	High-end market	Globe Clairs is a Japanese-style brand for strollers and positioned as a premium brand in the target markets.
	Goodbaby EU	2007	China, South America, Middle East, Southeast Asia, Russia	High-end market	Goodbaby EU is a European-style brand and positioned as a premium brand in the target markets.

(1) On July 22, 2010, we launched the introduction of our new logo, “gb”, which we expect to gradually replace the English-language “Goodbaby” logo over time.







(2) Originally “小小恐龍 Little Dinosaur” and rebranded to the current brand name of “小龍哈彼 Happy Dino” in 2006.

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As a result of the de-merger of GCPC, the trademarks for the brand descriptions in connection with business activities within the business scope of our Parent Group will be transferred to GCCL, a subsidiary of our Parent Company. Our Parent Group, which is not part of our Group, uses the “好孩子 Goodbaby”, “好孩子 gb”, “小龍哈彼 Happy Dino” and “媽媽好孩子 Mama’s Goodbaby” brands in businesses that are related to its business scope, including the manufacture and sale of non-durable juvenile products and the operation of retail outlets. As such, both our Group and our Parent Group use the same brand descriptions in selling their respective products. However, the trademarks relating to the brand descriptions that are used by our Parent Group are registered to our Parent Group for use only in connection with business activities within the business scope of our Parent Group. Therefore, the business activities for which our Parent Group owns trademarks to use the same brand descriptions relate to our Parent Group’s business scope and are different from the business activities for which our Group owns trademarks to use the same brand descriptions which are within our business scope.

### *Major third party-owned brands*






The major third party-owned brands can be summarized as follows:

	Name	Brand Owner	Commencement Year	Target Markets	Target Customers	Description
	Safety 1st	Dorel	1984	U.S., Canada, our European market, South America	Mid-end	Safety 1st is a mid-end U.S. brand of baby gear products, children’s car safety seats and strollers. This brand is also under promotion in our European market.
	Cosco	Dorel	1941	U.S., Canada, South America	Mass market to mid-end	Cosco is a mass market to mid-end U.S. brand of strollers, children’s car safety seat and baby gear products.
	Quinny	Dorel	2001	U.S., Canada, our European market	High-end	Quinny is a lifestyle brand in our European market for durable juvenile products, including high-end strollers which are predominantly sold in specialty shops in our European market.
	BebeConfort	Dorel	1932	Our European market	High-end	Bebefonfort is a high-end French brand of durable juvenile products including strollers, children’s car safety seats and baby gear products.
	Maxi Cosi	Dorel	1968	Our European market, U.S., Canada	High-end	Maxi Cosi is a high-end European brand of children’s car safety seats, and in recent years, has extended to strollers as well.
	Silver Cross	Silver Cross	1877	Global	Mid- to high-end	Silver Cross is a high-end U.K. brand for strollers.

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	Name	Brand Owner	Commencement	Target Markets	Target	Description
			Year		Customers	
	Babideal	Dorel	1988	Our European market	Mass market to mid-end	Babideal is a mass market French brand for durable juvenile products.
	Mothercare	Mothercare	1961	Global	Mid- to high-end	Mothercare is a U.K. retail brand.
	Play	Play	1966	Our European market, Australia, Japan	Mid- to high-end	Play is a mid- to high-end Spanish brand
	Britax	Britax	1939	Germany, U.K., Australia	High-end	Britax is a high-end brand of children's car safety seats, and in recent years, has extended to strollers as well.
	PHIL&TEDS	PHIL&TEDS	1995	Global	Mid- to high-end	Phil&teds is a high-end New Zealand brand of strollers. It is famous for its in-line strollers and many other product innovations.

### Products

We sell a comprehensive range of durable juvenile products, including strollers, children's car safety seats, cribs, bicycles and tricycles and e-cars.

The following is a brief description of our key products:

#### *Strollers and accessories*

According to Frost & Sullivan, in 2009, we were the largest supplier of strollers globally and our market share by units sold and retail value was 27.2% and 41.2%, respectively, in China. In addition, our largest customer to whom we sell strollers in the North American market, Dorel, had a market share of stroller sales of 55.1% by units sold in the North American market and our customers to whom we sell strollers in our European market, Dorel, Mothercare, Play and Silver Cross, had a combined market share of stroller sales 27.8% by units sold in our European market. We also provide stroller accessories, such as storage items that can be attached to strollers.

In China, we sell our strollers and accessories primarily under the “好孩子 Goodbaby” and “小龍哈彼 Happy Dino” brands. During the Track Record Period, “好孩子 Goodbaby” and “小龍哈彼 Happy Dino” branded strollers have consistently been the highest-selling branded strollers in China as measured by retail value and units sold, respectively. We also believe our success in the domestic stroller market is largely attributable to our strong market research, product development and design capability, which has enabled us consistently to introduce innovative and stylish products to the market. Many of our stroller designs are protected by patents that we have registered in China. In addition to our own branded strollers, we also sell “Quinny” and “Silver Cross”- branded strollers through our distributors in China.

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In North America and our European market, we provide strollers and accessories to owners of leading international brands. These products are sold under a number of brands of such brand owners, including “Safety 1st”, “Cosco”, “Quinny”, “Maxi Cosi”, “Mothercare”, “Play” and “Britax”.

In Other Overseas Markets, we sell strollers and accessories, which we have designed (or jointly designed in the case of one of our customers) or manufactured, to locally leading brand owners, who then sell and distribute them under their brands using their distribution channels. We also sell our branded strollers and accessories to experienced local distributors in Other Overseas Markets.

### *Children’s car safety seats*

We provide children’s car safety seats principally to overseas customers. Our principal overseas customers for children’s car safety seats are Dorel, Play and Britax. Dorel provides children’s car safety seats in North America and our European market primarily under its “Maxi Cosi” and “Cosco” brand. We expect the demand for our children’s car safety seats from our overseas customers to continue to grow. In addition to our ability to provide attractive and quality new models of children’s car safety seats to our customers, we believe the demand for our products in our European market is likely to increase as a result of recent legislation in our European market which requires all children under the age of 12 to be under an approved restraint system when traveling in a car.

In China, we sell children’s car safety seats under the “好孩子 Goodbaby” and the “Maxi Cosi” brands. Currently, the domestic market for children’s car safety seats is in its infancy. However, we anticipate that demand will grow should the PRC government introduce future legislation to make the use of children’s car safety seats for children compulsory. Even in the absence of such legislation, we believe the demand for children’s car safety seats is expected to grow rapidly due to rising levels of car ownership and increasing product availability and car safety awareness.

We believe we enjoy significant advantages in expanding into the children’s car safety seat market. We maintain a dialogue with government officials and legislators who are formulating new safety standards for China’s juvenile product industry, including children’s car safety seats. We have participated in the drafting of certain national safety standards governing the juvenile product industry. In addition, we are a member of the National Toy Technical Standardization Committee, which is responsible for formulating safety standards for China’s juvenile product industry. In our participation in the drafting of national safety standards, we either furnish drafts of proposed legislation to the National Toy Technical Standardization Committee or provide substantive feedback on the draft standards issued from such Committee. In addition, we have been involved in the revisions or amendments of national safety standards that have been previously released. Our experience in strollers has enabled us to design and create strollers that have more features than traditional children’s car safety seats, such as seats that can be designed to be set on top of a wheeled vehicle, thereby doubling as a stroller. This allows consumers to utilize one product — a stroller with a seat that can be detached to become a children’s car safety seat — rather than two.

### *Cribs and accessories*

In China and the overseas markets, we provide cribs and crib-related accessories, and other items including changing tables and wardrobes, under our “好孩子 Goodbaby” and “小龍哈彼 Happy Dino” brands, as well as third party-owned brands.

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### *Children's bicycles, tricycles, e-cars and others*

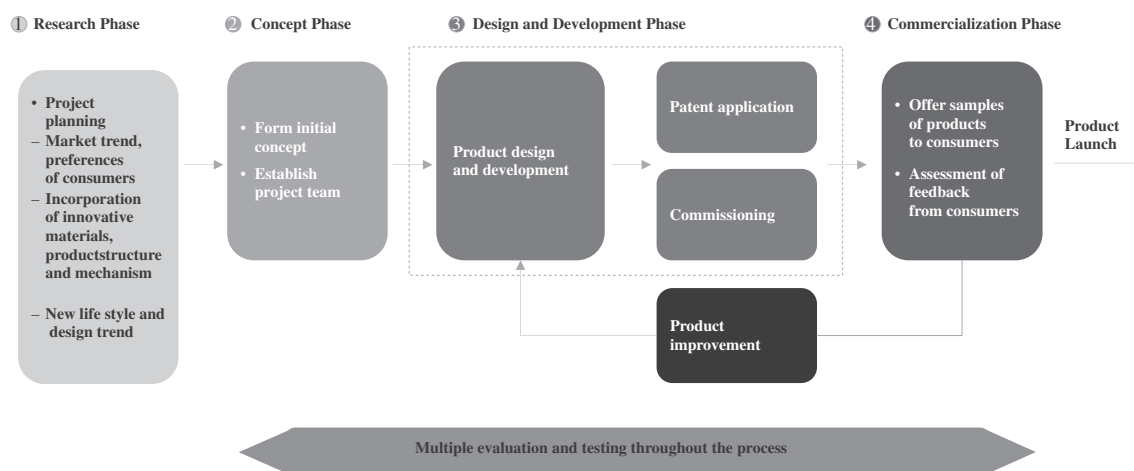
In China and the overseas markets, we provide children's bicycles, tricycles, e-cars and other products such as high chairs and swings, under our “好孩子 Goodbaby” and “小龍哈彼 Happy Dino” brands, as well as third party-owned brands.

### MARKET RESEARCH, PRODUCT DEVELOPMENT AND DESIGN

We firmly believe that our commitment to market research, product development and design has been key to our success. We also believe that we have one of the best market research, product development and design teams for strollers and related products in China and internationally. We currently have five R&D centers: Kunshan, China, Boston, U.S.A., Utrecht, the Netherlands, Tokyo, Japan and Hong Kong. The five centers work closely on product development and design. Our Boston, Utrecht, Tokyo and Hong Kong centers place greater emphasis on market research, creation of product concepts and fashion, while our Kunshan center places greater emphasis on engineering, technical improvements and commercialization of product concepts.

As of July 31, 2010, our market research, product development and design team consisted of over 300 employees, with more than 130 full-time designers, many of whom have extensive overseas experience. In 2009, our market research, product development and design expenses were HK\$55.4 million, including market research, product development and design personnel's compensation, outsourced design expenses and expenses related to creating prototypes.

The diagram below summarizes the R&D flow chart for our domestic and overseas markets.



### Market research

Our market research focuses on market trends, preferences of consumers and international brand owners, competitor strategies and leading design innovations. Each R&D center conducts market research based on local market conditions in its target markets and, where necessary, shares information and provides support to the other R&D centers.

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### **Product development and design**

Our R&D team in Kunshan works closely with our overseas R&D centers in creating concept and product designs that are tested and analyzed through our market research. Our business model allows us to develop market-oriented product solutions. During concept design, we establish a project team which carefully analyzes our market research conducted on retailers as well as end-consumers of our products, and develop concept designs that capture the market trends and preferences of our consumers and partners. Our concept designs incorporate innovative materials, product structures and mechanisms, and are driven by factors such as functionality, durability and appearance, as well as new lifestyle and design trends.

During product development and design, our project team performs mid-term evaluation of our designs and sends our report of patent applications for commissioning. At the commercialization phase, we offer samples of our products to end-consumers and, based on assessment of feedback from such end-consumers, we further improve our product designs before product launch. Throughout the entire process, our concept designs and product designs are subject to multiple evaluations as well as safety and reliability testing. Designs that has passed our evaluation and with potential for commercialization are then sent to our manufacturing plants for production.

In China, we seek to develop competitive designs and products for our end users, relying primarily on our R&D efforts in Kunshan, while also taking into account feedback from our other R&D centers pertaining to international fashion, trends and other developments. Because of our leading position in the Chinese market, we believe we are better able to obtain information on consumer needs and preferences throughout China, which enables us to respond effectively to such trends.

For the North American market and our European market, we either research, design and develop products on our own and customize such products to cater to the needs of our international brand owner customers, or work closely with such brand owners in the research, design and development of products. We also conduct our product design and development based on preliminary product concepts and ideas provided by our customers. Our customers often provide us with their proposed modifications which may involve altering aspects of the appearance and color of the materials. However, the product functionality and structure as designed by us generally remains unaltered. Typically, our customers are entitled to the intellectual property rights to the external design of the prototype of a product, while we are entitled to the intellectual property rights to the structural design.

In Other Overseas Markets, for products that we sell to locally leading brand owners — who in turn sell under their brands using their distribution channels — our approach to product development and design is similar to the approach for our North American market and our European market. For products that we sell to experienced local distributors, our approach to product development and design is similar to the approach for our domestic business.

### **Patents**

Our market research, product development and design team is responsible for our patent applications. Since 1994, we have steadily increased the number of our patent registrations and as of September 30, 2010, in China, we had 2,116 registered effective patents, 527 applications for patent registration, and 1,617 patents that had ceased to be effective or had expired. The expiration of such patents did not have a material and adverse impact on our business, financial condition, results of operations and prospects. We hold patents of



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three different categories, namely, invention patents, utility patents and design patents. As of September 30, 2010, we held 93 invention patents, 664 utility patents and 1,359 design patents, and our registration applications for 83 invention patents, 256 utility patents and 188 design patents were pending. For further details on our intellectual property rights, please refer to Appendix VI to this prospectus under the heading “Further Information About The Business — Intellectual property rights of the Group.”

Our patented intellectual property, from time to time, has been infringed by products of our competitors. Although we aggressively guard against counterfeiting, we also see such acts of infringement as a testament to our strengths in our R&D and product innovation capability intellectual properties. See “Business — Intellectual Property.”

### SALES AND DISTRIBUTION

We believe we have strategically positioned our business to connect to a broad and diverse customer base in both the domestic and overseas markets. The continual expansion of the sales and distribution network during the Track Record Period has, we believe, given us a significant competitive advantage, allowing us to successfully achieve an extensive coverage and deep penetration of the target markets for our brands and products. As of July 31, 2010, we had 451 distributors in China and work with 83 international brand owners and 32 distributors in the overseas markets. In 2009, we generated 24.1% of our revenue from our Continuing Operations from our domestic market, 63.6% from our North American market and our European market, and 12.3% in Other Overseas Markets.

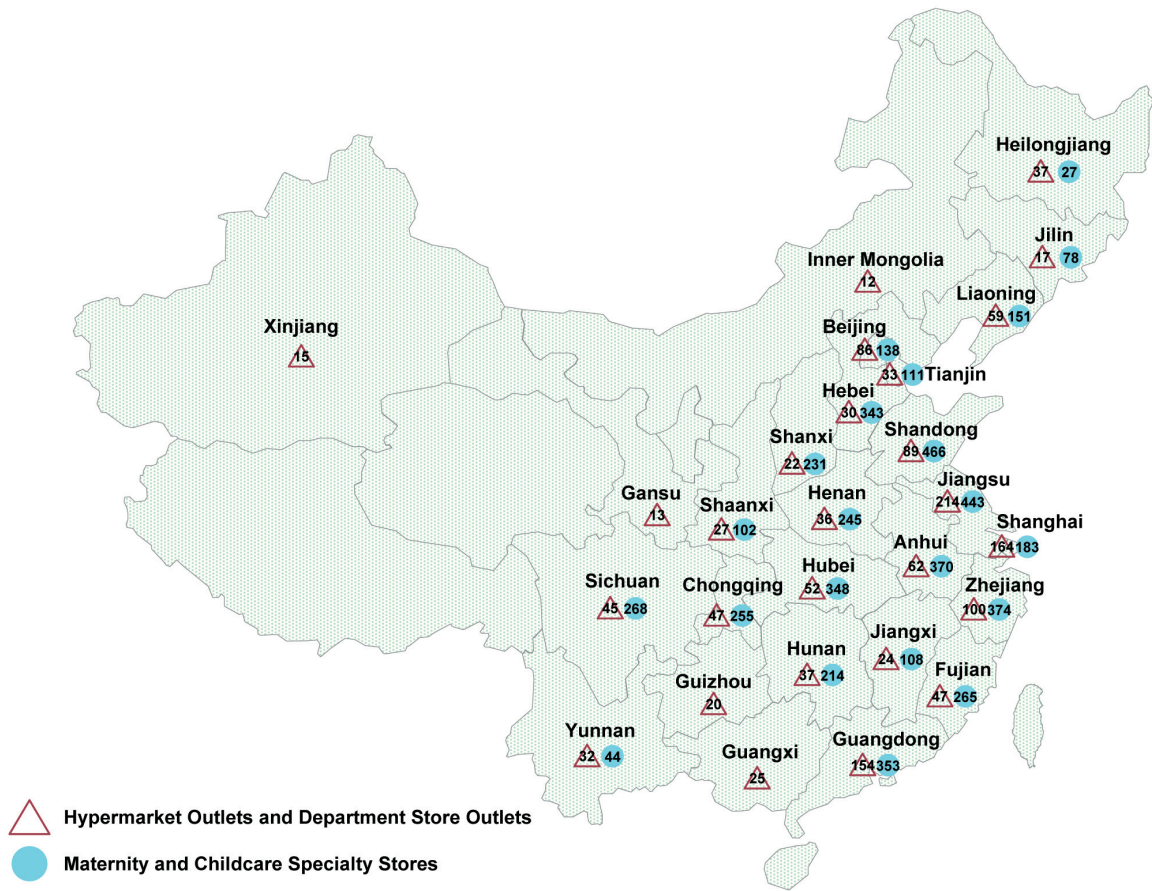
For the three years ended December 31, 2007, 2008 and 2009 and the seven months ended July 31, 2010, our top five customers accounted for 74.3%, 70.7%, 67.0% and 60.3%, respectively, of our revenue from Continuing Operations. Our largest customer accounted for 51.9%, 49.3%, 50.3% and 44.7% of our revenue for those respective periods. Except for GCCL, none of our shareholders, directors and their associates who hold more than 5% of our issued capital have any interest in our top five customers. GCCL, one of the Group’s major customers, is an indirect subsidiary of our Controlling Shareholders and part of the Parent Group.

### Our Domestic Business

In China, our products are sold across an extensive distribution network, with 28 provinces, autonomous regions and municipalities in the PRC with coverage of 5,297 maternity and childcare specialty stores, 835 hypermarket outlets, and 664 department store outlets as of July 31, 2010. We sell our products to distributors who subsequently sell our products to end customers through retail outlets operated by themselves (including department stores, hypermarkets and, increasingly, maternity and childcare specialty stores) or their sub-distributors.

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The following map shows the sales and distribution network in China as of July 31, 2010.



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The following table sets out the distribution of retail outlets that sell our products, by geographic region, as of July 31, 2010.

Sales Region <sup>(1)</sup>	Maternity and Childcare Specialty Stores	Hypermarket Outlets	Department Store Outlets	Total <sup>(3)</sup>
Eastern China . . . . .	1,653	252	213	2,118
Southern China . . . . .	726	144	106	976
Western China . . . . .	669	107	92	868
Northern China . . . . .	685	26	71	782
Northeastern China . . . . .	256	81	32	369
Central China . . . . .	987	63	62	1,112
Shanghai . . . . .	183	119	45	347
Beijing . . . . .	138	43	43	224
Total <sup>(2)</sup> . . . . .	<u>5,297<sup>(4)</sup></u>	<u>835</u>	<u>664</u>	<u>6,796</u>

- (1) Sales regions include: Eastern China (Anhui, Jiangsu, Shandong, Zhejiang), Southern China (Fujian, Guangdong, Guangxi, Hainan, Jiangxi), Western China (Chongqing, Gansu, Guizhou, Ningxia, Qinghai, Shaanxi, Sichuan, Xinjiang, Yunnan), Northern China (Hebei, Inner Mongolia, Shanxi, Tianjin), Northeastern China (Heilongjiang, Jilin, Liaoning), Central China (Henan, Hubei, Hunan), Beijing and Shanghai.
- (2) 835 hypermarket outlets, 664 department store outlets and 226 maternity and childcare specialty stores were operated by our distributors. The remaining 5,071 maternity and childcare specialty stores were not operated by our distributors; however, we interact with these 5,071 stores by visiting or maintaining contact with them by telephone. On average, we visit major maternity and childcare specialty stores once every quarter and other maternity and childcare specialty stores once a year, and we telephone each of the maternity and childcare specialty stores at least once a month.
- (3) During the three months ended July 31, 2010, each of the 6,796 retail outlets purchased our products from our distributors.
- (4) These 5,297 maternity and childcare specialty stores have participated in our provincial fairs and hence are part of the approximately 7,000 maternity and childcare specialty stores with which we interact by visiting or maintaining contact by telephone.

As of July 31, 2010, we had 451 distributors in China, each of whom purchased products from us during the three months ended July 31, 2010. Among our 451 distributors in China, 300 had entered into a distributorship agreement with us and the remaining 151 distributors did not have a distributorship agreement with us and principally worked with us on the basis of purchase orders. For the years ended December 31, 2007, 2008 and 2009 and for the seven months ended July 31, 2010, we derived 95.4%, 94.4%, 91.7% and 96.9%, respectively, of our revenue from distributors in China with whom we have entered into distributorship agreements. Our distributors sell our products to 6,796 retail outlets, with whom we do not have direct contractual relationships. Among the 6,796 retail outlets which purchased our products from our distributors during the three months ended July 31, 2010, 835 hypermarket outlets, 664 department store outlets and 226 maternity and childcare specialty stores were operated by our distributors. The remaining 5,071 maternity and childcare specialty stores were independent retailers who were customers of our distributors. Although these 5,071 maternity and childcare specialty stores were not operated by our distributors, we interact with these stores by visiting or maintaining contact with them by telephone. On average, we visit major maternity and childcare specialty stores once every quarter and other maternity and childcare specialty stores once a year, and we telephone each of the maternity and childcare specialty stores

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at least once a month. Our products are sold to the maternity and specialty stores through our distributors in China. For the seven months ended July 31, 2010, in relation to the products sold to the maternity and childcare specialty stores through our distributors, we derived RMB166.3 million (HK\$190.6 million) of revenue from our distributors for the sale of such products.

With respect to the distributors with whom we have entered into a distributorship agreement, we monitor and control these distributors through the distributorship agreements, which generally include the following principal terms:

- Geographical scope — Each of our distributors is designated a defined geographical area in which the distributor is authorized to sell our products. Distributors are not permitted to sell outside of their geographical area. Certain of our distributors may have exclusive rights to sell in their designated geographical areas;
- Pricing — We have adopted a suggested retail price system that is applied nationwide to all retail outlets operated by our distributors and third-party retailers to maintain our brand image and avoid excessive competition among our distributors and third-party retailers. We sell our branded products to all of our distributors at a discount to the suggested retail prices. In determining our pricing strategies, we take into account market supply and demand, production cost and the prices of our competitors' products;
- Transportation insurance — When our distributors are responsible for making their own delivery arrangements, they bear the risk of loss or damage to products during transport;
- Termination rights — We are entitled to terminate an agreement in certain circumstances such as breach of the agreement by the distributors, sale by the distributors of pirated products, unauthorized use of our brand names and material damages to our brand image caused by the distributors;
- Sales Rebates — to incentivize certain of our key distributors, we offer cash rebates to them on a case-by-case basis; and
- Sales returns and repairs services — We accept returns of our products from our distributors only if there are quality defects in the products. During the Track Record Period, there was no return of our products from our distributors. In addition, we provide repair parts to our distributors and the amount of repair parts we provide to each distributor is based on the amount of purchases by such distributor.

With respect to the distributors with whom we do not have a distributorship agreement, we work with them by way of purchase orders, which set forth detailed terms on the purchase quantity, product model, total price, amongst others. In addition, we have policies that are communicated to the distributors that designate a defined geographical area in which they are authorized to sell our products and are not permitted to sell outside of their designated geographical areas. Under these policies, we have also adopted a suggested retail price system that is applied nationwide to all retail outlets to maintain our brand image and avoid excessive

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competition among our distributors and independent retailers. We sell our branded products to distributors at a discount to the suggested retail prices. During the Track Record Period, we were not aware of any material incident where our products were sold at a price which deviated from our suggested retail price by retailers and sub-distributors.

During the Track Record Period and as of the Latest Practicable Date, we were not aware of any of our distributors committing any material breach of any of our distributorship agreements or violation of our policies relating to geographical scope and pricing. We closely monitor our distributors' compliance with observing their designated geographical areas. Distributors that sell outside their designated geographical areas are subject to penalties, which may include the imposition of a monetary fine and the termination of their distributorship agreement. With respect to our distributors who work with us on the basis of purchase orders, we will cease selling to them if they do not observe the geographical restrictions. We attempt to closely monitor our distributors' pricing policies by inspection of sales invoices and records in relation to distributions to retailers and random checks of prices at retail outlets. With respect to inventory levels at our distributors, our personnel conducts both scheduled and random inspections on the inventory level. By attempting to track the inventory levels of our distributors, we seek to gather information and data regarding the market acceptance of our products, so that we can reflect changing consumer preferences in the design and development of our products. However, our ability to accurately track the inventory levels of our distributors may be limited. For further details, please see the section headed "Risk Factors — Risks Relating to Our Business."

We generally require all of our distributors, including those who work with us on the basis of purchase orders, to make the entire payment to us before our products are delivered to them. However, on a case-by-case basis, we grant to certain distributors a credit period up to 90 days. Our distributors are invoiced upon delivery of our products and we recognize revenue from the sales of products to them when our products are delivered to our distributors because at that time such distributor has accepted the related risks and rewards of ownership. The title of the inventories is transferred to the distributors upon delivery of such products to the distributors. For more details of the accounting treatment of our revenue, please refer to the section headed "Financial Information — Critical Accounting Policies and Estimates — Revenue recognition."

Our distributors range from large scale operators whose annual purchases from us exceeded RMB16.0 million (HK\$18.0 million) in 2009 to smaller scale operators who purchased our products in a small quantity on a one-time basis in 2009. In order to further penetrate and increase coverage of our distribution network, apart from focusing on large scale operators, we will also strategically work with smaller scale operators with a view that some of these operators will perform well and ultimately become large scale distributors in their respective regions. As a result, we will from time to time have operators that are of larger scale as well as new operators of smaller scale but with a strategic view that the latter can enhance our distribution and coverage network in the future.

For the years ended December 31, 2007, 2008 and 2009, we had 50, 55 and 40 new distributors with whom we have entered into a distributorship agreement, respectively, and 104, 139 and 138 new distributors with whom we work on the basis of purchase orders, respectively. In addition, during each of these years, working relationships with 12, 23 and 30 distributors with whom we have a distributorship agreement were terminated, respectively, and working relationships with 56, 62 and 102 distributors with whom we work on the basis of purchase orders were terminated, respectively.

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The table below sets out the total number of distributors with whom we had established a new working relationship and the total number of distributors with whom we had terminated working relationships during the periods indicated below:

	Year ended December 31,		
	2007	2008	2009
<b>Number of new working relationships established:</b>			
On the basis of distribution agreements . . . . .	50	55	40
On the basis of purchase orders . . . . .	104	139	138
Total . . . . .	154	194	178
<b>Number of working relationships terminated:</b>			
On the basis of distribution agreements . . . . .	12	23	30
On the basis of purchase orders . . . . .	56	62	102
Total . . . . .	68	85	132

Our distributors interface with maternity and childcare specialty stores, hypermarkets and department store outlets. As our success is critically dependent on the consistent quality of our products as well as our reputation, we seek to ensure that our distributors are of sufficient caliber to distribute our products effectively to our target markets. We select our distributors based on a number of criteria, including the extent of their coverage in their regional markets, the depth of their penetration in such markets, years of operation, reputation and financial conditions. We evaluate our distributors on an annual basis, and replace those that have not met our standards, or in situations where other distributors are able to more effectively distribute our products.

Although we do not have direct contractual relationship with our retailers, our personnel inspect retail outlet displays from time to time, perform analysis on the sales of our products sold in retail outlets and suggest appropriate adjustments to displays to increase the sales volume of our products in retail outlets. We believe our assistance to these retail outlets is mutually beneficial as it allows the retail outlets to increase their level of sales and enables us to increase the sales volume of our products in these retail outlets. Our distributors visit the retail outlets from time to time to obtain information pertaining to the sales and inventory performance of our products at these retail outlets and provide us with such information.

Fairs represent an important avenue through which we expand our distribution network. In 2009, we began organizing provincial fairs throughout China to promote our products to retailers, primarily maternity and childcare specialty stores. Going forward, we intend to continue holding such provincial fairs annually. We interact with approximately 7,000 maternity and childcare specialty stores in China through their participation in these provincial fairs. After the fairs have concluded, we continue to maintain our relationship with these maternity and childcare specialty stores by visiting or maintaining contact with these stores by telephone. We started establishing a dedicated team of personnel in 2009 that interacts with these maternity and childcare specialty stores. On average, we visit major maternity and childcare specialty stores once every quarter and other maternity and childcare specialty stores once a year, and we telephone each of the maternity and childcare specialty stores at least once a month. We also conduct regular distributor fairs three times a year to promote our products among distributors. These fairs have generated, and we believe will continue to generate, significant orders for our products from our customers.



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Our Parent Company's affiliated company, GCCL, acts as our largest distributor and distributes our products to counters in key department stores and nationwide hypermarkets in first- and second-tier cities. See "Connected Transaction." For the three years ended December 31, 2009 and the seven months ended July 31, 2010, sales to GCCL contributed approximately 50.1%, 47.2%, 35.7% and 30.2%, respectively, of our domestic revenue from Continuing Operations. We intend to continue to utilize GCCL for distributing our products. A significant portion of products sold through GCCL are under the "好孩子 Goodbaby" brand. Our other distributors sell our products under our brands, such as "好孩子 Goodbaby", "小龍哈彼 Happy Dino", "純之星 Globe Clairs" and "好孩子 Goodbaby EU", to maternity and childcare specialty stores, hypermarkets and department store outlets throughout China.

### **Our North American and our European Business**

In the North American market and our European market, we sell products to our international brand owner customers who in turn sell under their brands using their distribution channels. We select our international brand owner customers based on various factors such as recognition of their brands, sales and distribution network, business strategies and visions, financial conditions, as well as their ability to continue to be market leaders or their potential to become the market leaders in the durable juvenile product industry. We have established an experienced and dedicated sales team for these markets to interface with our international brand owner customers with respect to sales orders and other sales-related services.

Maintaining close relationships with our international brand owner customers in the North American market and our European market is very important to our business. During the years ended December 31, 2007, 2008 and 2009 and the seven months ended July 31, 2010, 62.5%, 63.8%, 63.6% and 63.7% of our revenue from Continuing Operations were derived from our international brand owner customers in North America and our European market, respectively. We have not entered into any exclusivity agreements with our customers in the North American market and our European market. Among our customers in these markets, Dorel is the largest as it accounted for approximately 51.9% of our total revenue from Continuing Operations in 2007, 49.3% in 2008 and 50.3% in 2009. During the Track Record Period, we were not aware of any material deterioration of Dorel's performance or financial condition which led to our assuming more credit risk on receivables.

### **Business in Other Overseas Markets**

In Other Overseas Markets, we similarly sell products, which we have designed (or jointly designed in the case of one of our customers) or manufactured, to locally leading brand owners, who then sell and distribute these products under their brands using their distribution channels. We also sell our branded products to experienced local distributors in Other Overseas Markets. We have not entered into any exclusivity agreement with our customers in Other Overseas Markets. In 2005, we began selling Goodbaby-branded strollers in Other Overseas Markets. We began to strategically increase our focus on such overseas markets in 2008 through the establishment of dedicated sales teams for select markets. Going forward, we intend to establish marketing and R&D teams dedicated to select markets. In 2009, revenue from sales to Other Overseas Markets accounted for 12.2% of our total revenue and 16.1% of our revenue from overseas sales in each case from Continuing Operations. Our selection of distributors in Other Overseas Markets is based on factors such as depth of distribution network, local reputation and financial conditions.

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### MARKETING

Our marketing and promotional activities in China principally include:

- For distributors — we conduct regular distributor fairs three times a year to promote our products among distributors;
- For retailers — we reach out to retailers primarily through (i) our provincial fairs, which we began organizing in 2009, that are principally targeted at the maternity and childcare specialty stores throughout China; (ii) our dedicated sales staff who work closely with maternity and childcare specialty stores to assist them in marketing strategies, organize in-store promotion and marketing activities, provide technical support on displays at the maternity and childcare specialty stores; and (iii) industry fairs which are organized by third-party institutions.
- For end-consumers — We primarily focus on (i) the enhancement of consumer loyalty in China through the establishment of a consumer management system that seeks to manage and further cultivate our interaction with end-consumers by utilizing comprehensive call center solutions and enhancing customer service and support; (ii) the continuous enhancement and optimization of the display image at retail outlets; (iii) in-store marketing and promotions; (iv) sponsorship of educational activities and projects relating to pregnancies and maternity care, which are organized by governmental and non-governmental organizations, including the Pre- and Post-natal Family Education Project (嬰幼兒家庭教育計劃), a nationwide project jointly organized by several PRC ministries that focuses on promoting better understanding and awareness of the cultural and health issues of mothers, babies and children; and (v) advertisement on the Internet and in trade magazines, television and other media.

In the international markets, our promotion efforts are focused on industry and product fairs in different locations. The major events include:

- *Baby and Children's Products – Hong Kong Fair.* Asia's largest industry fair for juvenile products is held between late January and early February of each year in Hong Kong, and attracts wholesalers, retailers and international brand owners throughout the globe. We make management presentations at this fair to introduce our latest design and product concepts as well as new products, at the same time promoting our brand.
- *Moscow International Toys & Games Exhibition – Toy & Game, Mother & Baby Exhibition.* We promote and showcase our branded products at this fair, which is held every October in Moscow, Russia. We seek to target customers from the former Soviet Union.
- *Baby & Silver Show.* We promote and showcase our branded products at this fair, which is held every September in Tokyo, Japan. We seek to target customers from Japan.
- *Toy Fair Middle East Fair.* We promote and showcase our branded products at this fair, which is held between March and April each year in Dubai, United Arab Emirates. We seek to target customers from the Middle East.



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- *Product fairs by our international brand owner customers.* While we do not participate directly in these fairs, we provide primarily new products to our international brand owner customers for exhibition at these fairs. These fairs include Kind + Jugend – International Baby to Teenage Fair Cologne, ABC Kids Expo, Fimi Valencia and Harrogate Fair, which are held in Cologne, Germany; Las Vegas, United States; Valencia, Spain; Harrogate, United Kingdom, respectively.

We have been one of the sponsors for the World Expo in Shanghai in 2010. The Dutch government has selected us as an example of its support for R&D investment in the Netherlands. We believe our sponsorship for and participation in the World Expo will further enhance our corporate profile and reputation.

### PRODUCTION OPERATIONS

#### Production facilities

We operate production and ancillary facilities in Kunshan and Ningbo, China, which together occupied 329,504.07 square meters as of July 31, 2010. Both of these facilities have comprehensive manufacturing capabilities that include plastic processing, fabric sewing, aluminum processing, metal processing and product assembly. In 2009, our facilities produced 5,564,250 strollers and 1,145,860 children's car safety seats. During the same period, the total production capacity utilization rate of their manufacturing facilities was approximately 87%, 88% and 87%, respectively. During the Track Record Period, we were not aware of any material labor shortage or energy outage which adversely affected our operations.

The table below provides further detail of our production facilities as of July 31, 2010:

Plant	Location	Area (sq.m.)	Primary Features	Capacity	Utilization Rate (%)
Stroller plant . . . . .	Kunshan	97,598	1,174 machines; 21 assembly lines	3.5 million strollers	90
Stroller plant . . . . .	Ningbo	45,513	958 machines; 22 assembly lines; 44 injection molds	2.6 million strollers; 500,000 fabric beds	95
Children's car safety seats plant . . . . .	Kunshan	6,900	130 machines; 12 assembly lines	1.7 million car safety seats	70
Plastic processing plant . . . . .	Kunshan	46,507	658 machines; 206 injection molds; 4 assembly lines	1.2 million machine hours	88
Fabric sewing plant I . . . . .	Kunshan	33,783	2,787 machines; 54 assembly lines	10.5 million man-hours	98
Fabric sewing plant II . . . . .	Kunshan	27,173	1,259 machines; 66 assembly lines	4.5 million man-hours	100
Metal processing plant I . . . . .	Kunshan	23,702	140 machines	2.0 million sets of extruded metal; 40,000 meters of welding	85

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Plant	Location	Area (sq.m.)	Primary Features	Capacity	Utilization Rate (%)
Electronic car plant . . . . .	Kunshan	18,901	10 assembly lines	0.8 million electronic cars	83
Wood processing plant . . . . .	Kunshan	29,427	4 assembly lines	1.0 million wooden products	85

We believe our internal control standards are equal to and often more stringent than those mandated under PRC law. With respect to each equipment, we set forth detailed guidelines for safety, including the type of clothing that must be worn when handling certain equipment, the washing and maintenance of equipment, mandatory suspension of work in instances of severe weather conditions, among others. During the Track Record Period, we did not encounter any material incident arising from the use of potentially dangerous equipment.

As further discussed below, we have discontinued the production of certain products.

### Outsourced production

We outsource the production of certain finished products. For the years ended December 31, 2007, 2008 and 2009 and the seven months ended July 31, 2010, in terms of units produced, we outsourced production of approximately 71.6%, 75.3%, 73.9% and 79.8%, respectively, of our “小龍哈彼 Happy Dino” products and approximately 35.8%, 21.7%, 24.1% and 34.0%, respectively, of our “好孩子 Goodbaby”-branded products. For the years ended December 31, 2007, 2008 and 2009 and the seven months ended July 31, 2010, our outsourced production represented approximately 9.4%, 9.8%, 12.9% and 13.0%, respectively, of our total production in terms of units produced. We select, at our discretion, the type of products we outsource. Selective outsourcing has allowed us to devote our production capacities to higher-margin products and given us more flexibility in our production process and capacity. In the future, we intend to increase the percentage of production that we outsource and continue our approach of selective outsourcing.

For the years ended December 31, 2007, 2008 and 2009 and the seven months ended July 31, 2010, we did not outsource the production of our “好孩子 Goodbaby”-branded strollers and outsourced 50.5%, 54.4%, 53.6% and 63.7%, respectively, of the production of our “小龍哈彼 Happy Dino”-branded strollers in terms of units produced. For the years ended December 31, 2007, 2008 and 2009 and the seven months ended July 31, 2010, we outsourced 100.0%, 78.3%, 26.6% and 0.0%, respectively, of the production of our “好孩子 Goodbaby”-branded tricycles in terms of units produced and outsourced the entire production of our “小龍哈彼 Happy Dino”-branded tricycles. For the years ended December 31, 2007, 2008 and 2009 and the seven months ended July 31, 2010, we outsourced the entire production of our “好孩子 Goodbaby”- and “小龍哈彼 Happy Dino”-branded bicycles. During these same periods, we did not outsource the production of our “好孩子 Goodbaby”-branded children’s car safety seats.

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In order to control the quality of the products that our outsourcing vendors manufacture for us, we select outsourcing vendors based on several factors, including their quality assurance, process capability and technical competency, and only those who meet our requirements are qualified as our approved vendors. We also regularly send a dedicated team of quality control personnel to the sites of our outsourcing vendors to perform inspections on such outsourcing vendors. Our team conducts on-site inspections of work-in-progress at the production lines of our outsourcing vendors during processing, manufacturing, assembly and packaging phases. In addition, upon arrival of the outsourced products at the warehouse, our personnel conducts final batch sample inspections and tests as well as product sample tests randomly for quality control. During the Track Record Period and up to the Latest Practicable Date, to the best knowledge of our Directors, there had been no material quality control issues encountered by manufacturers to whom production had been outsourced.

### **Raw materials and components procurement**

We procure all raw materials used in our manufacturing facilities from third-party suppliers. Our principal raw materials include plastic, steel, aluminum and fabrics. In 2007, 2008 and 2009 and the seven months ended July 31, 2010, our raw material costs represented 75.2%, 77.6%, 77.0% and 74.3% of our cost of sales, respectively.

To lower our production costs, we also outsource certain components used in our finished products. These components include plastic parts and fabrics. In 2009, we outsourced 34% of our plastic injection molding requirements and 46% of our fabric processing requirements to third-party suppliers as measured by cost.

We generally place procurement orders in large volumes. In addition, we generally require our suppliers to tender their offers in a competitive bidding process. We do not overly rely on any large supplier as we believe maintaining multiple suppliers provides us with pricing leverage in procurement negotiations. We see our ability to control supplier relationships as a key competitive advantage and as critical to maintaining a competitive pricing structure.

In 2009, we purchased 90.7% of our raw materials and components from suppliers in China. For the same period, we purchased much of the balance from suppliers in South Korea.

We have internal control procedures to monitor the handling of raw materials that may be potentially hazardous, such as various chemicals and oils used in our production process. We believe our internal control standards are equal to and often more stringent than those mandated under PRC law.

For the three years ended December 31, 2007, 2008 and 2009 and the seven months ended July 31, 2010, purchases from our top five suppliers accounted for 16.6%, 18.8%, 19.0% and 16.5%, respectively, of our purchases of raw materials and components in terms of costs of purchases. Our largest supplier accounted for 7.3%, 9.4%, 11.5% and 8.4% of our purchases of raw materials and components for those respective periods in terms of costs of purchases. None of our shareholders, directors and their associates who hold more than 5% of our issued capital have any interest in our top five suppliers.

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### QUALITY CONTROL

We believe that the quality of our products has not only been key to our success, but is also crucial to our future prospects.

Our products, including the raw materials and components incorporated into them, are required to comply with strict safety and other standards that apply in the markets that we serve. We seek to maintain quality control procedures to ensure that our products exceed the standards that apply to them. For more details on the possible risks in connection with the relevant quality and safety standards to which we are subject, please refer to the section headed “Risk Factors — Risks Relating to Our Business — The manufacturing process for products in our industry is complex and any failure to adhere to quality and safety standards may adversely affect our financial condition and results of operations.”

The Directors confirm that we comply with the product safety standards of the jurisdictions in which we operate in all material respects. During the Track Record Period, we did not experience any significant quality defects or product returns from our customers.

#### **Our quality control team**

As of July 31, 2010, our quality control team consisted of 761 employees who are based at our manufacturing facilities in Kunshan and Ningbo, China. The team is led by our quality control vice president. We regularly send a dedicated team of quality control personnel to the sites of our outsourcing vendors to perform inspections on the quality of products that the outsourcing vendors manufacture for us.

#### **Our quality control process**

Adherence to the highest standards of quality control is critical to our success. We have long recognized that we do not compete primarily on the basis of low cost, but rather seek to have the most consistent quality, whether in terms of technical specifications or aesthetic design, within the price range for comparable products.

As the durable juvenile product industry is relatively small in China compared to other mass-produced products such as automobiles, we believe there are few sizable industry players. We believe we have been leading the durable juvenile product industry in China and have been at the forefront of setting certain industry trends. We have participated in the drafting of certain national safety standards governing the juvenile product industry. In addition, we have been consulted by the PRC government in connection with various national safety standards, including possible future legislation governing the juvenile product industry. As an international player, we also look to guidelines established in North America, our European market, Japan and other industrialized countries, in order to formulate our own internal guidelines as well as make recommendations to the PRC government. Generally, we seek to establish guidelines that are more stringent than those that are nationally mandated.

We have developed a comprehensive and effective quality management system as part of our commitment to adhere to the highest standards of quality control. Starting from the sourcing of raw materials to the packaging and shipping of our finished products, we apply stringent quality control procedures to monitor the entire production process. In particular, we have established a comprehensive product safety risk prevention system, which aims to minimize the number of safety incidents arising from the use of our

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products. Specifically, the system focuses on the improvement of 13 aspects relating to product safety, such as product recall procedures, customer service information, production quality, inspection of raw materials and goods, supplier management, document control, information records, labels and instruction manuals, packaging and advertisements, product safety and reliability testing, product safety evaluation, design evaluation, and raw materials agreements.

During the procurement of raw materials and accessories, we employ a comprehensive set of criteria in selecting our suppliers and conduct tests on substantially all of the raw materials and other components by various methods including inspections and safety testings to ensure that they meet our quality standards. We adopt a procedure known as supplier quality assurance (“SQA”) whereby we impose stringent criteria in selecting and evaluating the performance of our suppliers based on several factors, including the supplier’s process control, technology, management, production capacity as well as its compliance with our rules and regulations. Only those who meet our requirements will be placed on our ERP system. Our quality control team closely monitors the performance of our suppliers on a monthly basis, and any supplier failing to meet our high standards will be replaced. This evaluation process is important to us to maintain the high quality and stability of the supply of our raw materials. We inspect the raw materials together with the supplier at our own site and we also inspect at the supplier’s site.

During the processing, manufacturing, assembly and packaging phases, we arrange for our quality control staff to conduct on-site inspections of all work-in-progress at the production lines and those of the outsourced manufacturers, in-process audits, outgoing inspection and, finally, product testing at laboratories. After completing the final production stage, our quality control staff conducts sample tests on the finished products in accordance with certain ISO certifications. Our final products are subject to testing in our product laboratories and are regularly sent to statutory inspection bodies and international recognized testing centers.

Upon arrival of our finished products at the warehouse, our personnel will conduct final batch sample tests and product sample tests randomly for quality control. Following strict product stacking, loading and packing requirements, our products will be carefully stored in the warehouse. The product type and the production serial number will be noted, along with the key component suppliers, production schedules and other input information will be recorded in our ERP system for inventory traceability.

Our rigorous quality control procedures are designed to minimize the likelihood of deficient products being sold in the market. Each step of the quality control process is described in guidelines that we have established and refined over the years. Any nonconforming products are identified, segregated and disposed by our quality control team.

### **Quality certification**

Since 1999, we have had ISO9001 certification for our manufacturing facilities in Kunshan and Ningbo, China. The ISO certification process involves subjecting our manufacturing processes and quality management systems to annual surveillance audits by the ISO certification body. In the continuous improvement of our quality management system through our compliance with the ISO9001 certification, we have attained various ISO certifications over the years, such as ISO17025 and ISO/TS16949, which cover various aspects of our quality management systems, including environmental management, product development and design, and competence of test and calibration laboratories.

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Since 2009, we have adopted the national standard of Criteria for Performance Excellence (GB/T19580). Through our compliance with GB/T19580, we have improved our overall quality management level and our overall business performance. In 2009, we received the Excellent Enterprise Award in commemoration of the 30th anniversary of the founding of the China Quality Control Association (全國推行全面質量管理30週年優秀企業).

### **Third-party suppliers**

We apply stringent quality standards to all our third-party suppliers of raw materials, components and finished products. Each of our suppliers is required to undergo a supplier approval process before we accept its products. In addition, once a supplier has passed our supplier approval process, we perform batch sampling of products that it provides to us. We also subject our suppliers to routine quality control checks. Under our policy, we terminate our relationship with any supplier that fails to meet our required standards for three consecutive months.

### **Testing**

To ensure product quality and product safety, we have established an advanced, nationally recognized product testing laboratory in our quality management center, to which we send our new products for safety testing and reliability testing prior to mass production. In addition, prior to releasing our products for mass production, we send samples of the products to accredited testing centers for testing and inspection. Furthermore, all raw materials and products provided by our suppliers are subject to sample testing. These tests are either carried out by us at our facilities or by internationally recognized third-party testing organizations.

In addition, we have imposed quality controls and procedures at each stage of the manufacturing process to ensure that our products meet the relevant product safety standards in both the domestic and overseas markets. Our dedicated team of quality control personnel also regularly visits the sites of our outsourcing vendors to perform inspections on the quality of the products that the vendors manufacture for us and to ensure that the applicable product safety standards are met.

Our products laboratory has attained the ISO/IEC17025 certification for its management and operation, and on March 2, 2010, was awarded the CNAS-AL01 certification, thereby becoming the only nationally accredited product testing laboratory focused solely on testing durable juvenile products in China.

In China, manufacturers of strollers are required to comply with certain PRC product safety standards. We have obtained, for the manufacture of our strollers, the China Compulsory Certificate (“CCC”) mark, which is a mandatory safety standard confirmation administered by the China Quality Certification Center (“CQC”) for certain designated products such as strollers sold in China. There are currently no PRC product safety standards governing the manufacture of children’s car safety seats and cribs. However, we have imposed strict, internal quality assurance procedures for manufacture of our children’s car safety seats. The children’s car safety seats that we sell in China meet the product safety standards of our European market. We have also established strict procedures to ensure that our crib products are manufactured in accordance with the standards and specifications required by our product testing laboratory and internationally recognized third-party testing organizations. For more information on the relevant PRC laws, rules and regulations in relation to product quality to which we are subject, please refer to the section headed “Regulations — Product Quality Law.”

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In North America and our European market, children's car safety seats are subject to mandatory product safety standards. We seek to ensure that our quality assurance capabilities are up to the standards imposed by the relevant government authority in North America and our European market. We also place strong emphasis on procedures in meeting the quality and safety standards as set by our overseas customers. Prior to shipping to our overseas markets, our quality control staff will perform sample testing to ensure that the products meet the applicable quality and safety requirements. In addition, our major overseas customers have their own quality control staff stationed at our site to perform inspection and safety testing before shipping. For products that we sell to Other Overseas Markets, we have similarly imposed strict, internal quality assurance procedures that seek to match quality and safety standards imposed by the governmental authorities in the relevant overseas countries. To the extent that there are no mandatory or voluntary standards in an overseas country, we have established internal quality safety standards based on the quality and safety standards of North America or our European market. When deciding between the quality and safety standards of North America and our European market, we seek to choose the jurisdiction whose laws are more similar, or are more likely to be followed by, the laws of the relevant overseas country.

During the Track Record Period and as of the Latest Practicable Date, we believe we have complied with the applicable product safety standards in our domestic and overseas markets in all material respects. During the Track Record Period, we were not aware of any material product liability claim which adversely affected our operations.

### **Recalls**

On December 18, 2009, one of our largest customers voluntarily recalled approximately 447,000 children's car safety seats sold under their brands, including children's car safety seats produced by us. Each of these children's car safety seats was part of a stroller travel system and was detachable from the stroller. Our customer had recalled its products in response to reports which the relevant regulatory authorities were said to have received from consumers of the products, stating that the child restraint handle to the products had loosened and come off when the product was used as a carrier. The product recall involved children's car safety seats that were manufactured from January 6, 2008 through April 6, 2009. During this period, we manufactured 468,069 pieces of stroller travel systems for this customer, which included the detachable children's car safety seats, and the sale of such stroller travel systems amounted to US\$28.8 million of revenue from this customer. We did not design the part containing the alleged defect, which was part of the children's car safety seats. In the event that we face any claim based on the design of the recalled products, we would vigorously defend any such claim on the basis that we had no role or function in the design of the recalled products. Under our warranty policy, which has been agreed to and implemented by this customer, we are responsible only for liability that arises out of a manufacturing defect in the relevant products. Since the product recall and up to the Latest Practicable Date, to the best knowledge of our Directors, there have been no claims brought by end consumers against this customer in connection with the product recall. After seeking advice in connection with the product recall from our legal advisers, we are of the view that end consumers who may have a claim are required to bring such claims within limitations periods set by statutes in various U.S. jurisdictions. The statute of limitation periods vary by jurisdiction, but typically range from two to four years, and may not start until the injured person knows the manufacturer's identity.



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Before the product recall, we did not sell any product containing the alleged defect involved in the product recall to any person other than this customer. To address and deal with the alleged defect involved in the product recall, our customer made available a repair kit to the end consumers and advised the end consumers not to use the products as a carrier until the repair kit has been installed. In connection with the product recall, our customer had also collected from its retailers all of the affected products and had them returned to its warehouse for repairs, after which such repaired units were sold to the retailers using new model numbers. In addition, since the product recall, certain modifications were made to the products recalled to address and deal with the alleged defect involved in the product recall. After the product recall, we have ceased to sell such products containing the alleged defect involved in the product recall.

On the basis of our continual long-term business relationship with this customer, we sought to support this customer by bearing a part of their loss. The amount of our customer's loss that we bore, as a demonstration of support, in a total amount of US\$1.6 million, was fully accrued in 2009 as expenses and are currently being settled in installments through the issuance of credit notes to this customer. As of July 31, 2010, credit notes amounting to US\$375,000 had been issued to this customer. No agreement was signed in connection with the settlement of loss of US\$1.6 million that we bore as a demonstration of support, and we were not obliged contractually to bear the loss of our customer resulting from their recall of the products. Our customer had borne all of the repair costs in connection with the product recall. The relevant amount borne by us in connection with the product recall was US\$1.6 million, which we bore as a demonstration of support to our customer. To the best knowledge of our Directors, such voluntary product recall by this customer was the only one incident involving our products during the Track Record Period and up to the Latest Practicable Date. After seeking advice from our legal advisers, we are of the view that we are not required or expected to make any additional payment (other than a voluntary payment as a demonstration of support of US\$1.6 million which is currently being settled in installments through the issuance of credit notes to this customer) to this customer as a result of the product recall, it is highly unlikely that this customer would have a legal or contractual claim against us.

Based on the confirmation from our customer, since we are not required or expected to make any additional payment to this customer beyond the US\$1.6 million which is currently being settled in installments through the issuance of credit notes to this customer, the voluntary product recall by this customer did not result in a material and adverse impact on our business. The maximum potential liabilities, on the basis of such confirmation from our customer, are limited to US\$1.6 million.

The amount of US\$1.6 million, which we bore as a demonstration of support in connection with the product recall, was mutually agreed upon by our customer and us. Other than the US\$1.6 million, there was no other similar support given to any customer in relation to any product recall during the Track Record Period. We are currently under negotiation with our customer with respect to the product warranty claim of HK\$5.5 million, which is not related to any product recall incident. For more details, please see the section headed "Financial Information — Analysis of Other Selected Financial Position Items — Provision." In the future, we will determine whether to provide similar demonstration of support on a case by case basis after careful consideration of important factors, including, but not limited to, the duration of the working relationship and the revenue derived from the relevant customer.



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In general, if we manufacture products which do not meet the design specifications of our customers and such products are recalled by our customers, we are liable to our customers for only liability that arises out of a manufacturing defect in the relevant products. During the Track Record Period and up to the Latest Practicable Date, there was no material recall that resulted in a material and adverse impact on our business, financial condition and results of operations.

On November 8, 2007, an independent third party seller of durable juvenile products, which was not our direct customer nor had any form of contact with us, had recalled its cribs sold under its brands. We had sold products, on an OEM basis, through the independent third party seller's independent merchandiser and we had terminated our working relationship with the independent merchandiser of such independent third party seller in March 2007 and have not sold any products to such independent third party seller and its independent merchandiser since then. Up to the Latest Practicable Date, we have not been notified by this seller, its independent merchandiser, any relevant authorities or any other party regarding any claim in connection with the alleged product recall by such independent third party seller. Furthermore, in connection with this alleged product recall, there had been no products that were returned to us. To the best knowledge of our Directors, such product recall was not due to any manufacturing defect in our products and the product recall did not and will not impact on our compliance with the relevant quality standards, rules and regulations in the relevant jurisdictions in which we operate. Based on our understanding, the products sold by us to the independent merchandiser during the relevant period had contained model numbers that were similar to the model numbers involved in the product recall. Before March 2007, we only sold such products to the independent merchandiser, and since March 2007, we no longer sold these types of alleged defective products. During the years ended 2005, 2006 and 2007, the aggregate amount of units containing such similar model numbers that were produced and the revenue we derived from the sale of such products was 8,321 units and US\$1.2 million, respectively. Given the alleged product recall involved only 8,900 cribs (we had produced 8,321 units during the years ended 2005, 2006 and 2007) and that the consideration involved was immaterial to our overall sales, such product recall would not result in a material and adverse impact on our business, financial condition and results of operations. We are not able to verify that the recalled products were manufactured by us. Based on the information available to us, we understand that such recall was related to alleged design defects in the recalled products. Accordingly, we have been advised by our legal advisers that as (1) the independent seller subject to the recall was not our customer; (2) the reason for the recall related to alleged design defects and not manufacturing defects in the products; (3) there is no evidence indicating that the recalled products were manufactured or designed by us; and (4) we have not been contacted with respect to the recall or the recalled products, and given the passage of time, the possibility of a claim against us, while uncertain, would seem remote. To the best knowledge of our Directors, no claims have been reported to or asserted against us.

Our Directors have concluded that, during the Track Record Period and up to the Latest Practicable Date, we are in compliance in all material respects with the relevant production safety standards of the jurisdictions in which we operate, and our legal advisers have confirmed to us that none of the information provided to them by us is inconsistent with our Directors' understanding.

### INVENTORY CONTROL

We believe efficient inventory control is key to the management of our working capital and on-time delivery of our products. Accordingly, we have inventory management personnel who are primarily responsible for monitoring our inventory levels.

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In order to effectively control our inventory levels, we seek to maintain a low inventory to sales ratio, which is the average level of inventory held compared with the sales revenue within a particular period. By carefully monitoring our inventory-to-sales ratio, we are able to maintain control over our inventory level and reduce inventory age.

In order to forecast the optimal inventory composition, we also analyze past sales performance by product type, promotional activity and general consumer trends. Our inventory composition is then adjusted accordingly.

We record inventory at cost and if the net realizable value drops below cost, the difference will be written down as our inventory provision, which is included in cost of sales.

In addition, our major domestic distributors are currently connected to our ERP system, which provides us a platform to monitor the inventory levels of these distributors.

### INTELLECTUAL PROPERTY

We believe that our brand and our intellectual property rights, including our trademarks, patents, domain names, are important to our future business development. In optimizing the value of our intellectual property rights, we effectively manage, safeguard and protect them in both domestic and overseas markets. Details of our intellectual property rights are set out in “Appendix VI — Statutory and General Information.” As of September 30, 2010, we had 209 registered trademarks, 85 applications for trademark registration, 2,116 registered patents and 527 applications for patent registration in China. We hold patents of three different categories, namely, invention patents, utility patents and design patents. As of September 30, 2010, we held 93 invention patents, 664 utility patents and 1,359 design patents, and our registration applications for 83 invention patents, 256 utility patents and 188 design patents were pending.

We actively defend against infringement of our intellectual property rights and any counterfeiting of our products in China. We recognize that counterfeiters copy our newly developed and innovative products and designs and that counterfeiting may continue to affect our brand image. Therefore, consistent with our commitment to product quality control, we maintain high vigilance in monitoring counterfeiting and aggressively guard against counterfeiting by engaging in cooperative relationships with our distributors and other companies to assist us in the detection of counterfeit products by inspecting suspicious products. When counterfeit products are detected, we dedicate top management support and resources to enforce our rights in China. In the past, we have sued counterfeiters which had infringed on our intellectual property rights, and have obtained compensation from settlement or judgment that we received from such lawsuits. As of the Latest Practicable Date, we are not involved in any outstanding material lawsuit or threatened action with respect to our intellectual property rights.

In addition, we have established an internal counterfeiting warning system that allows our various internal departments to share information rapidly and to take immediate action upon detection of counterfeit products. During the Track Record Period, we were not aware of any material incident of counterfeit products which adversely affected our operations.

During the Track Record Period, we were not aware of any material incident involving infringement of intellectual property rights by us which adversely affected our operations.

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In July 2010, the new logo “gb” was launched to renew the logo of the juvenile segment business of our Group and our Parent Group together as part of the continued and focused brand-building efforts in China and the overseas markets. We have been progressively using the new logo “gb” on our products in China and our overseas markets.

We are in the process of registering trademarks for our new “gb” logo. If we are successful in obtaining these trademarks, we expect that our new “gb” logo will gradually replace the English-language “Goodbaby” logo over time. We are subject to the risk that our new logo “gb” may not be recognized by all of our customers or may not achieve the same level of brand recognition enjoyed by our existing logo “Goodbaby”. We plan to manage such risk through a systematic approach when launching and rolling out our new logo “gb”, which will be effected gradually over time.

Both our Group and our Parent Group use the same description of the new logo “gb” in selling the respective products. However, the trademark relating to the logo description that is used by our Parent Group is registered to our Parent Group for use only in connection with business activities within the business scope of our Parent Group. Since our new logo “gb” will also be similar to the logo used by our Parent Group in its business scope, we cannot assure you that consumers will not be confused between our new logo “gb” and our Parent Group’s logo. Due to market popularity and acceptance enjoyed by the new logo “gb” used on our products, we have continued to use the new logo which is similar to the logo used by our Parent Group. As such, any negative publicity associated with our Parent Group may materially and adversely affect our reputation and the market acceptance enjoyed by our new logo “gb”. We have limited control over the use of the logos by our Parent Group in its business activities; however, should such negative publicity associated with our Parent Group occurs, we will seek to minimize any negative impact on the reputation and market acceptance enjoyed by our new logo “gb”.

### INFORMATION TECHNOLOGY SYSTEMS

We have invested heavily in our IT systems in order to improve the efficiency of our operations. We have developed an ERP system in-house, and we have purchased a financial management system. The ERP integrates information and processes from our various functional divisions and, in particular, supports our front line operations, such as supply management, manufacturing and sales. The ERP has provided us with a platform to efficiently interface with our suppliers in both domestic and overseas markets. Currently, sizable domestic suppliers are connected to this platform to pick up their orders from us. We began using our ERP system in 2006 and have since then continuously improved the operational performance and effectiveness of the ERP system. We seek to further expand the use of the ERP system to all of our key suppliers and also extend the functionality of our ERP system as an interactive ordering system, interfacing with our customers to achieve more efficient and timely management of orders and specific requests by our customers. The financial management system manages the financial accounting and analysis of our headquarters, all subsidiaries and related offices. During the Track Record Period, we were not aware of any material IT system breakdown which adversely affected our operations.

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### PROPERTY

Our production and ancillary facilities are situated in Kunshan and Ningbo. As of September 30, 2010, the total gross floor area of the production and ancillary facilities occupied by us was approximately 329,504.07 square meters, of which approximately 277,796.92 square meters were owned by us and approximately 51,707.15 square meters were leased by us.

We have obtained the land use right certificates and the building ownership certificates to all the production and ancillary facilities occupied and owned by us.

With respect to the production and ancillary facilities leased by us, our PRC legal advisers have advised that: (i) the lease agreements covering the properties with a total gross floor area of approximately 46,280.43 square meters are valid and binding but they are unable to verify the validity of the lease agreements covering the remaining properties in Qian Deng with a total gross floor area of approximately 643.62 square meters (the “Qian Deng Leased Property”), (ii) though the land of these properties is of a “collectively owned” nature, our landlords (other than the landlords of the Qian Deng Leased Property) are entitled to rely on the Experimental Implementation Opinion issued by the Suzhou Land Resources Bureau in June 2002 (“the Opinion”) and lease these properties to us, (iii) as the Opinion is of an experimental nature, there is no assurance that it will not be revoked or altered by the PRC Government in the future and in such event, the PRC law does not prescribe how our interests in these properties would be affected, (iv) as the landlord has not produced title certificate to the Qian Deng Leased Property, our PRC legal advisers are unable to verify the validity of the lease agreement of the Qian Deng Leased Property, (v) the lease agreements of the these production and ancillary facilities (other than the lease agreement of the Qian Deng Leased Property and the lease agreement (the “Remaining Lease Agreement”) covering part of these production and ancillary with a total gross floor area of approximately 4,783.20 square meters) have been duly registered with the relevant authority and (vi) though the Remaining Lease Agreement has not been registered with the relevant authority, it will not affect its validity. The Qian Deng Leased Property is occupied by a pump house and a power house. If we are required to vacate the Qian Deng Leased Property, we would encounter no difficulty in locating them to the remaining production and ancillary facilities leased by us in Qian Deng. We expect that the maximum relocation costs would not be in excess of RMB800,000 and the relocation would have no impact on our production in Qian Deng.

We have implemented a stricter internal property management control process in 2008 to ensure that the buildings erected or rented by us have obtained all necessary titles and have complied with all requisite formalities in compliance with relevant governing authorities.

As of September 30, 2010, we owned and occupied three residential units in Shanghai with a total gross floor area of approximately 262.27 square meters for dormitory purposes. We have obtained the real estate title certificates to these properties.

As of September 30, 2010, we leased and occupied a residential building in Kunshan with a total gross floor area of approximately 5,838.60 square meters for dormitory purposes. Our PRC legal advisers have advised that: (i) the lease agreement of this property is valid and binding and (ii) the lease agreement has been duly registered with the relevant authority.

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As of September 30, 2010, we also leased and occupied an office unit in Hong Kong with a gross floor area of approximately 751 square feet.

Details of our property interests are set out in “Appendix IV — Property Valuation” to this prospectus.

### COMPETITION

We face competition from owners of both international and domestic brands in the durable juvenile product markets in which we operate as well as international and domestic juvenile products manufacturers. We believe the following factors affect our ability to compete successfully in the durable juvenile product market: market research, product development and design capability, scale of production, interactive and long-standing customer relationships, depth and breadth of distribution network, reliability in meeting product delivery schedules, product quality, product range and ability to meet consumer preferences.

For our domestic market, we face competition primarily from third-party PRC durable juvenile product brand owners in the mass market while we face competition primarily from owners of international brands in the mid- to high-end market. We believe that the barriers to entry to the durable juvenile product industry in China are high due to the cost and time to build brand awareness and to establish an extensive and effective distribution network. According to Frost and Sullivan, we have maintained the largest market share of stroller sales in terms of units sold and retail value for 17 years in China. In 2009, our “好孩子 Goodbaby” brand commanded a number one market share by retail value of 23.2% in China and our “小龍哈彼 Happy Dino” branded strollers commanded a number two market share by retail value of 18.0% in China, both of which are substantially ahead of the 3.0% market share of the closest competitor’s brand. In 2009, our “好孩子 Goodbaby” brand was ranked first for children’s car safety seats in terms of units sold and retail value, and our “小龍哈彼 Happy Dino” brand was ranked first for cribs in terms of units sold and retail value. Due to our strong market position and brand recognition in China, we believe that the potential competition from third party-owned brands in China is limited. However, we cannot assure you that we will be able to replicate our historical success in the future, nor can we assure you that new entrants or existing competitors, whether domestic or foreign, will not be able to increase significantly their market share in China.

For our overseas markets, we face competition from several sources. Because we work strategically with leading international brand owners, competitors of such owners (to the extent we do not sell products to such competitors) are also in competition with us. In addition, we face competition from other manufacturers who may successfully build up their R&D capabilities and supply chain management system to match ours. Going forward, competitors may have greater financial resources, greater production facilities or superior technology than us. Historically, to the best knowledge of our Directors, we had not experienced cannibalization of our products. We will face greater competition in our industry. Our Directors are of the view that going forward, we will compete with our competitors in our overseas markets on the basis of the quality of our design and products and pricing.

For further discussion of the competitive landscape we face for our products in our markets, please see “Industry Overview.” For further discussion of risk factors relating to competition, please see “Risk Factors — Risks Relating to Our Industry — We operate in a highly competitive industry.”

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### EMPLOYEES

As of July 31, 2010, we employed 17,901 full-time employees. The following table sets forth our number of employees by function as of July 31, 2010.

<u>Division</u>	<u>Number of Employees</u>
Headquarters (excluding market research, product development and design) . . .	332
Market research, product development and design . . . . .	328
Production	
— production lines . . . . .	16,253
— management and administration . . . . .	765
Sales and distribution . . . . .	<u>223</u>
Total . . . . .	<u>17,901</u>

### Remuneration

The remuneration payable to our employees includes salaries and allowances. We determine our employee's remuneration based on factors such as qualifications, contributions and years of experience. As part of our remuneration policies for our senior management, we have in place a Share Option Scheme. This scheme is designed to provide incentives and rewards to our employees. For further details on the principal terms of the Share Option Scheme, please refer to Appendix VI to this prospectus. We believe that by offering our key employees a shareholding stake in our Company, we are aligning their interests with our interests, thereby providing our key employees with additional incentives to improve our performance.

### Welfare contributions

In accordance with applicable PRC regulations on social insurance and housing funds, our Group contributes to social insurance, including pension, medical insurance, unemployment insurance, occupational injuries insurance and childbirth insurance, as well as a housing fund for our employees. As confirmed by Jingtian, our PRC legal advisor, we comply with all statutory social insurance and housing fund obligations applicable to us under PRC laws.

We participate in a provident fund scheme registered under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for all our eligible employees in Hong Kong. We contribute 5% of our employees' relevant income per month as required under the ordinance subject to a maximum of HK\$1,000 per employee. Contributions from us are 100% vested in each employee immediately but, subject to limited exceptions, all benefits derived from the mandatory contributions must be preserved until the employee reaches the retirement age of 65 or ceases employment and the employee declares not to become employed or self-employed within the foreseeable future.

The total amount of contributions we made for such employee pension schemes for the three years ended December 31, 2009 and the seven months ended July 31, 2010 was approximately HK\$4.3 million, HK\$7.8 million, HK\$13.3 million and HK\$10.2 million, respectively.

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### INSURANCE

#### Product liability insurance

Although PRC law does not require us to obtain product liability insurance coverage, we do maintain product liability insurance coverage for durable juvenile products that we sell in China. Our product liability insurance covers both products we manufacture and outsource. Our Directors believe such product liability insurance provides adequate coverage against the risk of any claims that may be made against us in China, based on the limited number and low value of claims for defective products that we have received during our Track Record Period. For the overseas market, as our customers are distributors of durable juvenile products rather than end customers, and given the limited number and low value of claims for defective products received during our Track Record Period in relation to products that we have supplied, our Directors have concluded that the cost of purchasing insurance coverage for these markets outweighs the benefits that we would derive from any such insurance cover. Despite the cost involved, due to a request from one of our customers, we have purchased product liability insurance for the e-cars that we sell to our overseas markets. During the Track Record Period, there were no product liability claims on the e-cars that we supplied to our customers. For the years ended December 31, 2007, 2008 and 2009 and the seven months ended July 31, 2010, we recorded expenditures for insurance policy premiums for our product liability insurance in an amount of RMB0.1 million (HK\$0.1 million), RMB0.1 million (HK\$0.2 million), RMB0.4 million (HK\$0.5 million) and RMB0.2 million (HK\$0.2 million), respectively, on our income statement.

#### Property and business interruption insurance

We maintain insurance coverage against risks of loss or damage to our assets, including owned or leased real estate, raw materials, work-in-progress, finished products, automobiles and vehicles, machinery and, depending on the contractual arrangement with our customers and delivery instructions, freight insurance. We also maintain insurance coverage for business interruptions. The risks we are insured against include those caused by natural disasters, such as fire or flood. Usually the insured amount is equal to the replacement value. Our Directors believe such coverage is adequate.

As of the Latest Practicable Date, we had not experienced any significant loss or damage to our manufacturing facilities. For the years ended December 31, 2007, 2008 and 2009 and the seven months ended July 31, 2010, we recorded expenditures for insurance policy premiums for our property and business interruption insurance in an amount of RMB0.5 million (HK\$0.5 million), RMB0.5 million (HK\$0.5 million), RMB0.5 million (HK\$0.5 million) and RMB0.3 million (HK\$0.3 million), respectively, on our income statement. We have not made any material claims under our insurance policies and have not experienced any material business interruptions since we commenced operations.

#### Other insurance

In addition to social security insurance for our employees in the PRC as required by PRC social security regulations, we provide commercial insurance for our employees to provide additional coverage against injury or sickness during employment. For the years ended December 31, 2007, 2008 and 2009 and the seven months ended July 31, 2010, we recorded expenditures for such insurance policy premiums in an amount of RMB1.0 million (HK\$1.1 million), RMB0.8 million (HK\$0.9 million), RMB1.4 million (HK\$1.6 million) and RMB1.2 million (HK\$1.3 million), respectively, on our income statement.



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## BUSINESS

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### LEGAL COMPLIANCE AND PROCEEDINGS

From time to time, we become involved in legal proceedings relating to claims arising out of operations in the ordinary course of our business. While the outcome of such legal proceedings cannot be predicted, our Directors believe we are not involved in any litigation, arbitration or administrative proceedings that could have a material adverse effect on our financial condition or results of operations, taken as a whole.

We are not and have not been involved in any legal or arbitration proceedings (including any such proceedings which are pending or threatened of which we are aware) which may have, or have had during the Track Record Period, individually or taken as a whole, a significant effect on our financial position. We are not involved in any legal or arbitration proceedings (including any such proceedings which are pending or threatened of which we are aware) relating to claims or amounts which are material in the context of the initial public offering.

During the Track Record Period and as of the Latest Practicable Date, we were not aware of any non-compliance with the relevant rules and regulations in the countries where we operate or any incident where we have not obtained any permits and licenses that are necessary for our operations in the countries where we operate. In addition, during the Track Record Period and as of the Latest Practicable Date, to the extent that we were subject to anti-trust laws and regulations in other relevant jurisdictions in which we have operations, we were not aware of any non-compliance with such laws and regulations.

### ENVIRONMENTAL PROTECTION

We are subject to PRC environmental laws and regulations including the Environment Protection Law of the PRC. These laws and regulations govern a broad range of environmental matters, including air pollution, noise emissions and water and waste discharge. We consider the protection of the environment to be important and have implemented measures in the operation of our business to ensure our compliance with all applicable requirements under the PRC environmental laws and regulations.

We believe that our business operation does not generate hazards that have any significant adverse effect on the environment and our environmental protection measures are adequate to comply with all applicable current local and national PRC regulations. This is because our business operation is largely labor-intensive and does not require the consumption of high levels of energy. Furthermore, due to the composition of the products which we manufacture, there is minimal waste discharge, noise, water or air pollution. As of the Latest Practicable Date, no administrative sanctions, penalties or punishments had been imposed upon us for the violation of any environmental laws or regulations.

We have a dedicated department responsible for environmental protection issues. This department is responsible for ensuring our compliance with applicable environmental laws and regulations. Its responsibilities include ensuring that our existing facilities comply with these laws and regulations, monitoring the discharge of waste water, air and noise, and the disposal of hazardous substances as well as providing our employees with environmental protection education and training. We have obtained confirmations from local environmental protection bureaus of our compliance with the environmental protection laws and regulations for our production lines in Kunshan and Ningbo in 2010. Our PRC legal advisers have confirmed that during the Track Record Period, we have materially complied with relevant environmental laws and regulations, and no penalty was imposed on us. For the years ended December 31, 2007, 2008 and 2009 and the seven months ended July 31, 2010, we recorded expenditures for our



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compliance with the applicable environmental rules and regulations in an amount of RMB2.7 million (HK\$3.1 million), RMB1.5 million (HK\$1.7 million), RMB1.9 million (HK\$2.2 million) and RMB2.7 million (HK\$3.1 million), respectively, on our income statement. We plan to spend RMB5.7 million (HK\$6.5 million) in each of the years ended 31 December 2010 and 2011 to ensure our compliance with the applicable environmental rules and regulations.

### HEALTH AND SAFETY CONTROL

In order to ensure that we provide our employees with a safe working environment, we implement strict environmental, health and safety policies with reference to various governmental regulations and policies. It is mandatory for all of our employees to abide by these safety rules.

We provide safety education to our employees and have established safety standards in connection with matters such as purchasing, installing and operating new equipment, as well as for each stage of the manufacturing process. In addition, each of our production facilities has established specific committees responsible for supervising the labor, hygiene and safety conditions in our production process, and monitoring compliance with statutory regulations and our established standards relating to production safety.

We believe our safety control measures are adequate and comply with applicable current local and national PRC regulations. As of the Latest Practicable Date, no administrative sanctions, penalties or punishments had been imposed upon us for the violation of any health and safety laws or regulations.

We have established a dedicated department responsible for health and safety control issues. This department is responsible for ensuring our compliance with applicable health and safety control rules. Its responsibilities include ensuring that our existing facilities comply with these laws and regulations, as well as providing employees with health and safety control education and training.

Our PRC legal advisers have confirmed that during the Track Record Period, we have complied with relevant health and safety laws and regulations, and no material penalty was imposed on us.

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## HISTORY, REORGANIZATION AND GROUP STRUCTURE

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### BACKGROUND AND HISTORY

#### History

Our Group’s history dates back to 1989, when our Chairman and executive Director, Mr. Song, first entered into the durable juvenile products business and founded our predecessor company, GGCL, to design, manufacture, and market strollers in China.

We own two of the well-known juvenile products brands in China — “好孩子 Goodbaby” and “小龍哈彼 Happy Dino”. The “好孩子 Goodbaby” brand was first launched by GGCL in 1989 when it introduced the “push and rock” stroller to the Chinese juvenile products market. In 1990, we were granted a 10-year patent in China for the “push and rock” stroller that we invented. The “小龍哈彼 Happy Dino” brand was launched in 1999 (it was known as “小小恐龍 Little Dinosaur” until the re-branding in 2006) primarily to target the mass market segment in China. Since 1993, we became the market leader in terms of market share of stroller sales in China, according to the China Toys Association.

In 1994, as part of our strategic plan to expand internationally, we established a research team to develop products for the market in North America and in 1996, we established a strategic relationship with Dorel, a leading international brand owner, and began to sell our strollers in North America. By 1999, we became the largest supplier of strollers in North America, according to Frost & Sullivan. Similarly, in 2002, we further extended our strategic relationship with Dorel in our European market and we established further strategic relationships with a number of leading international brand owners, including Dorel, Play and Silver Cross, in our European market and we began to sell strollers in our European market by working with these international brand owners and by 2006, we became the largest supplier of strollers in our European market, according to Frost & Sullivan. As part of our expansion plan, starting from 2007, we began to strategically develop Other Overseas Markets.

#### Our Development Milestones

The following table sets forth major events and milestones in development:

<u>Year</u>	<u>Event/Milestone</u>
1989	Establishment of our predecessor company, GGCL, under the leadership of Mr. Song  Launched the “好孩子 Goodbaby” brand  Began to design, manufacture and market strollers under the “好孩子 Goodbaby” brand in China
1990	Our Group was granted a 10-year patent in China for the “push and rock” stroller that it invented
1993	Our strollers ranked number one in sales in China according to the China Toys Association

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## HISTORY, REORGANIZATION AND GROUP STRUCTURE

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Year	Event/Milestone
1994	<p>Established GCPC, a Sino-foreign joint venture between GGCL and an independent third party, to engage principally in the manufacture of strollers under our flagship “好孩子 Goodbaby” brand</p> <p>Began developing products for sale in the North American market by establishing a dedicated R&amp;D team as part of our strategic international expansion plan</p>
1996	Established a relationship with Dorel, a leading international brand owner and began to sell our strollers to North America
1999	<p>Launched the “小小恐龍 Little Dinosaur” brand</p> <p>“好孩子” brand was recognized by the SAIC and other ministries as a China famous brand (中國馳名商標)</p>
2000	Diversified our product line to include children’s bicycles, tricycles, cribs and other durable juvenile products
2002	<p>Established a research team to develop products for sale in our European market</p> <p>Further extended our strategic relationship with Dorel in our European market and established strategic relationships with a number of leading international brand owners, including Dorel, Play and Silver Cross, in our European market and began to sell our strollers in our European market</p>
2004	Our “好孩子” branded strollers are recognized by the General Administration of Quality Supervision, Inspection and Quarantine of the PRC (國家質量監督檢驗檢疫總局) as a top Chinese-branded product “中國名牌產品”
2005	Further diversified our product line to include children’s car safety seats
2006	<p>Rebranded the “小小恐龍 Little Dinosaur” brand as “小龍哈彼 Happy Dino” brand</p> <p>Our strollers ranked number one in our European market in terms of sales volumes, according to Frost &amp; Sullivan</p> <p>Our Group became one of the recipients of the “Most Innovative Enterprise in China” award from CEO &amp; CIO Magazine and Tsinghua University’s School of Economics and Management (清華大學經濟管理學院)</p>
2007	<p>Our Group expanded the range of products offered for sale to our European market and North America to include children’s car safety seats</p> <p>Set up research and development centers in the Netherlands, the United States and Japan</p>

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## HISTORY, REORGANIZATION AND GROUP STRUCTURE

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Year	Event/Milestone
	Mr. Song was one of the recipients of the Ernst & Young Entrepreneur of the Year Award (安永企業家獎) for the greater China region
2008	<p>Our Group was named as one of the “50 local dynamos” from fast growing economies in a report by The Boston Consulting Group, Inc.</p> <p>Mr. Song was awarded the “Chinese toy industry’s Outstanding Achievement Award” (中國玩具行業傑出成就獎) and the title of “Industry Leader” (行業領軍人物) by the China Toy Association and thus far is the only recipient of such award</p>
2009	<p>Our Group was recognized by China’s National Intellectual Property Department as a national model enterprise for intellectual property (全國企事業知識產權示範單位)</p> <p>Our Group was named by China’s Quality Association as its “30th Anniversary’s Outstanding Enterprise in implementing total quality management in China” (“中國推行全面質量管理30週年優秀企業”)</p> <p>Our “好孩子 Goodbaby” brand ranked first among durable juvenile products brands in China in terms of brand awareness, according to Frost &amp; Sullivan</p> <p>Our Group supplied one out of every 2.9 strollers sold in China, North America and our European market in 2009, according to Frost &amp; Sullivan.</p>
2010	<p>Our Group was one of the sponsors for the World Expo in Shanghai</p> <p>Our Group received the “China Quality Award” (全國質量獎) which is a national award according to China Excellent Performance Evaluation Standard (卓越績效評價準則) in China</p>

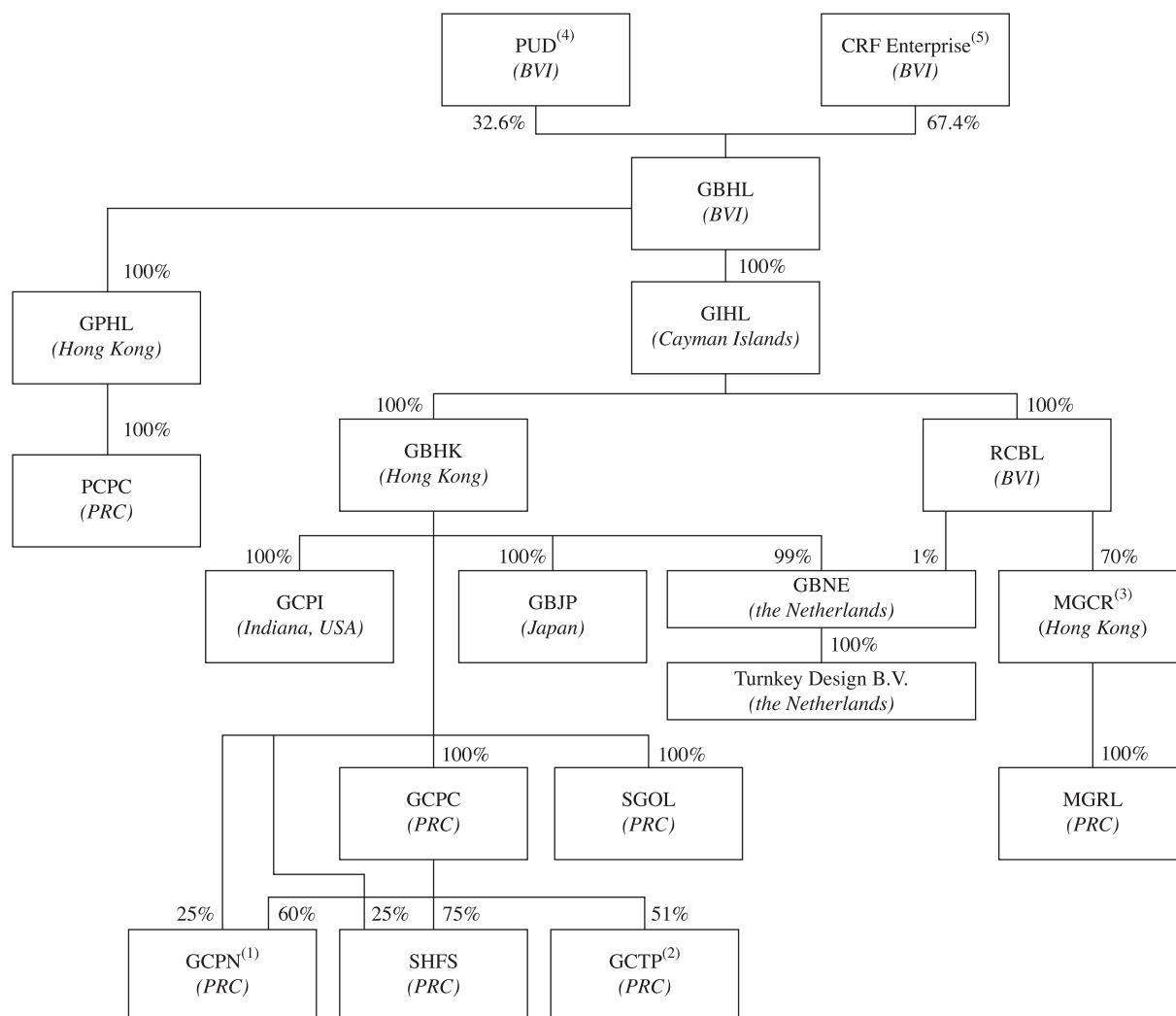
# HISTORY, REORGANIZATION AND GROUP STRUCTURE

## REORGANIZATION

In preparation for the Global Offering and in order to streamline our business, we underwent the Reorganization.

### Our corporate structure immediately before the Reorganization

The following chart illustrates our corporate structure immediately before the Reorganization:



*Notes:*

- (1) The remaining 15% interest is held by Ningbo Nantian Metal Co., Ltd.\* (寧波南天金屬有限公司).
- (2) The remaining 49% interest is held by PMM China Limited.
- (3) The remaining 30% equity interest is held by Mothercare International (Hong Kong) Limited.

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## HISTORY, REORGANIZATION AND GROUP STRUCTURE

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- (4) Please see section headed “Relationship with our Controlling Shareholders — Background of PUD” for further details of the ownership of PUD.
- (5) CRF Enterprise was incorporated in September 2005 in the BVI as a special-purpose company that held an indirect interest in our Company on behalf of various investment funds.

At the time of the Company’s incorporation in July 2000, First Shanghai Investments Limited, Sure Growth Investments Limited, Mr. Song, SB China Holdings Pte Ltd. and The China Retail Fund, LDC, each held a 20% equity interest in the Company. Following a series of corporate transactions, as of January 1, 2004, the Company was owned as to 44.17% by First Shanghai Investments Limited, as to 29.43% by PUD, as to 13.20% by The China Retail Fund, LDC, as to 7.87% by SB China Holdings Pte Ltd. and as to 5.33% by Capital Force Investments Limited. Pursuant to the sale and purchase agreement dated October 15, 2005, CRF Investment Limited agreed to acquire the 13.20% equity interest in the Company held by China Retail Fund, LDC. As of November 4, 2005, the Company was owned as to 44.17% by First Shanghai Investments Limited, as to 29.43% by PUD, as to 13.20% by CRF Investment Limited, as to 7.87% by SB China Holdings Pte Ltd. and as to 5.33% by Capital Force Investments Limited.

On November 7, 2005, PUD and CRF Enterprise (a subsidiary of CRF Investment Limited), through GBHL (then also owned as to 32.6% by PUD and 67.4% by CRF Enterprise) entered into an agreement with the Company’s other shareholders to purchase all of their respective interests in the Company (the “Buy-out”). The Buy-out was completed on January 26, 2006.

As of the Latest Practicable Date, CRF Enterprise was owned as to 74.78% by CRF Investment Limited and 25.22% by Stark ARCH Ltd. Stark ARCH Ltd. is an investment vehicle owned by various investment funds, each of which, together with Stark ARCH Ltd., are managed by an affiliate of Stark and Roth, Inc., which is a registered investment advisor registered with the US Securities and Exchange Commission. CRF Investment Limited was owned as to 50.25% by ARC Capital Holdings Limited and 49.75% by CRF Investment Holdings Limited. ARC Capital Holdings Limited is an investment company listed on AIM (a market operated by the London Stock Exchange) managed by ARC Capital Partners Limited with a focus on the retail, consumer products and service sectors in Greater China and other countries in Asia. To the best of our Directors’ knowledge and based on publicly available information, there is no single shareholder of ARC Capital Holdings Limited who is regarded as the controlling shareholder of ARC Capital Holdings Limited during the Track Record Period and up to the Latest Practicable Date. As at the Latest Practicable Date, save for having an indirect interest in our Company and as disclosed in this prospectus, ARC Capital Holdings Limited has no other relationship with our Group. CRF Investment Holdings Limited is owned as to 21.18% by Pacific Alliance/DBZ L.P., 24.31% by Pacific Alliance II L.P., 34.72% by Millennium Partners, L.P. and 19.79% by Stark ARCH Ltd. The investments in our Company made by Stark ARCH Ltd., Pacific Alliance/DBZ L.P., Pacific Alliance II L.P. and Millennium Partners, L.P. are managed by Pacific Alliance Investment Management Limited which is a company indirectly controlled by a discretionary trust, the beneficiaries of which include Mr. Christopher Marcus Gradel, our non-executive Director. To the best of our Directors’ knowledge and based on publicly available information, it is expected that the interest of the above trust in Pacific Alliance Management Limited will be reduced to less than 30% as a result of some shareholding restructuring undertaken at the level of holding companies of Pacific Alliance Management Limited which is expected to be completed in around mid-December 2010. As at the Latest Practicable Date, save for having an indirect interest in our Company, CRF Investment Holdings Limited, Pacific Alliance/DBZ L.P., Pacific Alliance II L.P., Millennium Partners L.P. and Stark ARCH Ltd. were unrelated to our Group.

### The Reorganization Steps

To streamline our corporate structure, we carried out the following Reorganization steps:

On April 6, 2010, GCPC entered into a de-merger agreement with the legal representative of GCCL (which was in the process of being established at the relevant time) pursuant to which GCCL acquired all of GCPC’s businesses involving the development, manufacturing and sale of non-durable juvenile products, as well as the distribution and retail business in China, which includes 2,483 retail outlets located throughout China. The de-merger agreement came into effect on June 11, 2010 when GCCL was established as a wholly owned subsidiary of GBHL on the same date as part of the de-merger process from GCPC.

On May 6, 2010, GCHL, a company incorporated in Hong Kong with limited liability, was established as a wholly owned subsidiary of GBHL.

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## HISTORY, REORGANIZATION AND GROUP STRUCTURE

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On June 14, 2010, RCBL transferred its 1% equity interest in GBNE to GIHL at net book value of €595.40 (approximately RMB4,924.55) (at the time of such transfer) with the amount of the consideration payable by GIHL to be left outstanding in the books of GIHL and RCBL as a non-trading intercompany balance owed by GIHL to RCBL.

On June 24, 2010, GIHL transferred all its equity interests in RCBL to GBHL at net book value of RMB4,304,123.31 (as at May 31, 2010 and after netting-off the non-trading intercompany balance owed by GIHL to RCBL as referred to above) with the amount of the consideration payable by GBHL to be left outstanding in the books of GBHL and GIHL as a non-trading intercompany balance owed by GBHL to GIHL.

On July 22, 2010, as part of the de-merger process, GCPC transferred its 75% equity interests in SHFS to GCCL.

On July 30, 2010, GPHL transferred its 100% equity interests in PCPC to GBHK for a nominal consideration of US\$1.

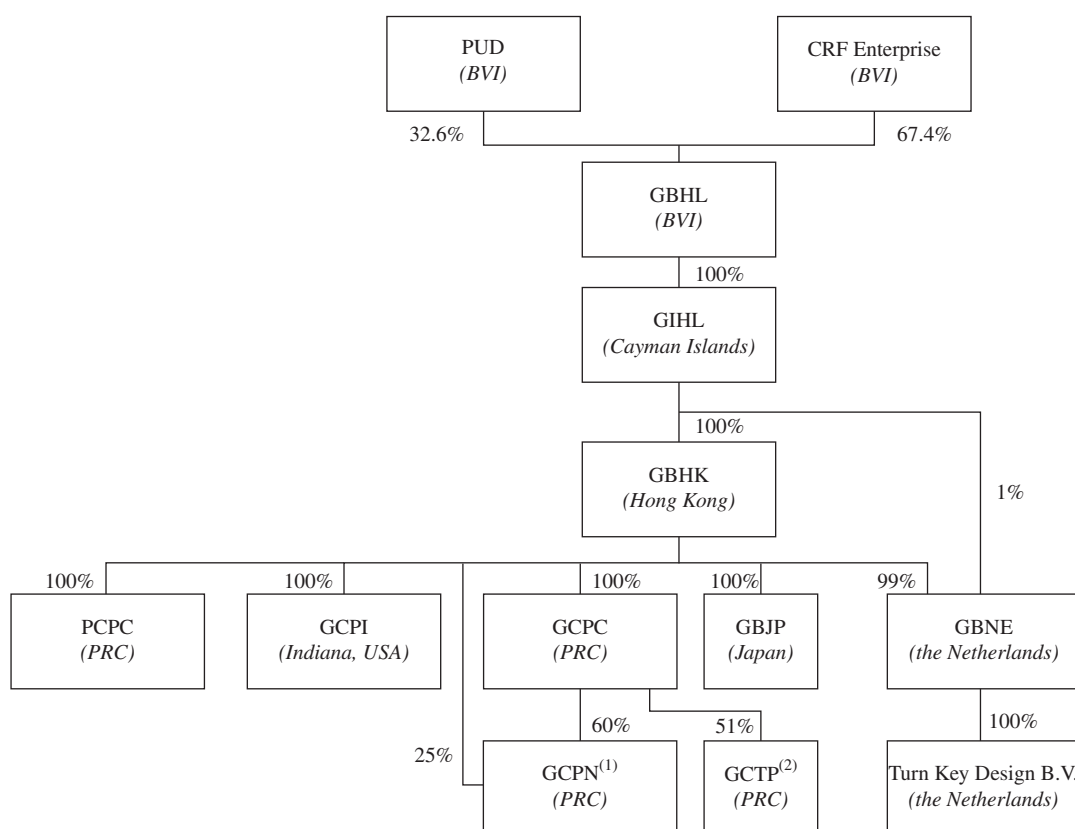
GBHK transferred its (i) 100% equity interests in GCCL to GCHL at the direction of GBHL on June 25, 2010 at a consideration of RMB244,391,341 based on the registered capital of GCCL; (ii) 25% of its equity interests in SHFS to GCHL at the direction of GBHL on July 22, 2010 at a consideration of RMB2,500,000 based on the registered capital of SHFS; and (iii) 100% of its equity interests in SGOL to GBHL on July 13, 2010 at a nominal consideration of RMB1, with the aggregate amount of the consideration payable by the GBHL to be left outstanding in the books of GBHL and GBHK as a non-trading intercompany balance owed by the GBHL to GBHK (the “GBHK Transfers Consideration”).

On June 30, 2010, GBHK transferred and assigned the GBHK Transfers Consideration at face value to GIHL to be effected by way of book entries in the books of GBHK and GIHL with no actual cash payment being made between GBHK and GIHL.

On July 31, 2010, GIHL declared a special dividend out of its retained earnings and share premium as of December 31, 2009 in the amount of HK\$406.5 million, which was settled before Listing through the non-trading intercompany balance owed by GBHL to GIHL following completion of the transfer and assignment of the GBHK Transfers Consideration referred to above (the “Receivable”) with such special cash dividend payable to GBHL to be settled by way of a set-off against the Receivable together with the balance of other non-trading receivables due from GBHL to GIHL. All non-trading intercompany balances between GBHL and GIHL were fully eliminated before Listing as a result of such dividend payment and set-off with no actual cash payment being made between GIHL and GBHL.

## HISTORY, REORGANIZATION AND GROUP STRUCTURE

The following diagram sets out our corporate structure immediately after the Reorganization but prior to completion of the Capitalization Issue, the Distribution in Specie, and the Global Offering:



Note:

- (1) The remaining 15% interest is held by Ningbo Nantian Metal Co., Ltd.\* (寧波南天金屬有限公司).
- (2) The remaining 49% interest is held by PMM China Limited.

### Distribution in specie and transfers and arrangements in relation to GBHL

Pursuant to a credit agreement dated September 22, 2010 entered into between, among others, Taipei Fubon Commercial Bank Co., Ltd (“Fubon Bank”) and GBHL, Fubon Bank provided a loan facility (by way of a refinancing of an outstanding bank loan owed by GBHL) in the amount of HK\$226,200,000 to GBHL (the “Loan”). The Loan is secured, *inter alia*, by pledges of equity interests in and assets of various Group members including all the Shares held by GBHL and guaranteed, *inter alia*, by various Group members (the “Relevant Security and Guarantee”). GBHL will repay the Loan and the interests accrued thereon with the sale proceeds to be received by it from the Sale Shares and discharge the Relevant Security and Guarantee before Listing on the Listing Date. PUD, CRF Enterprise and GBHL have undertaken to the Company that in the event that the Global Offering becomes unconditional, they will procure the Lead Manager to release and pay the net proceeds to be received by GBHL from the Sale Shares into a bank account specified by Fubon Bank before Listing on the Listing Date in order to repay the Loan and the interests accrued thereon. Upon the release of the Relevant Security and Guarantee and completion of the Capitalization Issue which



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## HISTORY, REORGANIZATION AND GROUP STRUCTURE

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will all take place before Listing on the Listing Date, GBHL will then transfer all of the Shares (minus the Sale Shares) then owned by GBHL to PUD and CRF Enterprise by way of a distribution in specie (“Distribution in Specie”) proportional to their then shareholding in GBHL so as to allow PUD and CRF Enterprise to directly hold interests in our Company. Concurrently with the Distribution in Specie but before the Global Offering, the interests of our Company held by PUD and CRF Enterprise will be further adjusted based on prior commercial discussions among PUD and CRF Enterprise. As a result of such adjustments, PUD and CRF Enterprise will respectively hold approximately 25.9% and 44.1% interests in our Company immediately after completion of the Global Offering. The consideration per Share to be paid by PUD to CRF Enterprise for any additional Shares to be transferred by CRF Enterprise to PUD as a result of such adjustment will be the same as the Offer Price. Such arrangement, which will be completed and settled before Listing on the Listing Date, is intended to allow PUD, being the management of our Company, to maintain certain of its shareholding in our Company and minimize the dilution impact on its shareholding in our Company as a result of the Global Offering. The proportional shareholding interest of PUD and CRF Enterprise in our Company upon completion of the aforesaid transactions and immediately before completion of the Global Offering is agreed between PUD and CRF Enterprise based on commercial considerations. If the Global Offering does not become unconditional, the Distribution in Specie and adjustments of PUD’s and CRF Enterprise’s interests in our Company will not occur, and GBHL will repay the Loan according to the repayment schedule of the Loan, with the final installment becoming due on July 31, 2011.

In connection with the Distribution in Specie and the subsequent adjustment of shareholding interest in our Company between PUD and CRF Enterprise which will take place before Listing on the Listing Date, we have obtained the following waivers from the Stock Exchange:

### **Waiver in relation to the non-disposal of Shares by PUD and CRF Enterprise**

Rule 10.07(1) of the Listing Rules provides that the controlling shareholders of a listed issuer shall not (a) in the period commencing on the date by reference to which disclosure of the shareholding of the controlling shareholders is made in the listing document and ending on the date which is six months from the date on which dealings in the securities of a new applicant commence on the Stock Exchange, dispose of, enter into any agreement to dispose of, or otherwise create any options, rights, interests or encumbrances in respect of, any of those securities of the issuer in respect of which he is or they are shown by that listing document to be the beneficial owner(s) (the “First Six-Month Period”) and (b) in the period of six months commencing on the date on which the period referred to in Rule 10.07(1)(a) of the Listing Rules expires, 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 securities referred to in Rule 10.07(1)(a) of the Listing Rules if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, that person or group of persons would cease to be a controlling shareholder (the “Second Six-Month Period”). The First Six-Month Period and the Second Six-Month Period are collectively referred to as the “Lock-up Period.”

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## HISTORY, REORGANIZATION AND GROUP STRUCTURE

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PUD and CRF Enterprise are the controlling shareholders of our Company and the Shares they beneficially hold are therefore subject to lock up during the Lock-up Period. Following completion of the Distribution in Specie and the subsequent adjustments of shareholding interest in our Company between PUD and CRF Enterprise, PUD and CRF Enterprise will hold approximately 25.9% and 44.1% interests in our Company immediately upon completion of the Global Offering (assuming the Over-allotment Option is not exercised) and will become direct Shareholders upon Listing. An application has been made and the Stock Exchange has granted a waiver from Rule 10.07(1)(a) of the Listing Rules in respect of the transaction contemplated under the Distribution in Specie and the subsequent adjustment of shareholding interest in our Company between PUD and CRF Enterprise.

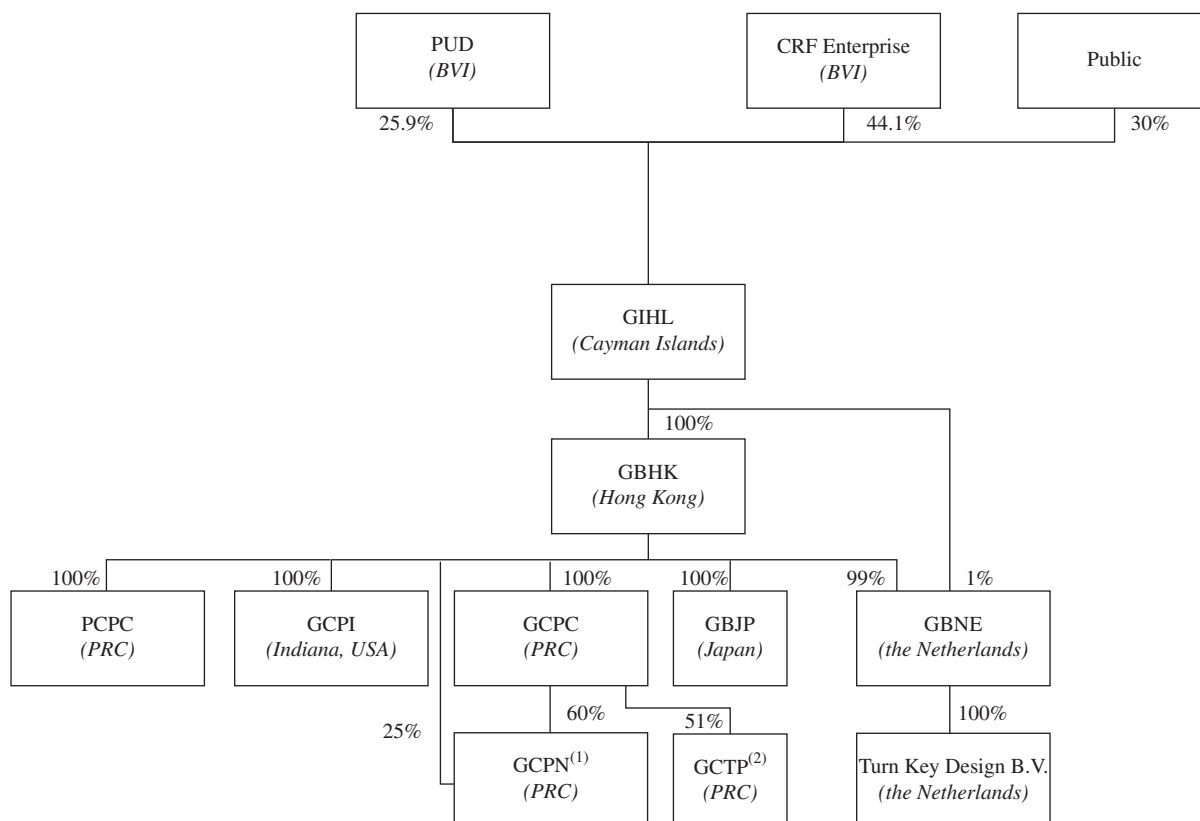
### **Waiver in relation to dealing in Shares prior to Listing**

Under Rule 9.09 of the Listing Rules, from the time of submission of the formal application for listing until listing is granted there must be no dealing in the securities for which listing is sought by any connected person of our Company. As all the Shares held by GBHL have been pledged by GBHL in favour of Fubon Bank as security for the Loan, the Distribution in Specie and the subsequent adjustment of shareholding interest in our Company between CRF Enterprise and PUD cannot take place until after release of the Relevant Security and Guarantee which is conditional upon the Global Offering becoming unconditional on the Listing Date. Our Company has applied for, and the Stock Exchange has granted, a waiver from Rule 9.09 of the Listing Rules in relation to the transactions contemplated under the Distribution in Specie and the subsequent adjustment of shareholding interest in our Company between CRF Enterprise and PUD.

## HISTORY, REORGANIZATION AND GROUP STRUCTURE

### Our corporate structure immediately after the completion of the Global Offering

Immediately after the completion of the Global Offering (assuming the Over-allotment Option is not exercised), GBHL will cease to have any interest in the Company, and PUD and CRF Enterprise, as a result of the Distribution in Specie and the adjustment of shareholding interests in the Company between PUD and CRF Enterprise based on their prior commercial discussion, will hold approximately 25.9% and 44.1% interest in the Company. The following diagram sets out our corporate structure immediately after completion of the Global Offering (assuming the Over-allotment Option is not exercised):



Note:

- (1) The remaining 15% interest is held by Ningbo Nantian Metal Co., Ltd.\* (寧波南天金屬有限公司).
- (2) The remaining 49% interest is held by PMM China Limited.

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## HISTORY, REORGANIZATION AND GROUP STRUCTURE

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### SAFE Registration

The foreign exchange registration records for overseas investment by PRC residents issued by the local branches of SAFE indicate that all the PRC individual ultimate shareholders of PUD (collectively referred to as the “PUD PRC shareholders”) have duly registered with the local branches of SAFE with respect to their investments in the Group prior to the Reorganization. According to the relevant foreign exchange administration laws and regulations of the PRC, when registering foreign exchange in connection with an individual overseas investment, substantial shareholders who hold directly or indirectly 5% or more of the domestic enterprise shall register the overseas investment in person; and ultimate shareholders who hold less than 5% of the domestic enterprise may register individually, or collectively handle the registration through a trust scheme or an agency arrangement. In PUD’s situation, all of the shareholders of PUD who were PRC natural persons and indirectly held less than 5% of any domestic enterprises had delegated Mr. Chen Huaixiao, one of the shareholders of PUD, to handle the registration. As the relevant department of SAFE recognized Mr. Chen Huaixiao as the agent to handle the collective foreign exchange registration and made the relevant registration accordingly, the Company’s PRC legal advisers believe that the registration by Mr. Chen Huaixiao for and on behalf of other shareholders of their investment in the Group is legal and valid in accordance with the applicable PRC rules and regulations.

As a result of the Reorganization, the PUD PRC shareholders have updated their registration records with the local branches of SAFE to reflect the Group’s structure prior to Listing.

### COMPLIANCE

Based on the certificates issued by the PRC governmental authorities and confirmation and other documents provided by our Group, our PRC legal adviser is of the view that we have complied with the applicable PRC laws and regulations in all material aspects during the Track Record Period and up to the Latest Practicable Date. We have obtained all material certificates, permits, licenses and approvals necessary for our operations.

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## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

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### Overview

Immediately after the completion of the Global Offering (assuming that the Over-allotment Option is not exercised), our immediate Controlling Shareholders, namely CRF Enterprise and PUD, will own approximately 44.1% and 25.9%, respectively, of the issued share capital of our Company.

While our Group will continue to operate independently of our Controlling Shareholders, there will be certain transactions between our Group, our Controlling Shareholders, and companies controlled by our Controlling Shareholders which will continue following the completion of the Global Offering. Please see the section headed “Connected Transactions” in this prospectus for details of such transactions.

### Background of PUD

PUD was incorporated in June 2002 in the BVI as a limited liability company through which members of the Group’s management and employees indirectly held their interests in the Company. PUD was initially jointly owned by Mr. Song and his wife, Ms. Fu. As part of an incentive scheme to enable our employees (including former employees) and consultant to participate in the profit and growth of our Company, on January 24, 2003, an aggregate of 99,600 new ordinary shares in PUD were issued to a total of 165 employees (including then employees who are now former employees of the Group due to the Reorganization) and part-time consultant of the Company at par value. Apart from Ms. Fu, Mr. Wang Haiye, who is our executive Director and the nephew of Mr. Song, Mr. Meng Xianmin, the brother-in-law of Ms. Fu, Ms. Fu Xuemei, the sister of Ms. Fu, Ms. Xin Youhong, Mr. Song’s niece, Mr. Zhang Jiwen, the brother-in-law of Ms. Fu, and Ms. Zhang Sharon Nan, the daughter of Ms. Fu, other shareholders of PUD do not have any relationship with Mr. Song or the Group save for being employees, part-time consultants or former employees of the Group. As at the Latest Practicable Date, PUD was owned as to approximately 45.39% by Cayey Enterprises Limited, as to approximately 8.63% by Lexidirect Corporation, as to approximately 11.92% by Powergain Global Limited, as to approximately 0.27% by Mr. Liang Sheuh-Hvei, as to approximately 2.07% by Mr. Qu Michael Nan, as to approximately 0.73% by Mr. He Xinjun, as to approximately 18.05% by 91 persons (who hold their Shares individually) who are members of the management and employees of the Group and as to approximately 12.94% by two part-time consultants and 62 former employees of the Group. As at the date of this prospectus, Cayey Enterprises Limited is wholly owned by Grappa Holdings Limited the issued share capital of which is owned as to 50% by Seletar Limited and as to 50% by Serangoon Limited, as nominees for Credit Suisse Trust Limited, which is the trustee holding such interest on trust for the beneficiaries of the Grappa Trust. The beneficiaries of the Grappa Trust include Mr. Song, Ms. Fu and family members of Mr. Song and Ms. Fu. The Grappa Trust is a revocable discretionary trust established under the laws of Singapore. Lexidirect Corporation is wholly owned by Mr. Liu Tongyou and Powergain Global Limited is wholly owned by Mr. Wang Haiye. As at the Latest Practicable Date, the two part-time consultants, Mr. Koo Wai Lam and Mr. Tsai Fanghsun, owned 0.21% and 0.52% interests in PUD, respectively, and were issued such shares in PUD in recognition of their significant contribution to the Group, namely in sharing their factory management experience with the Group, thereby enhancing the efficiency and work processes of the Group’s factories. Mr. Meng Xianmin, Ms. Fu Xuemei, Ms. Xin Youhong, Mr. Zhang Jiwen, and Ms. Zhang Sharon Nan, together own approximately 1.74% interests in PUD. These individual shareholders are the ultimate beneficial owners of their respective shareholding interests in PUD.

As at the Latest Practicable Date, the directors of PUD were Mr. Song (our executive Director and our founder), Ms. Fu, Mr. Liu Tongyou (our Chief Financial Officer), Mr. Wang Haiye (our executive Director) and Mr. Chen Huaixiao (an employee of our Group). Pursuant to the shareholders agreement dated

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## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

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January 22, 2006, entered into between the shareholders of PUD and PUD itself, it was agreed that no share in PUD may be transferred by a PUD shareholder unless approved by a resolution duly passed by the board of PUD, or pursuant to a repurchase of shares by PUD which may be exercised if it is determined by the board of PUD that such shareholder is a person who is engaged in any business activity either by himself or through one of his affiliates that competes with the business of the Group at any time he is a shareholder of PUD or has acted in breach of the shareholders agreement.

There is no formal agreement of any type entered into or any agreement, understanding or relevant arrangement between the individual shareholders of PUD to govern voting arrangements. The individual shareholders of PUD vote independently from each other. Furthermore, there is no arrangement of nomination, trust or profit sharing in existence between any of the shareholders in PUD. In view of the above, the individual shareholders of PUD are not considered as a closely allied group of shareholders under the Listing Rules.

### **Background of CRF Enterprise**

CRF Enterprise was incorporated in September 2005 in the BVI as a special-purpose company to hold an interest in the Company on behalf of various investment funds. As at the Latest Practicable Date, CRF Enterprise was owned as to 74.78% by CRF Investment Limited, which was in turn owned as to 50.25% by ARC Capital Holdings Limited, an investment company listed on AIM (a market operated by the London Stock Exchange), and as to 49.75% by CRF Investment Holdings Limited. The investment of ARC Capital Holdings Limited in CRF Investment Limited is managed by ARC Capital Partners Limited, an investment management company with a focus on the retail, consumer products and service sectors in Greater China and other countries in Asia, under the terms of an investment management agreement entered into between ARC Capital Holdings Limited and ARC Capital Partners Limited. ARC Capital Partners Limited, a member of the Pacific Alliance Group of investment management firms (“Pacific Alliance Group”), is a private investment management firm, which is ultimately owned as to approximately 52.2% of its holding company by a trustee of a discretionary trust. Pacific Alliance Group has announced that it is carrying out a tender offer on the Tokyo Stock Exchange which is scheduled to close on December 10, 2010. If the offer closes, at that time, certain shares of the founders and management of the target entity will be exchanged for shares in the bidder and as a result, on or about December 10, 2010, the trustee’s approximate 52.2% shareholding interest in the Pacific Alliance Group’s holding company will have been converted into an approximate 21.84% interest. As ARC Capital Partners Limited is not a shareholder of CRF Investment Limited but only an investment manager of ARC Capital Holdings Limited (in relation to CRF Investment Limited and CRF Enterprise), pursuant to its contractual relationship under the investment management agreement, ARC Capital Holdings Limited has the ultimate power to terminate the appointment of ARC Capital Partners Limited as its investment manager and to determine how ARC Capital Partners Limited should vote on the shares held by ARC Capital Holdings Limited in CRF Investment Limited pursuant to the terms of the investment management agreement. Notwithstanding the completion of the tender offer, the control of ARC Capital Holdings Limited in the Company should continue to rest with ARC Capital Holdings Limited as ARC Capital Partners Limited does not have the right to exercise the voting power of ARC Capital Holdings Limited in CRF Investment Limited unless it is so instructed by ARC Capital Holdings Limited or ARC Capital Holdings Limited fails to provide any instructions to ARC Capital Partners Limited as to the exercise of the voting rights. As ARC Capital Holdings Limited has undertaken to the Stock Exchange to comply with the non-disposal undertaking pursuant to Rule 10.07 of the Listing Rules, ARC Capital Holdings Limited has instructed ARC Capital Partners Limited to strictly follow its undertakings to the Stock Exchange and not to

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## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

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dispose of its interests in CRF Investment Limited pursuant to the requirements under Rule 10.07 of the Listing Rules. In light of the above, the reduction of the trustee's interest in ARC Capital Partners Limited as a result of the tender offer should not result in any change on control of CRF Investment Limited and CRF Enterprise, and therefore the Company is in compliance with Rule 10.07 of the Listing Rules. To the best of our Directors' knowledge and based on publicly available information, there was no single shareholder of ARC Capital Holdings Limited that controls ARC Capital Holdings Limited during the Track Record Period and up to the Latest Practicable Date. As at the Latest Practicable Date, save for having an indirect interest in our Company and as disclosed in this prospectus, ARC Capital Holdings Limited had no other relationship with our Group. CRF Investment Holdings Limited is owned as to 21.18% by Pacific Alliance/DBZ L.P., 24.31% by Pacific Alliance II L.P., 34.72% by Millennium Partners, L.P. and 19.79% by Stark ARCH Ltd. The investments in our Company made by Stark ARCH Ltd., Pacific Alliance/DBZ L.P., Pacific Alliance II L.P. and Millennium Partners, L.P. are managed by Pacific Alliance Investment Management Limited which is a company indirectly controlled by a discretionary trust, the beneficiaries of which include Mr. Christopher Marcus Gradel, our non-executive Director. As at the Latest Practicable Date, save for having an indirect interest in our Company, CRF Investment Holdings Limited, Pacific Alliance/DBZ L.P., Pacific Alliance II L.P., Millennium Partners L.P. and Stark ARCH Ltd. are unrelated to our Group.

## OPERATIONS RETAINED BY OUR CONTROLLING SHAREHOLDERS

### Description of Retained Business

Immediately following the completion of the Reorganization, our Controlling Shareholders have interests in a number of companies engaged in the manufacturing and development of non-juvenile products (the "Non-Juvenile Business"), the design and development of non-durable juvenile products (the "Non-Durable Juvenile Business"), and the retail and distribution of juvenile products including both durable and non-durable juvenile products and household appliances (the "Retail Business," together with the Non-Durable Juvenile Business and the Non-Juvenile Business, the "Retained Business"), which do not form part of our Group. The Non-Juvenile Business encompasses the manufacture and development of adult transportation and sports products such as adult bicycles, electric wheelchairs and electric scooters under its own brands and portable basketball hoops and wheelchairs under third-party brands. The Non-Durable Juvenile Business encompasses the design and development of non-durable juvenile products which includes apparel and accessories, baby care products such as baby diapers and bottles under its own brands. The Retail Business primarily consists of the retail and distribution of a wide range of products including our products and other juvenile products such as powders, apparels and other baby care products as well as household appliances. The Retail Business includes retail of these products through its own retail outlets, online stores and catalog stores. It also includes distribution of these products through its distribution channels to third party retail outlets.

Set out below are details of the reorganization steps of certain companies comprising the Retained Business and the shareholding interests of our Controlling Shareholders in such companies.



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## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

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On November 1, 2007, the Group disposed of GPCL, FSCP, CSAL, BEHL (collectively, the “2007 Disposed Companies”) to the Parent Group for an aggregate consideration of HK\$503 million, representing the appraised value of the net assets of the 2007 Disposed Companies. The carrying amount of the net assets of the 2007 Disposed Companies was HK\$504 million. The disposal resulted in a loss of HK\$1 million. The 2007 Disposed Companies are mainly engaged in the Non-Juvenile Business.

On December 31, 2008, the Group disposed of SGCP, Kunshan Goodbaby Retailing Technology Co., Ltd., CRF Holdings Limited, Etechnology Holdings Limited (collectively, the “2008 Disposed Companies”) to Majestic Sino Limited, a company owned by CRF Enterprise and Sure Growth Investments Limited, for an aggregate consideration of HK\$29 million, representing the carrying amount of the net assets of the 2008 Disposed Companies. No gain or loss resulted from such disposal. The 2008 Disposed Companies are mainly engaged in the Retail Business through the operation of superstores, an online shopping website and catalogue sales under the “媽媽好孩子 Mama’s Goodbaby” brand and selling a full range of children’s products primarily under third-party brands as well as under our own brands. SGCP engaged in the retail sales business, including operating a retail online store, as a domestic company, which was controlled by the Company through a set of contractual control arrangements. The Company’s PRC legal advisors have advised that (i) all the relevant businesses of SGCP were legal when carried out by the Company; and (ii) all the businesses of SGCP have been disposed of.

As part of our Reorganization, in June and July 2010, the Group disposed of RCBL, SHFS, GCCL and SGOL (collectively, the “2010 Disposed Companies,” together with the 2007 Disposed Companies and the 2008 Disposed Companies, the “Disposed Companies”) to the Parent Group for an aggregate consideration of HK\$287,936,000. The disposal resulted in a net gain of HK\$35,699,000. The 2010 Disposed Companies are mainly engaged in the Non-Durable Juvenile Business and in the Retail Business including through “Mothercare”-branded stores and “好孩子 Goodbaby”-branded stores. For details relating to the disposal of the 2010 Disposed Companies, please see the section headed “History, Reorganization and Group Structure — Reorganization” and Note 14 to the Accountants’ Report in Appendix I to this prospectus. SGOL, as a foreign invested enterprise, engaged in providing information technology supporting services, which were not restricted businesses, and SGOL has ceased to operate. The Company’s PRC legal advisors have advised that (i) all the relevant businesses of SGOL were legal when carried out by the Company; and (ii) all the businesses of SGOL had been disposed of.

Apart from the Disposed Companies, Mr. Song and Ms. Fu also collectively hold interests in other companies, namely an aggregate indirect interest of approximately 30.20% in a property development project, and an aggregate indirect equity interest of approximately 33.56% in a juvenile diapers business (the “Other Retained Business”). Each of PUD, Mr. Song and Ms. Fu confirms that save as mentioned in this prospectus, none of them has interests in any other businesses.

The Retained Businesses comprising the Non-Juvenile Business, Non-Durable Juvenile Business and the Retail Business represent the entire Discontinued Operations and the revenue generated from the Retained Business in aggregation during the Track Record Period as compared with our revenue from Continuing Operations during the same period is approximately 50%. Apart from the Retained Businesses, Mr. Song and Ms. Fu also have interests in Other Retained Businesses comprising the real estate development project and juvenile diapers business and the revenue generated from such Other Retained Businesses in aggregation during the Track Record Period as compared with our revenue from Continuing Operations during the same period is insignificant.



## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

### Rationale for non-inclusion of the Retained Business

Our Directors, including our independent non-executive Directors, are of the view that the Retained Business, which involve the Non-Juvenile Business, the Non-Durable Juvenile Business and the Retail Business, are separate and distinct from our core business which includes the R&D and manufacture of durable juvenile products such as strollers, children’s safety seats and other durable juvenile products. The Controlling Shareholders currently have no intention to inject the Retained Business into the Group. Set out below are details of the Retained Business:

The Retained Business (the businesses below represent the entire Discontinued Operations)	Shareholding	Business and products	Location of major customers	Common customer with the Group
Non-Juvenile Business	Indirectly wholly owned by our Controlling Shareholders as to approximately 32.6% by PUD and 67.4% by CRF Enterprise	Manufacture and development of non-juvenile products which includes adult transportation and sports products such as adult bicycles, electric wheelchairs and electric scooters under its own brands and portable basketball hoops and wheelchairs under third-party brands	PRC, North America and our European market	Yes - but the products sold by us and the Parent Group to these customers are different
Non-Durable Juvenile Business	Indirectly wholly owned by our Controlling Shareholders as to approximately 32.6% by PUD and 67.4% by CRF Enterprise	Design and development of non-durable juvenile products which includes apparel and accessories, babycare products such as baby diapers and bottles under its own brands	PRC	Yes - but the products sold by us and the Parent Group to these customers are different
Retail Business	Controlled by our Controlling Shareholders with some entities being wholly owned by our Controlling Shareholders as to approximately 32.6% by PUD and 67.4% by CRF Enterprise	Retail and distribution of a wide range of products including our products and other juvenile products such as powders, apparels and other baby care products as well as household appliances. The Retail Business includes retail of these products through its own retail outlets, online stores and catalog stores. It also includes distribution of these products through its distribution channels to third party retail outlets	PRC	Yes - but the products sold by us and the Parent Group to these customers are different

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## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

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Set out below is a comparison of the main elements of our Group's and the Parent Group's business scope:

	Business scope	
	Activities	Products
Our Group	Design, R&D and manufacture	Durable juvenile products
Parent Group		
i) Non-Juvenile Business	Manufacture and development	Non-juvenile products
ii) Non-Durable Juvenile Business	Design and development	Non-durable juvenile products
iii) Retail Business	Retail and distribution	Full range of maternity products, juvenile products, and household appliances

### *Non-Juvenile Business*

The Non-Juvenile Business focuses on the manufacture and development of non-juvenile products which includes adult transportation and sports products such as adult bicycles, electric wheelchairs and electric scooters under its own brands and portable basketball hoops and wheelchairs under third-party brands. Although some of our customers overlap with those of the Parent Group, the products sold by us and the Parent Group to such customers are different. The Non-Juvenile Business has not been injected to the Group as it is completely different from our core business in terms of business model and product focus.

### *Non-Durable Juvenile Business*

The Non-Durable Juvenile Business focuses on the design and development of non-durable juvenile products. Given that our core business focuses on the R&D and manufacture of durable juvenile products, we disposed of the Non-Durable Juvenile Business as part of the Reorganization as our Directors regard that the business model and product focus of the Non-Durable Juvenile Business is different from ours. Further, due to the nature of the non-durable juvenile products, the requirements for design and R&D of such products as well as the management expertise, skills and resources required for such business are also different from our durable products and our core business. Although some of our customers overlap with those of the Parent Group, the products sold by us and the Parent Group to such customers are different.

### *Retail Business*

We disposed of the Retail Business as part of the Reorganization as our Directors considered the business model of the Retail Business to be very different from our core business, which encompasses concept design, product design, R&D, sourcing of raw materials, production, marketing and promotion, and sales and distribution. See "Business — Our Business Model."

We have chosen to concentrate on the R&D and manufacture of durable juvenile products as a key part of our business model as it has traditionally been our strength and we believe it provides us with the greatest growth potential. The business model of the Retail Business is different from our core business for the following reasons:

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## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

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- **Separate strategic objective:** The Retail Business is a downstream aspect of our core business and its strategic objectives are different from ours. The strategic objective of the Retail Business is to maximize sales of a comprehensive portfolio of products by seeking to expand distribution channels through the establishment of various retail outlets whilst we focus on the R&D and manufacturing aspects of certain durable juvenile products instead. Our strategy includes enhancing our brand recognition and investing in market research, product development, production and design capability. We also focus heavily on our strategic relationship with our distributors and international brand owners. See “Business — Our Strategies.”
- **Management expertise, skills and resources:** The management expertise, skills and resources required for the Retail Business are separate and significantly distinct from our core business. The Retail Business demands extensive sales and marketing knowhow, particular skills, unique resources and specialized management to maintain and develop. The Retail Business focuses on the end customer and is largely a service oriented business which involves business-to-customers activities. This requires extensive supporting resources involving the provision of customer services platforms and payment collection services, and involves store management and merchandising. On the other hand, we focus on our relationships with distributors and international brand owners, and we are largely a R&D and manufacturing centric business. We have established a strong R&D platform and provide market-oriented product solutions (particularly for strollers) to our international brand owner customers. See “Business — Our Strengths.”

Given these differences, the Directors are of the view that the Retained Business and our business have significantly divergent business models which require different management expertise, skills and resources. As such, the Directors are of the view that it is in the best interests of the Company to concentrate our resources on the development and growth of our core business.

We have entered into a number of agreements with members of our Parent Group (namely GPCL and GCCL). We believe that GCCL will continue to be one of the major distributors of our durable juvenile products, including strollers, children’s car safety seats, cribs, children’s bicycles and other durable juvenile products, for domestic sales. We will also continue providing certain general services and certain materials to GPCL. More information regarding this arrangement can be found in the “Connected Transactions” section of this prospectus.

### **Clear Delineation of Businesses**

We believe that there is a clear separation of our business and those of our Controlling Shareholders. One of the objectives of the Reorganization was to establish clear delineation between the businesses carried out by our Company and our Controlling Shareholders via separate and distinct corporate entities. The Retained Business consists of the Non-Juvenile Business, the Non-Durable Juvenile Business and the Retail Business. In contrast, our core business which includes the R&D and manufacture of durable juvenile products do not carry out activities involving non-juvenile products, non-durable juvenile products, and retail and distribution of juvenile products. The Parent Group is not producing any products similar to or competing with those of the Company. The Directors are of the view that no competition exists between the businesses carried out by the Group and the Parent Group. The Non-Juvenile Business is completely different from our core business, and although the Non-Durable Juvenile Business and the Retail Business involve

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## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

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manufacturing, development and/or retail and distribution of juvenile products, the Directors are of the view that such businesses are also separate and distinct from our core business taking into account of the different business strategy, the product portfolio and development as well as the R&D capability of our business as compared with the Retained Business. Although we provide certain services and sell certain materials and juvenile products to companies controlled by our Controlling Shareholders, we believe that these activities are conducted in the ordinary course of our business and on normal commercial terms. Furthermore, although the Retained Business may use the same brands as us (particularly “好孩子 Goodbaby”) and is, hence, used in businesses that are outside of our business scope, we believe that the shared use of the brand does not impede on the delineation between our business and that of the Retained Business. Please see sections headed “Risk Factors — Risks Relating to Our Business” and “Business — Intellectual Property” for more information on this.

Following the completion of the Reorganization, our principal business differs from the Retained Business in the key respects as mentioned in the section above.

### **Non-competition Deed**

The Controlling Shareholders, the executive Directors and non-executive Directors (collectively, the “Covenantors”) have entered into the non-competition deed with the Company pursuant to which the Covenantors have separately undertaken to the Company that during the “Non-Competition Period” which refers to the period commencing from the Listing Date and until the earlier of the date that (i) our Shares are no longer listed on the Stock Exchange; or (ii) in respect of the Controlling Shareholders, the date on which the Controlling Shareholders together directly or indirectly holds less than 30% of our issued share capital; or (iii) in respect of the executive and non-executive Directors, upon them ceasing to hold office as Director, she/he/it shall not and will procure that her/his/its associates shall not, among other matters, directly or indirectly engage, participate, or hold any right or interest in, or otherwise be involved in any business which is or may be in competition with the businesses of the Company and its subsidiaries (in existence from time to time).

During the Non-Competition Period, if any of the Controlling Shareholders intends to dispose of any part or all the Retained Business, or any interest in the Retained Business to any third party, the Controlling Shareholders shall first offer to us the right to acquire such business or interest and the Controlling Shareholders may only proceed with such disposal to any third party, on terms not more favorable than those offered to us, following the rejection of such offer by us. In deciding whether to exercise the option, our Directors will consider various factors including the purchase price, the benefits that it will bring to our Group as well as whether we have adequate management and resources to manage and operate the business operations of such business.

Pursuant to the non-competition deed, the Controlling Shareholders have granted us an option (the “Option”) to purchase any part or all of the Retained Business carried on by them or in which the Controlling Shareholders are engaging or participating in or have invested in or any interest in such business, at a price to be negotiated and agreed between us and the Controlling Shareholders. The Option may be exercised separately, and at different times, in respect of parts or all of the Retained Business.

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## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

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The non-competition deed includes the following provisions:

- our independent non-executive Directors will review, at least on an annual basis, the compliance with the non-competition deed by the Covenantors;
- each of the Covenantors has undertaken to the Company that they will provide all information necessary for the annual review by the independent non-executive Directors for the enforcement of the non-competition deed;
- the Company will disclose the review by the independent non-executive Directors on the compliance with the non-competition deed in the annual report of the Company or by way of announcement to the public in compliance with the requirements of the Listing Rules; and
- each of the Covenantors will make an annual declaration in the annual report of the Company on the compliance with the non-competition deed.

### **Pre-emptive rights**

Pursuant to a shareholders agreement between CRF Enterprise, PUD and GBHL dated November 7, 2005, no new Shares or securities convertible into or exchangeable for Shares shall be offered for purchase or subscription by any person unless such new Shares or securities have been offered for purchase or subscription on no less favorable terms and conditions to PUD and CRF Enterprise according to their respective shareholding proportions in GBHL (the “Pre-emptive Rights”). Such Pre-emptive Rights will cease to have any effect upon Listing.

## **INDEPENDENCE FROM OUR CONTROLLING SHAREHOLDERS**

### **Independence of Management and Adequate Measures to Manage Conflicts**

During the Track Record Period, the core management of the Group consisted of Mr. Song, Mr. Wang Haiye, Mr. Liu Tongyou, Mr. Liang Sheuh-Hvei, Mr. Qu Michael Nan, Mr. He Xinjun, Mr. Zhu Yunlong and Mr. Li Chun. These individuals held positions of responsibility in the Group throughout the Track Record Period and they will continue to form the core management of the Group upon Listing.

Ms. Chiang Yun and Mr. Christopher Marcus Gradel were nominated by CRF Enterprise. Ms. Chiang Yun has been appointed as a Director since July 2000 and Mr. Christopher Marcus Gradel has been appointed as a Director since January 2006 and both were re-designated as non-executive Directors since November 2007. The duties and responsibilities of Ms. Chiang Yun and Mr. Christopher Marcus Gradel in the Company, included acting as the board representatives of CRF Enterprise to safeguard the interests of CRF Enterprise, giving strategic advice and recommendations to the operations of the Company through attending board meetings, ensuring the enforcement of the Directors’ resolutions and reviewing the chairman’s report on the operations of the Company, and they are not involved in the day to day exercise of management and making operational decisions. Upon Listing, Ms. Chiang Yun and Mr. Christopher Marcus Gradel will continue to act as board representatives of CRF Enterprise in their capacities as non-executive Directors and they will not be involved in the day to day exercise of management and making operational decisions of the Company.

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## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

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Notwithstanding the overlapping as described in the “Overlapping PUD Directors” and “Overlapping CRF Enterprise Directors” sections below, our Board and senior management operate as a matter of fact independently of PUD and CRF Enterprise (and their respective controlling shareholders), and they are in a position to fully discharge their duties to the shareholders as a whole including public Shareholders after Listing without reference to such Controlling Shareholders. If conflicts of duty arise in the future with respect to such overlapping directors, for instance in case of contracts to be made by any member of our Group with any such Controlling Shareholders or their associates, the conflicts will be managed in the manner described below.

Upon Listing, four of our Directors, namely Mr. Song, Mr. Wang Haiye, Ms. Chiang Yun and Mr. Christopher Marcus Gradel, will also be directors of members of the Parent Group. However, none of them will be involved in the day-to-day management of the business of the Parent Group. Other members of our Board and senior management (other than Mr. Liu Tongyou) do not hold directorships or managerial roles in any member of the Parent Group. Mr. Liu Tongyou is a director of PUD but he is not involved in the day-to-day management of the business of the Parent Group.

All our executive Directors will devote their time and attention to the management of our Company. Further, none of our senior management, being full-time employees, is involved in the day-to-day management of any of the companies outside the Group. All major management decisions of our Group will be made by our Board as a whole, including our independent non-executive Directors.

### *Overlapping PUD Directors*

Mr. Song was appointed as one of our Directors by PUD and is concurrently serving as a director of PUD. Mr. Song has the overall supervisory responsibility of our Company. His primary duties include making overall strategic planning and management decisions regarding the Group’s business. Mr. Wang Haiye was appointed as our executive Director on August 19, 2010 and is concurrently serving as a director of PUD. Mr. Wang Haiye’s primary duties at the Company include overseeing the international sales and production of our products.

Save as disclosed in the section headed “Connected Transactions,” there are in the normal course of business of the Group no transactions between the Group and PUD, PUD’s shareholders, or other entities controlled by PUD or PUD’s shareholders. For all connected transactions other than those that are exempt from the reporting, announcement and independent shareholders’ approval requirements contained in Chapter 14A of the Listing Rules, our Board will meet to approve such transactions in accordance with the requirements of Chapter 14A of the Listing Rules. Directors who are subject to a conflict of interest will be required to abstain from voting. Additionally, where the transaction is required to be put before the independent Shareholders for approval, an independent Board committee will be established in accordance with the requirements of the Listing Rules.

### *Overlapping CRF Enterprise Directors*

Mr. Christopher Marcus Gradel was appointed as one of our non-executive Directors by CRF Enterprise and is concurrently the managing partner of Pacific Alliance Management Limited and Pacific Alliance Group Limited, and a director of ARC Capital Holdings Limited, the investment manager of which is ARC Capital Partners Limited, which is in turn indirectly controlled by a discretionary trust, the beneficiaries of which include Mr. Christopher Marcus Gradel. To the best of our Directors’ knowledge and based on publicly

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## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

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available information, it is expected that the interest of the above trust in Pacific Alliance Management Limited will be reduced to less than 30% as a result of some shareholding restructuring undertaken at the level of holding companies of Pacific Alliance Management Limited which is expected to be completed on or about December 10, 2010. Ms. Chiang Yun was appointed as one of our non-executive Directors by CRF Enterprise and is concurrently serving as a managing partner of ARC Capital Partners Limited, a company which she has an indirect minority interest. Save as described above, Mr. Christopher Marcus Gradel and Ms. Chiang Yun do not hold directorships at CRF Enterprise or at its shareholders. The duties and responsibilities of Mr. Christopher Marcus Gradel and Ms. Chiang Yun in our Company include acting as the Board representatives of CRF Enterprise, giving advice and recommendations to the operations of our Company through attending Board meetings and reviewing the chairman's report on the operations of our Company. They do not have executive functions in our Company and are not responsible for and do not have any involvement in the day-to-day management of our Company.

Save as disclosed in the section headed "Connected Transactions," there are in the normal course of business of the Group no transactions between the Group and CRF Enterprise, CRF Enterprise's shareholders, or other entities controlled by CRF Enterprise or the shareholders of CRF Enterprise. For all connected transactions other than those that are exempt from the reporting, announcement and independent shareholders' approval requirements contained in Chapter 14A of the Listing Rules, our Board will meet to approve such transactions in accordance with the requirements of Chapter 14A of the Listing Rules. Directors who are subject to a conflict of interest will be required to abstain from voting. Additionally, where the transaction is required to be put before the independent Shareholders for approval, an independent Board committee will be established in accordance with the requirements of the Listing Rules.

### *Proportion of Overlapping Directors*

Our Board comprises two executive Directors, two non-executive Directors and three independent non-executive Directors making a total of seven Directors. In the case of PUD, the ratio of overlapping Directors to the total number of our Directors is 2:7. In the case of CRF Enterprise, the ratio of overlapping Directors and senior management is 2:7. Notwithstanding the fact that we have four overlapping Directors, both Ms. Chiang Yun and Mr. Christopher Marcus Gradel are not involved in the day-to-day management of our Company, whilst Mr. Song and Mr. Wang Haiye are not involved in the day-to-day management of PUD and/or the Parent Group. In addition, we have three non-overlapping Directors. In the event that there is a potential conflict of interest, the interested Directors would refer the matter to our independent non-executive Directors and, as required by our Articles of Association, abstain from voting at the relevant Board meeting. In light of the above, we believe that there is sufficient balance to the overlapping Directors and senior management, and safeguard against any failure by our Board as a whole to properly take into account the interests of the Shareholders including public Shareholders after Listing.

Apart from the transactions mentioned in the section headed "Connected Transactions," there are in the normal course of business of the Group no transactions between the Group, PUD and CRF Enterprise, the respective shareholders of PUD and CRF Enterprise, or entities controlled by them. For all connected transactions other than those that are exempt from the reporting, announcement and independent shareholders' approval requirements contained in Chapter 14A of the Listing Rules, our Board will meet to approve such transactions in accordance with the requirements of Chapter 14A of the Listing Rules. Directors who are subject to a conflict of interest will be required to abstain from voting. In considering such transactions, the non-overlapping Directors, being the three independent non-executive Directors who



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## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

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possess experience in management and financial management and corporate governance will seek consultation with members of our senior management. To ensure that our independent non-executive Directors have adequate understanding of the Group's business and operations, independent non-executive Directors will hold regular discussions with members of our senior management and the Board will meet regularly to review the financial and operating performance of the Group.

### *Protection of minority Shareholders' interests*

We have set out the following corporate governance measures to enhance the protection of minority Shareholders' interests:

- We have delegated the management of the transactions between the Group and the Parent Group to designated teams of senior management. Such management teams are headed by Mr. Liang Sheuh-Hvei (the "Responsible Officer"), and are responsible for all matters relating to such transactions, including the determination of type and volume of products to be sold and/or purchased and the negotiation of price and other terms;
- none of our Directors and members of our senior management is involved in the day-to-day management of the Parent Group;
- our Group will obtain quotes from a number of independent suppliers / purchasers and select the appropriate supplier/purchaser based on objective standards such as price, quality of products, delivery, customer coverage and services;
- quarterly reporting by the Responsible Officer regarding our Group's transactions with the Parent Group and other relevant information will be provided to the independent non-executive Directors who will conduct reviews of the purchase/sales terms as required by the Listing Rules; and
- the Company's annual report will contain a summary of the procedures in place in the relevant financial year and disclosure on how these procedures have operated during the same period.

Based on the foregoing, our Board can operate independently from our Controlling Shareholders.

### **Operational Independence**

We independently manage and operate our manufacturing facilities in China and we do not rely on the Controlling Shareholders to access customers and suppliers. Although we and the Controlling Shareholders have common customers, the products sold by us and the Controlling Shareholders to such customers are different mainly to cater for the different needs of such customers.

Our Company and all of our subsidiaries hold all relevant licenses that are material to our business operations and we have sufficient operation capacity in terms of capital, equipment and employees to operate our business independently. As a result of our Reorganization and in preparation of the Global Offering, we have entered into a number of agreements with GCCL and GPCL, companies managed and indirectly owned by CRF Enterprise and PUD to regulate our continuing business relationship, please refer to the section headed "Connected Transactions" for details.



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## RELATIONSHIP WITH OUR CONTROLLING SHAREHOLDERS

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### *Purchase of juvenile products*

We do not rely on the Controlling Shareholders for the purchase of juvenile products. We have entered into an agreement with GCCL, pursuant to which we agreed to supply strollers, children's car safety seats, cribs, children's bicycles and other durable juvenile products to GCCL for domestic sales. Our Directors are of the view that this will serve as an additional sales channel for the Group's juvenile products. The availability of this additional sales channel enables the Group to extend the reach of its juvenile products and enhance our brand names through the increased coverage of our products in China. Pursuant to an agreement entered into between us and GCCL, GCCL has agreed not to distribute products which may compete with us in the market. Please refer to the section headed "Connected Transactions" for more details of such agreement. Our Directors expect that revenue to be generated from the sales of our finished products to GCCL to represent approximately 6.1% of our total revenue for the year ending December 31, 2010. Consequently, our Directors are of the view that our business and growth are not dependent on the continuation of this arrangement with the Controlling Shareholders.

### *Purchase of components*

We do not rely on the Controlling Shareholders for the purchase of components, in particular, the plastic components. As we have excess production capacity of components, the Directors are of the view that it is in the interest of the Company to sell such components to GPCL. Our Directors expect that revenue to be generated from the sales of components to GPCL to represent approximately 0.5% of our total revenue for the year ending December 31, 2010. Furthermore, pursuant to the agreement entered into between GPCL and us pertaining to the supply of components we have the right to terminate or modify the agreement if we are of the view that such services are required to meet the Group's expansion requirements.

Based on the foregoing, we believe that we do not rely on our Controlling Shareholders for our business operations.

### **Financial Independence**

As at the date of this prospectus, we do not have any outstanding loans granted by CRF Enterprise or PUD to us or any guarantees provided by them to support our credit facilities. We believe we are capable of obtaining financing from third parties without reliance on CRF Enterprise or PUD. We also have our own financial management systems. Based on the above, our Directors are of the view that we are financially independent from our Controlling Shareholders.

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## CONNECTED TRANSACTIONS

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### Continuing Connected Transactions

We have entered into a number of agreements with members of our Parent Group (namely GPCL and GCCL), an associate of a substantial shareholder of our subsidiary (namely Ningbo Haiyun Xitielong Industry Co., Ltd. (寧波海運希鐵隆工業有限公司) (“Ningbo Haiyun”)), and our major founding shareholder, GGCL. The transactions contemplated under such agreements will constitute continuing connected transactions of the Company upon the Listing.

GPCL and GCCL are wholly owned subsidiaries of G-Baby Holdings, which in turn is held as to approximately 32.6% and 67.4% by PUD and CRF Enterprise, respectively, our immediate Controlling Shareholders. Accordingly, GPCL and GCCL are associates of PUD and CRF Enterprise under the Listing Rules and thus will be regarded as connected persons of our Company under the Listing Rules.

Ningbo Nantian Metal Co., Ltd. (寧波南天金屬有限公司) is a substantial shareholder of our subsidiary, GCPN, and also holds a 33.22% equity interest in Ningbo Haiyun. Accordingly, Ningbo Haiyun is an associate of Ningbo Nantian Metal Co., Ltd. and thus will be regarded as a connected person of our Company under the Listing Rules.

GGCL is a company controlled by Mr. Song, our executive Director, and his spouse, Ms. Fu and thus a connected person of our Company under the Listing Rules.

### 1. Exempt Continuing Connected Transactions

Following the Listing, the following transactions will be regarded as continuing connected transactions but will be exempted from the reporting, annual review, announcement and independent shareholders' approval requirements under Rule 14A.33 of the Listing Rules.

#### *(a) Processing services by Ningbo Haiyun to GCPN*

To regulate the parties relationship after the Listing, on November 8, 2010, we entered into an agreement (the “Processing Services Agreement”) with Ningbo Haiyun for a period commencing from the Listing Date and ending on December 31, 2012, pursuant to which Ningbo Haiyun agreed to provide processing services and supply us with steel tubes for the production of cribs, strollers and other juvenile products, as requested by GCPN from time to time. The amount of processing fees payable by GCPN to Ningbo Haiyun under the Processing Services Agreement is determined based on prevailing market rate.

#### *Reasons for the transaction*

Steel tubes are one of the raw materials that are key to our business. During the Track Record Period, Ningbo Haiyun has continued to provide processing services and consistently supplied us with quality steel tubes in a timely fashion. The Directors consider that it is in our interests to continue our relationship with Ningbo Haiyun and source the processing services and steel tubes from Ningbo Haiyun upon the Listing.

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## CONNECTED TRANSACTIONS

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### *Historical transaction value*

For the three years ended December 31, 2009 and for the seven months ended July 31, 2010, the total fees paid by us to Ningbo Haiyun amounted to approximately HK\$32,176,871, HK\$25,765,029, HK\$5,179,111 and HK\$4,928,269, respectively. As we started sourcing sheet steel, being the semi-finished materials for processing the steel tubes, directly from other independent third parties since August 2008, the amount of fees paid to Ningbo Haiyun in 2009 was substantially lower in 2009 as compared with the amount paid by us in 2007 and 2008 when Ningbo Haiyun sourced the sheet steel and processed the sheet steel into steel tubes for us.

### *Proposed annual cap on future transaction amounts*

The proposed amount of fees payable by GCPN to Ningbo Haiyun for each of the three years ending December 31, 2012 is approximately HK\$6,500,000, HK\$8,200,000 and HK\$10,300,000, respectively. In arriving at the above amount, we have taken into account: (i) the historical amount of fees paid by us to Ningbo Haiyun during the Track Record Period; (ii) our plan to increase the amount of sheet steel sourced directly from independent third parties and not to source any sheet steel from Ningbo Haiyun for the purposes of the above processing services as we expect that we can source the sheet steel on a comparable or better price; (iii) our expectation that processing fees are unlikely to fluctuate significantly as compared with the cost of raw materials; and (iv) our expected increase in the demand for steel tubes as a result of anticipated growth in the juvenile products market and our leading market position. Since each of the percentage ratios under Chapter 14 of the Listing Rules, where applicable, in respect of the continuing connected transactions under the Processing Services Agreement is, on an annual basis, expected to be less than 1%, and the transactions under the Processing Services Agreement is a connected transaction only because it involves Ningbo Haiyun, a person who is a connected person of the Company by virtue of its relationship with GCPN, a subsidiary of our Company, the transactions under the Processing Services Agreement will constitute continuing connected transactions for the Company under Rule 14A.33(3)(b) of the Listing Rules after the Listing and will be exempt from the reporting, annual review, announcement and independent shareholders' approval requirements set out in Rules 14A.45 to 14A.48 of the Listing Rules.

### *(b) Lease of premises by GGCL to GCPC*

Prior to the Listing Date, GCPC has leased certain properties (the "Properties") from GGCL to be used as staff dormitories pursuant to a tenancy agreement (the "Tenancy Agreement"), the term of which will expire on December 31, 2010, details of which are set out below:

Location	Contracting parties	Term	Approximate floor area	Monthly rent	Intended use
No. 2 Luqian Road, Lujia Town, Kunshan City, Jiangsu Province, PRC	Lessor: GGCL Lessee: GCPC	January 1, 2010 to December 31, 2010	5,838.6 sq.m.	RMB58,386 (approximately HK\$66,929)	Staff Dormitories

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## CONNECTED TRANSACTIONS

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As GCPC intends to continue to lease the Properties from GGCL upon the expiry of the Tenancy Agreement, GCPC and GGCL have entered into the Master Tenancy Agreement on November 8, 2010 in respect of the leasing of the Properties at an annual rental to be determined with reference to the current prevailing monthly market rental, the term of which shall commence on January 1, 2011 and ending on December 31, 2012, subject to termination by GCPC upon three months' prior written notice to GGCL.

For the three years ended December 31, 2009 and for the seven months ended July 31, 2010, the annual rentals payable by our Group for the leasing of the Properties from GGCL amounted to approximately HK\$1,638,047, HK\$803,145, HK\$803,145 and HK\$467,000, respectively. The Accountants' Report included in Appendix I to this prospectus recorded the rental expense paid to GGCL in 2009, which includes the rental expenses paid by GCPC and PCPC to GGCL. The annual rental amounts described in this paragraph only reflected the rental expenses paid by GCPC to GGCL as the lease between PCPC and GGCL expired at the end of August 2010 and such lease was not renewed upon its expiry, and hence would not constitute a continuing connected transaction of the Company upon the Listing. The decrease in rental paid in 2008 by GCPC to GGCL as compared to 2007 is due to the reduction in area leased by GCPC from GGCL.

### *Reasons for the transaction*

The Properties are principally used as dormitories for employees of the Group.

### *Proposed annual cap on future rental*

The proposed annual rental payable by GCPC to GGCL under the Master Tenancy Agreement for each of the three years ending December 31, 2012 will amount to HK\$802,756, HK\$810,537, and HK\$818,392, respectively. The rental payable under the Master Tenancy Agreement is determined based on normal commercial terms. The Company's valuer, Jones Lang LaSalle Sallmanns Limited, has confirmed that the rental payable under the Master Tenancy Agreement is fair and reasonable as a whole and reflects the prevailing market rate.

## **2. Continuing Connected Transactions Exempt from Independent Shareholders' Approval Requirement**

Following the Listing, the following transactions will be regarded as continuing connected transactions of our Company exempt from the independent shareholders' approval requirement under Rule 14A.34 of the Listing Rules but subject to the annual review requirements set out in Rules 14A.37 to 14A.40 of the Listing Rules and the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules.

### *(a) Provision of Services by GCPC to GPCL*

To regulate the parties relationship after the Listing on November 8, 2010, GCPC entered into an agreement (the "General Services Agreement") with GPCL for a period commencing from the Listing Date and ending on December 31, 2012 with respect to our provision of general services to GPCL, including, cleaning and maintenance of the landscape, security, repair and maintenance, management and other services in relation to the Goodbaby industrial park situated at Lujia Town, Kunshan, the

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## CONNECTED TRANSACTIONS

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PRC. A staff dormitory, canteen and factories, occupied and/or used by GPCL and/or its employees are located at the property. The amount of service fees payable by GPCL to GCPC under the General Services Agreement is determined based on the actual costs incurred by GCPC plus an approximate premium of 5%.

### *Reasons for the transaction*

Prior to the Reorganization, GCPC provided such services to GPCL in relation to the Goodbaby industrial park situated at Lujia Town, Kunshan. GCPC also used certain such services for its own premises situated at Lujia Town, Kunshan and also provided staff dormitories for GPCL's use as GCPC has excess dormitory space. Given that GCPC and GPCL occupy and/or use premises within the Goodbaby industrial park situated at Lujia Town, Kunshan and thus in close proximity to each other, the Directors further consider that the provision of such general services to GPCL will benefit the Group as it will reduce the average fixed costs for the provision of the said supporting services to the Group, thereby reducing the overall operating costs.

### *Historical transaction value*

For the three years ended December 31, 2009 and for the seven months ended July 31, 2010, the historical annual service fees paid by GPCL to GCPC for providing the above-mentioned services were approximately HK\$1,744,000, HK\$5,180,000, HK\$1,924,000 and HK\$902,000, respectively. The service fees paid by GPCL to GCPC in 2007 only accounted for the last two months of 2007 as such fees only commenced in November 2007 after GPCL was carved out of GCPC. The decrease in the amount of service fees paid by GPCL to GCPC in 2009 as compared to 2008 is mainly due to GPCL's establishment of its own departments (mainly in human resources and information technology) in phases commencing in mid-2008 to provide such services, thus reducing the demand of such services provided by GCPC.

### *Proposed annual cap on future transaction amounts*

The proposed annual service fees payable by GPCL to GCPC under the General Services Agreement for each of the three years ending December 31, 2012 will amount to approximately HK\$2,100,000, HK\$2,400,000 and HK\$2,800,000, respectively. In arriving at the above cap, we have taken into account: (i) the historical amount incurred by GCPC in providing the above-mentioned services during the Track Record Period; and (ii) GPCL's estimated growth in business and hence increased demand for the services to be provided under the General Services Agreement, especially an increase in demand for general services in connection with the staff dormitory occupied by GPCL's employees as GPCL expects to employ more staff in accordance with its business growth.

### ***(b) Supply of components by GCPC to GPCL***

On November 8, 2010, GCPC entered into an agreement with GPCL (the "GPCL Supply Agreement") for a period commencing from the Listing Date and ending on December 31, 2012, pursuant to which GCPC agreed to supply components (mainly plastic components) to GPCL for the manufacture of wheelchairs and sports equipment. The amount payable by GPCL to GCPC under the GPCL Supply Agreement is determined based on prevailing market rate.

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## CONNECTED TRANSACTIONS

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### *Reasons for the transaction*

Prior to the Track Record Period, GCPC manufactured and assembled sports equipment and adult bicycles as well as certain related components such as plastic components required for such products. As we are no longer involved in the production of sports equipment and adult bicycles, we have excess production capacity for the production of such components in connection therewith. The Directors consider that it is in our interests to enter into the GPCL Supply Agreement as it will generate additional revenue by utilizing the excess production capacity.

### *Historical transaction value*

For each of the three years ended December 31, 2009 and for the seven months ended July 31, 2010, the amounts paid by GPCL to GCPC for the supply of components were HK\$3,355,000, HK\$22,747,000, HK\$17,236,000 and HK\$9,565,000, respectively. The amount paid by GPCL to GCPC in 2007 only accounted for the last two months of 2007 as GPCL only commenced the relevant manufacturing operations in November 2007 after GPCL was carved out of GCPC. The decrease in the amount paid by GPCL to GCPC in 2009 as compared with 2008 is mainly because the demand for the components decreased after the divestment by GPCL of its electric car business to PCPC in March 2009. Another reason for the decrease is because our factory had limited capacity for the supply of such components to GPCL in the peak season of 2009.

### *Proposed annual cap on future transaction amounts*

The proposed annual cap under the GPCL Supply Agreement for each of the three years ending December 31, 2012 will amount to HK\$17,200,000, HK\$20,700,000 and HK\$25,400,000, respectively. In arriving at the above cap, we have taken into account (i) the historical transaction amount in connection with the supply of components by the Group to GPCL during the Track Record Period; (ii) the cost incurred by the Group in connection with the supply of components GPCL and our estimated increase in the costs of raw materials required for the production of the components; (iii) the expected increase in demand of such components by GPCL, which is expected to have significant growth from 2010 to 2012, but is expected to remain relatively constant from 2009 to 2010 as GPCL expects that the demand for its products from its major customer will remain constant during the same period; (iv) GPCL's plan to outsource the supply of components to other suppliers gradually from 2010 onwards; (v) the expected increase in demand by GPCL in respect of such components from 2010 to 2012 outstripping the decrease in demand due to GPCL's plan to outsource the supply of components; and (vi) better management of our peak season production.

### **3. Non-exempt Continuing Connected Transaction**

Upon the Listing, the following transaction will be regarded as non-exempt continuing connected transaction and will be subject to the annual review requirements set out in Rules 14A.37 to 14A.40 of the Listing Rules and the reporting, announcement and independent shareholders' approval requirements under Rules 14A.45 to 14A.48 of the Listing Rules.

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## CONNECTED TRANSACTIONS

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*(a) Sale of our products by GCPC to GCCL*

On November 8, 2010, GCPC entered into an agreement (the “GCCL Supply Agreement”) with GCCL for a period commencing from the Listing Date and ending on December 31, 2012, pursuant to which GCPC agreed to supply strollers, children’s car safety seats, cribs, children’s bicycles and other durable juvenile products (the “Products”) to GCCL for domestic sales. The purchase price of the Products payable by GCCL to GCPC under the GCCL Supply Agreement is determined based on prevailing market rate.

*Reasons for the transaction*

Our Directors are of the view that this will serve as an additional sales channel for the Group’s Products. The availability of this additional sales channel enables the Group to extend the reach of its Products as GCCL has a wide retail network in China.

*Historical transaction value*

For each of the three years ended December 31, 2009 and for the seven months ended July 31, 2010, the amount of Products purchased by GCCL from GCPC were HK\$347,567,081, HK\$360,885,847, HK\$263,357,823 and HK\$159,576,433, respectively. Such historical amounts purchased by GCCL are proforma figures derived from the Group’s financial records during the Track Record Period. The decrease in the amount paid by GCCL to GCPC in 2009 as compared with 2008 is mainly because of the reduction in demand for our Products by GCCL in 2009.

*Proposed annual cap on future transaction amounts*

The proposed annual cap under the GCCL Supply Agreement for each of the three years ending December 31, 2012 will amount to approximately HK\$288,800,000, HK\$320,700,000 and HK\$356,200,000, respectively. In arriving at the above annual caps, the Directors have taken into account (i) the expected increase in demand for Products by GCCL at an annual rate of approximately 10%; (ii) the historical transaction in connection with the supply of the Products to GCCL amount during the Track Record Period; and (iii) the cost incurred by the Group in connection with the supply of the Products to GCCL and the expected increase in the costs of raw materials required for the production of such Products.

### **Application for Waivers**

Our Directors (including our independent non-executive Directors) confirm that each of the continuing connected transactions has been entered into in the ordinary and usual course of our business, on normal commercial terms (or better to us), and are fair and reasonable and in the interests of our Shareholders as a whole. Our Directors also confirm that each of the proposed annual caps sets out herein is fair and reasonable. We have applied for and the Stock Exchange has granted us waivers from compliance with the requirements related to continuing connected transactions under the Listing Rules.



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## CONNECTED TRANSACTIONS

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**(a) Continuing Connected Transactions Exempt from Independent Shareholders' Approval Requirement**

In relation to the exempt continuing connected transactions described under the heading “Continuing Connected Transactions Exempt from Independent Shareholders' Approval Requirement”, the applicable percentage ratios (other than the profit test) under Chapter 14 of the Listing Rules for each of the transactions stated therein will, on an annual basis be less than 5%. Such transactions would be exempt from the requirement for the Company to obtain independent shareholders' approval as required under Rule 14A.34 of the Listing Rules, but subject to the annual review requirements set out in Rules 14A.37 to 14A.40 of the Listing Rules and the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules.

**(b) Non-exempt Continuing Connected Transaction**

In relation to the non-exempt continuing connected transaction as described under the heading “Non-exempt Continuing Connected Transaction”, the applicable percentage ratios under Chapter 14 of the Listing Rules for such transactions will, on an annual basis, exceed 5%. Such transaction would be subject to the annual review requirements set out in Rules 14A.37 to 14A.40 of the Listing Rules and the reporting, announcement and independent shareholders' approval requirements set out in Rule 14A.45 to 14A.48 under the Listing Rules.

We have applied for and the Stock Exchange has granted us a waiver from strict compliance with the announcement and/or independent shareholders' approval requirements under Rules 14A.42(3) and 14A.47 of the Listing Rules.

**Confirmation from the Directors and the Sponsor**

The Directors (including the independent non-executive Directors) and the Sponsor have reviewed the relevant documents, information and historical figures provided by us and participated in due diligence and discussions with us. Based on the above, the Directors and the Sponsor are of the view that the continuing connected transactions (including the relevant caps and pricing terms which form part of the terms of such transactions) have been and shall be conducted in the ordinary and usual course of our business, on normal commercial terms, fair and reasonable and in the interests of our Shareholders as a whole.



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## DIRECTORS AND SENIOR MANAGEMENT

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### DIRECTORS

Our Board of Directors consists of seven Directors, three of whom are independent non-executive Directors.

The following table sets forth certain information concerning our Directors:

Name	Age	Title	Date of Appointment as Director
SONG Zhenghuan . . . . .	61	Chairman of our Company, executive Director and chief executive officer	July 14, 2000
WANG Haiye . . . . .	45	Executive Director	August 19, 2010
GRADEL, Christopher Marcus . . . . .	38	Non-executive Director	January 26, 2006
CHIANG Yun . . . . .	43	Non-executive Director	July 14, 2000
LONG Yongtu . . . . .	67	Independent non-executive Director	November 5, 2010
BRUCE, Iain Ferguson . . . . .	69	Independent non-executive Director	November 5, 2010
SHI Xiaoguang . . . . .	64	Independent non-executive Director	November 5, 2010

### Executive Directors

*SONG Zhenghuan* (宋鄭遷), age 61, is an executive Director, chairman of our Company, chief executive officer and the founder of our Group. With more than 20 years of experience in the juvenile products industry, Mr. Song is primarily responsible for our Group's overall strategic planning and management of our Group's business. Mr. Song majored in mathematics and graduated from Jiangsu Teachers University (江蘇師範學院) in 1981 with a Certificate of Graduation. Prior to establishing our Company, Mr. Song was a teacher in Lujia Middle School in Kunshan City from 1973 to 1984 and was the vice principal from 1984 to 1993. Concurrently, between 1989 and 1993, Mr. Song was also in charge of a factory run by Lujia Middle School as encouraged by the then PRC governmental policy, which was the predecessor of GGCL. In 1989, Mr. Song invented the first "push and rock" stroller and subsequently founded GGCL to engage in the design, manufacture and marketing in of strollers under the "好孩子 Goodbaby" brand in China. In 1990, our Group was granted a 10-year patent in China for "push and rock" stroller invented by Mr. Song.

Because of Mr. Song's outstanding achievements, he was awarded the Ernst & Young Entrepreneur of the Year Award (安永企業家獎) for the greater China region in 2007. In 2008, Mr. Song was awarded the "Chinese Toy Industry's Outstanding Achievement Award" (中國玩具行業傑出成就獎) by the China Toy Association and thus far is the only recipient of such award.

*WANG Haiye* (王海燁), age 45, is our vice president and was appointed as our executive Director on August 19, 2010. Mr. Wang is primarily responsible for the oversight of international sales and production of our products. Mr. Wang joined our Group in 1992 and has over 18 years of experience in manufacturing juvenile products. Mr. Wang was appointed as our manager for the operations management department in 1995, responsible for establishing and improving the Company's operations management system. Mr. Wang was appointed as the Company's vice president in 1999, overseeing the Company's manufacturing operations, including production, purchasing, quality control and outsourcing. During his appointment, Mr.

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## DIRECTORS AND SENIOR MANAGEMENT

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Wang initiated and established the Company's manufacturing resources planning system, which was subsequently upgraded to the ERP system in 2008. Under Mr. Wang's leadership and initiatives, we effectively expanded our production capabilities, which supported a sustainable growth in sales. Mr. Wang graduated from Xiamen University in 1989 with a Bachelor's degree in management statistics.

### Non-Executive Directors

*GRADEL, Christopher Marcus*, age 38, has been a Director since January 2006 and was re-designated as a non-executive Director in November 2007 to reflect his actual role in the Company as he was not and is not involved in the day to day management and operation of the Company. Mr. Gradel is a board representative of CRF Enterprise and is not involved in the day-to-day operations of the Company. In July 2002, Mr. Gradel co-founded Pacific Alliance Investment Management Limited and currently serves as the managing partner of Pacific Alliance Investment Management Limited and Pacific Alliance Group Limited. Before founding Pacific Alliance Investment Management Limited, Mr. Gradel worked as an engagement manager at McKinsey & Company, Hong Kong from 1999 to 2002. Mr. Gradel also worked at The Marmon Group, China from October 1994 to October 1998. Mr. Gradel received a joint Master's degree in engineering, economics and management from the University of Oxford in 1994.

*CHIANG Yun (張昀)*, age 43, has been a Director of the Company since July 2000 and was re-designated as a non-executive Director in November 2007 to reflect her actual role in the Company as she was not and is not involved in the day to day management and operation of the Company. Ms. Chiang has over 16 years of private equity investment experience in Asia. Ms. Chiang is a founding managing partner of Pacific Alliance Equity Partners Limited and ARC Capital Partners Limited, the private equity division of Pacific Alliance Group. ARC Capital Partners Limited is the investment manager of ARC Capital Holdings Limited, an AIM-listed private equity fund launched in June 2006. Prior to the founding of Pacific Alliance Equity Partners Limited and ARC Capital Partners Limited, Ms. Chiang was a Vice President of AIG Global Investment. Ms. Chiang is also an independent non-executive director of Sands China Ltd., which is a company, listed on the Stock Exchange. Ms. Chiang received her Degree of Executive Master of Business Administration from The Kellogg Graduate School of Management of Northwestern University in the U.S. and Hong Kong University of Science and Technology in 1999. Ms Chiang also received her Bachelor of Science degree, cum laude, from Virginia Polytechnic Institute and State University in the U.S. in 1992.

### Independent Non-Executive Directors

*LONG Yongtu (龍永圖)*, age 67, was appointed as our independent non-executive Director on November 5, 2010. Mr. Long has been the secretary-general of Boao Forum for Asia since 2003, a non-profit organization committed to promoting economic integration among Asian countries. Mr. Long has held several positions with the PRC Ministry of Foreign Trade and Economic Cooperation (MOFTEC) from 1992 to 2003, including director-general of the Department of International Relations and Vice Minister and the Chief Representative for Trade Negotiations. During his tenure at MOFTEC, Mr. Long led the negotiations for China's accession to the World Trade Organization. Mr. Long has also served as deputy director-general at China International Center for Economic and Technical Exchanges (CICETE) from 1986 to 1992 and a diplomat in the United Nations from 1978 to 1986. Mr. Long was an independent non-executive director of China Life Insurance Company Limited from December 2003 to May 2009 and an independent non-executive director of Alibaba.com Limited from October 2007 to May 2009, both of which are listed on the Stock

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## DIRECTORS AND SENIOR MANAGEMENT

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Exchange. Mr. Long is currently Dean of the School of International Relations and Public Affairs at Fudan University, holds a Bachelor's degree in British and American literature from Guizhou University from which he graduated in 1965 and an honorary degree of Doctor of Science (Economics) from the London School of Economics and Political Science which he received in 1974.

*BRUCE, Iain Ferguson*, age 69, was appointed as our independent non-executive Director on November 5, 2010. Mr. Bruce joined KPMG in Hong Kong in 1964 and was elected to its partnership in 1971. He was the senior partner of KPMG from 1991 until his retirement in 1996 and served as chairman of KPMG Asia Pacific from 1993 to 1997. He has been a member of the Institute of Chartered Accountants of Scotland since 1964 and is a fellow of the Hong Kong Institute of Certified Public Accountants. He is also a fellow of The Hong Kong Institute of Directors and a member of The Hong Kong Securities Institute.

Mr. Bruce is currently a director of the following listed companies:

- independent non-executive director of Paul Y. Engineering Group Limited, a company listed on the Stock Exchange;
- independent non-executive director of Tencent Holdings Limited, a company listed on the Stock Exchange;
- independent non-executive director of Vitasoy International Holdings Limited, a company listed on the Stock Exchange;
- independent non-executive director of Wing On Company International Limited, a company listed on the Stock Exchange;
- independent non-executive director of Sands China Limited, a company listed on the Stock Exchange;
- non-executive director of Noble Group Limited, a company listed on the Singapore Exchange Limited;
- non-executive director of China Medical Technologies, Inc., a company listed on NASDAQ; and
- non-executive director of Yingli Green Energy Holding Company Limited, a company listed on the New York Stock Exchange.

Mr. Bruce is a steward of The Hong Kong Jockey Club, an independent non-executive director of Citibank (Hong Kong) Limited and is the Chairman of KCS Limited. Mr. Bruce has over 44 years of experience in the accounting profession and possesses the accounting and related financial management expertise required under rule 3.10(2) of the Listing Rules.

*SHI Xiaoguang (石曉光)*, age 64, was appointed as our independent non-executive Director on November 5, 2010. Mr. Shi has been the chairman of the China Toy Association (中國玩具協會) and a director of the International Council of Toy Industries since 2005. In October 2000, Mr. Shi was appointed as the vice-chairman of the National Technical Committee of Standardization for Toys by the General

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## DIRECTORS AND SENIOR MANAGEMENT

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Administration of Quality Supervision Inspection and Quarantine. The China Toy Association routinely provides information and holds training seminars on toy safety, product design and market development. The scope of the responsibilities of the China Toy Association spans from recommending the safety standards and/or regulations of durable juvenile products which the Group designs and manufactures to recommending the safety standards and/or regulations of other general toys and related products in the industry. Mr. Shi graduated from Beijing University of Chemical Technology (北京化工大學) (formerly known as Beijing College of Chemical Technology (北京化工學院)) with a Bachelor's degree in chemical apparatus and engineering in July 1974. Mr. Shi served as the vice-chairman of the department of general administration of The Ministry of Science and Technology from 1985 to 1987. He became a certified engineer in the PRC in September 1987, as granted by the State Scientific and Technological Commission (國家科學技術委員會). From November 1987 to November 1990, he served as the deputy general of China National Scientific Instruments and Materials Corporation (中國科學器材公司). Mr. Shi was appointed as the chairman of the service centre of The Ministry of Light Industry in 1989. From 1993 to 2007, he served as the general manager of China National Arts & Crafts (Group) Corporation (中國工藝美術集團公司) (formerly known as China National Arts & Crafts Corporation(中國工藝美術總公司)). In October 2000, Mr. Shi was appointed as the vice-chairman of the National Technical Committee of Standardization for Toys by the General Administration of Quality Supervision, Inspection and Quarantine.

Save as disclosed in this prospectus, there is no other information relating to our Directors that need to be disclosed pursuant to the requirements under Rule 13.51(2) of the Listing Rules.

### SENIOR MANAGEMENT

*LIU Tongyou* (劉同友), age 43, is our vice president and the Chief Financial Officer primarily responsible for the legal and corporate finance affairs and investor relationship of the Group. Mr. Liu joined our Group in 1995 and has over 15 years of experience in the children's products industry. Mr. Liu graduated from Tianjin University of Finance & Economics (天津財經大學) with a Master's degree in economics in 1992. From March 1993 to July 1995, Mr. Liu served as a director of Beijing Standard Consultancy Company (北京標準諮詢公司) responsible for consulting on the restructuring and listing of a number of companies established in the PRC including Hainan Airlines Company Limited (海南航空股份有限公司), a company listed on the Shanghai Stock Exchange. Since October 2008, Mr. Liu has been a part-time professor of the Business School of Tianjin University of Finance & Commerce (天津財經大學商學院).

*LIANG Sheuh-Hvei* (梁旭暉), age 48, is our vice president and the Chief Operating Officer primarily responsible for overseeing our overall operations, sales and marketing activities of our Group. Mr. Liang joined our Group in 2007. Prior to joining our Group, Mr. Liang was a president and chief executive officer of Kingstar Business Group (Holdings). Mr. Liang has also worked as the president and chief executive officer of a subsidiary company, Teco Group. Mr. Liang graduated from Webster University in the United States with a Master's degree in marketing management and studied at the Executive Development program at the University of Michigan. Mr. Liang has received a Ph.D. from Nankai University (南開大學), Tianjin, China in corporate management.

*QU Michael Nan* (曲南), age 43, is our vice president primarily responsible for managing key overseas accounts and strategic overseas resources of the Group. Mr. Qu joined our Group in 1994 and was responsible for establishing GCPI in the United States, and has since been managing the North American business. Mr. Qu also manages our relationship with our customers in Europe. In 2007, Mr. Qu participated in the team

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## DIRECTORS AND SENIOR MANAGEMENT

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formation and establishment of the Company's R&D centers in Utrecht, the Netherlands and Boston, United States. Mr. Qu has been overseeing the operations of both R&D centers since their commencement. Mr. Qu studied economics in Peking University from 1986 to 1989, then went to the United States to study business administration at George Mason University from 1989 to 1992.

*HE Xinjun (賀新軍)*, age 50, is our vice president primarily responsible for the market research, product development and design of our products. Mr. He joined our Group in 1995 as a design engineer and has over ten years of experience in designing juvenile products. Mr. He graduated from Gansu Radio and Television University (甘肅廣播電視大學) majoring in mechanical engineering.

*ZHU Yunlong (竺雲龍)*, age 43, is our vice president primarily responsible for overseeing all quality control and functions of our Group. Mr. Zhu joined our Group in 2006. Prior to joining our Group, Mr. Zhu was the regional quality director of Electra Consumer Products. Mr. Zhu has also worked as a quality director for Concord Camera (HK) Limited. Mr. Zhu graduated from Southern Illinois University with an MBA and is currently a doctoral candidate of business administration at Grenoble Ecole de Management, France. Mr. Zhu has been serving as the vice-chairman of Kunshan Quality Association (昆山質量協會) and the chairman of Shanghai Quality Association (上海質量協會) since March 2008. He has been appointed as a member of the expert team of the Technical Committee of Standardization for Toys by the China Toy Association (中國玩具協會) since June 2008 and is recognized as a quality management expert by the Administration of Quality and Technology Supervision of Jiangsu Province (江蘇省質量技術監督局). He is also a student member of the Academy of Management and a member of the European Academy of Management.

*LI Chun (李春)*, age 47, is our vice president primarily responsible for human resources of our Group. Mr. Li joined our Group in 2005 and prior to joining our Group, Mr. Li was the human resources and administrative director of Trane China Distribution. Mr. Li has also worked as the human resources and administrative director for Pillsbury China Limited. Mr. Li graduated from East China Normal University in Shanghai with a Bachelor's degree in psychology.

### MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, an issuer must have sufficient management presence in Hong Kong and, in normal circumstances, at least two of the issuer's executive directors must be ordinarily resident in Hong Kong.

Our headquarters are located in Kunshan, China. We do not, and do not contemplate in the foreseeable future that we will, have sufficient management presence in Hong Kong for the purposes of satisfying the requirements under Rule 8.12 of the Listing Rules. Therefore, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements of Rule 8.12 of the Listing Rules and the following arrangements have been made for maintaining regular and effective communication with the Stock Exchange.

- (i) We have appointed two authorized representatives pursuant to Rule 3.05 of the Listing Rules, who will act as our principal channel of communication with the Stock Exchange and ensure that we comply with the Listing Rules at all times. The two authorized representatives are Song

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## DIRECTORS AND SENIOR MANAGEMENT

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Zhenghuan and PAU Lai Mei. Each of the authorized representatives will be available to meet with the Stock Exchange within a reasonable timeframe upon the request of the Stock Exchange and will be readily contactable by telephone, facsimile and email, and is authorized to communicate on our behalf with the Stock Exchange.

- (ii) We have appointed Guotai Junan Capital Limited as our compliance advisor pursuant to Rule 3A.19 of the Listing Rules, which will have access at all times to our authorized representatives, our Directors and our other senior management, and will act as our principal channel of communication with the Stock Exchange when our authorized representatives are not available.
- (iii) All authorized representatives have means of contacting our Directors promptly as and when the Stock Exchange wishes to contact our Directors on any matters. To enhance communication between the Stock Exchange, the authorized representatives and our Directors, we have implemented a policy whereby (a) each Director will be required to provide his or her mobile phone number, office phone number, facsimile number and email address to the authorized representatives; (b) in the event that a Director expects to travel and be out of the office, he or she will be required to provide the phone number of the place of his or her accommodation to the authorized representatives; and (c) all Directors will be required provide their mobile phone numbers, office phone numbers, facsimile numbers and email addresses to the Stock Exchange.
- (iv) Meetings between the Stock Exchange and our Directors could be arranged through our authorized representatives or our compliance advisor, or directly with our Directors within a reasonable time frame. We will inform the Stock Exchange promptly in respect of any change in our authorized representatives and compliance advisor.
- (v) The Directors who are not ordinarily resident in Hong Kong possess valid travel documents to visit Hong Kong and will be able to meet with relevant members of the Stock Exchange within a reasonable period of time, when required.
- (vi) We maintain a place of business in Hong Kong.

### Company Secretary

*PAU Lai Mei*(鮑麗薇), age 51, is the company secretary of our Company and was appointed on November 5, 2010. Ms. Pau has been with the Corporate Services Division of Tricor Services Limited since 2004, a global professional services provider specializing in integrated business, corporate and investor services, her current position is senior manager. Ms. Pau is a Chartered Secretary and an associate member of both The Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries. She has more than 25 years of working experience in the field of corporate secretarial services.



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## DIRECTORS AND SENIOR MANAGEMENT

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### Board committees

#### *Audit Committee*

Our Directors have approved the establishment of an audit committee on November 5, 2010 with effect from the Listing with written terms of reference in compliance with the Listing Rules. The primary duties of the audit committee are, among other things, to review and supervise our financial reporting process and internal control systems.

The audit committee comprises three members, namely, Mr. Bruce, Mr. Shi, and Mr. Long, all of whom are independent non-executive Directors. The audit committee is chaired by Mr. Bruce.

#### *Remuneration and Nomination Committee*

Our Directors have approved the establishment of a remuneration and nomination committee on November 5, 2010 with effect from the Listing. The primary duties of the remuneration and nomination committee are to evaluate and make recommendations to our Board regarding the compensation of the Directors and make recommendations to our Board regarding candidates to fill vacancies on our Board. In addition, the remuneration and nomination committee conducts reviews of the performance, and determines the compensation structure of our senior management.

The current members of the remuneration and nomination committee are Mr. Bruce, Mr. Shi and Mr. Long. The remuneration and nomination committee is chaired by Mr. Bruce.

### COMPENSATION OF DIRECTORS AND SENIOR MANAGEMENT

We reimburse our Directors and members of our senior management for expenses which are necessarily and reasonably incurred for providing services to us or executing their functions in relation to our operations. The remuneration received by our Directors (including fees, salaries, contributions to pension schemes, housing allowances and other allowances and benefits in kind and performance-related bonuses) from us for the three years ended December 31, 2009 and the seven months ended July 31, 2010 was HK\$7,469,000, HK\$7,683,000, HK\$9,912,000 and HK\$5,164,000, respectively.

The aggregate amount of salary allowances and other performance-related benefits, bonuses and contributions to retirement plans paid by us to the five highest paid individuals of our Company during each of the three years ended December 31, 2009 and the seven months ended July 31, 2010 was approximately HK\$15,816,000, HK\$18,484,000, HK\$22,798,000 and HK\$9,974,000, respectively. Further, none of our Directors had waived any remuneration during the same period.

We have not paid any remuneration to our Directors or the five highest paid individuals as an inducement to join or upon joining us or as a compensation for loss of office in respect of the Track Record Period.

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## DIRECTORS AND SENIOR MANAGEMENT

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Save for the adoption of the Share Option Scheme in accordance with Chapter 17 of the Listing Rules, the existing remuneration policy for Directors and senior management of the Company will continue after Listing. The determination of the remuneration of the Directors and senior management of our Company is based on the individual performance, the nature and responsibilities of the individual concerned and the performance of our Group and market condition.

Our remuneration and nomination committee reviews and recommends the terms of remuneration terms, including performance related bonuses and other compensation payable to our Directors to ensure that they are in line with the Directors' performance and also in compliance with the relevant regulations, which will then be required to be approved by the Board and by Shareholders in general meetings. Under the arrangement currently in force, the aggregate amount of emoluments payable by the Group to the Directors for the year ending December 31, 2010 will be approximately HK\$1.3 million.

### COMPLIANCE ADVISOR

We have appointed Guotai Junan Capital Limited as our compliance advisor pursuant to Rule 3A.19 of the Listing Rules. Guotai Junan Capital Limited will ensure that we are properly guided and advised as to compliance with the Listing Rules and all other applicable laws, rules, codes and guidelines in Hong Kong, including the publication of regulatory announcement, circular or financial report and the entry into notifiable or connected transactions.

Guotai Junan Capital Limited, as our compliance advisor, undertakes to the Stock Exchange that it will comply with the Listing Rules and cooperate in any investigation conducted by the Listing Division and/or the Listing Committee of the Stock Exchange. The term of the appointment will commence on the Listing Date and end on the date on which we comply with Rule 13.46 of the Listing Rules in respect of our financial results for the first full financial year after the Listing Date (i.e., the date of dispatch of our annual reports in respect of our results for the financial year ending December 31, 2011).



## SUBSTANTIAL SHAREHOLDERS

### Substantial shareholders

- (a) So far as our Directors are aware, the following persons (other than the Directors and chief executives of our Company) will, immediately following the completion of the Global Offering and taking no account of any Shares which may be issued upon the exercise of any options granted under the Share Option Scheme, have beneficial interests or short positions in any of our Shares or underlying Shares which would fall to be disclosed to us under the provisions of Divisions 2 and 3 of Part XV of the SFO, or will be directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of our Group:

Shareholder	Nature of interest and capacity	Number of Shares (Note 1)	Approximate percentage of shareholding
PUD	Beneficial owner	259,000,000 (L)	25.9%
Cayey Enterprises Limited (Note 2)	Interest of controlled corporation	259,000,000 (L)	25.9%
Credit Suisse Trust Limited (Note 2)	Trustee	259,000,000 (L)	25.9%
Grappa Holdings Limited (Note 2)	Interest of controlled corporation	259,000,000 (L)	25.9%
Seletar Limited (Note 2)	Interest of controlled corporation	259,000,000 (L)	25.9%
Serangoon Limited (Note 2)	Interest of controlled corporation	259,000,000 (L)	25.9%
Ms. Fu (Note 2)	Settlor/beneficiary of a trust	259,000,000 (L)	25.9%
CRF Enterprise	Beneficial owner	441,000,000 (L) 45,000,000 (S)	44.1% 4.5%
CRF Investment Limited (Note 3)	Interest of controlled corporation	441,000,000 (L) 45,000,000 (S)	44.1% 4.5%
CRF Investment Holdings Limited (Note 4)	Interest of controlled corporation	441,000,000 (L) 45,000,000 (S)	44.1% 4.5%
ARC Capital Holdings Limited (Note 4)	Interest of controlled corporation	441,000,000 (L) 45,000,000 (S)	44.1% 4.5%
ARC Capital Partners Limited (Note 5)	Investment manager	441,000,000 (L) 45,000,000 (S)	44.1% 4.5%
Pacific Alliance Equity Partners Limited (Note 6)	Interest of controlled corporation	441,000,000 (L) 45,000,000 (S)	44.1% 4.5%
Pacific Alliance Investment Management Limited (Note 7)	Interest of controlled corporation	441,000,000 (L) 45,000,000 (S)	44.1% 4.5%
Pacific Alliance Group Limited (Note 8)	Interest of controlled corporation	441,000,000 (L) 45,000,000 (S)	44.1% 4.5%
Nerine Trust Company (BVI) Limited (Note 9)	Trustee	441,000,000 (L) 45,000,000 (S)	44.1% 4.5%
Nerine International Holdings Limited (Note 10)	Interest of controlled corporation	441,000,000 (L) 45,000,000 (S)	44.1% 4.5%
Millennium Partners, L.P. (Note 11)	Interest of controlled corporation	441,000,000 (L) 45,000,000 (S)	44.1% 4.5%

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## SUBSTANTIAL SHAREHOLDERS

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*Note:*

- (1) The letter “L” denotes the person’s long position in such securities and the letter “S” denotes the person’s short position in such securities.
- (2) PUD is owned as to approximately 45.39% by Cayey Enterprises Limited, which in turn is, as at the date of this prospectus, wholly owned by Grappa Holdings Limited the issued share capital of which is owned as to 50% by Seletar Limited and as to 50% by Serangoon Limited, as nominees for Credit Suisse Trust Limited, which is the trustee holding such interest on trust for the beneficiaries of the Grappa Trust. The beneficiaries of the Grappa Trust include Mr. Song, Ms. Fu and family members of Mr. Song and Ms. Fu. The Grappa Trust is a revocable discretionary trust established under the laws of Singapore.
- (3) CRF Investment Limited holds a 74.78% shareholding interest in CRF Enterprise and is therefore deemed to be interested in 441,000,000 Shares.
- (4) ARC Capital Holdings Limited (“ARCH”) and CRF Investment Holdings Limited (“CRFIH”) hold respectively a 50.25% and 49.75% shareholding interest in CRF Investment Limited, and consequently each of ARCH and CRFIH is deemed to be interested in 441,000,000 Shares.
- (5) ARCH is an investment fund the shares of which are managed by ARC Capital Partners Limited (“ACP”), which has the right to exercise the voting rights attached to ARCH’s holding of shares in CRF Investment Limited and consequently ACP is deemed to be interested in 441,000,000 Shares.
- (6) Pacific Alliance Equity Partners Limited (“PAEP”) holds a 100% shareholding interest in ACP and is therefore deemed to be interested in 441,000,000 Shares.
- (7) Pacific Alliance Investment Management Limited (“PAIM”) holds a 61.8% shareholding interest in PAEP and is therefore deemed to be interested in 441,000,000 Shares.
- (8) Pacific Alliance Group Limited (“PAG”) holds a 90% shareholding interest in PAIM and is therefore deemed to be interested in 441,000,000 Shares.
- (9) Through a 100% shareholding interest in Kerry Oriental Investments Limited, Nerine Trust Company (BVI) Limited (“NTC”), an independent institutional trustee, holds indirectly a 52.19% shareholding interest in PAG and is therefore deemed to be interested in 441,000,000 Shares.
- (10) Nerine International Holdings Limited holds a 98% shareholding interest in NTC and is therefore deemed to be interested in 441,000,000 Shares.
- (11) Millennium Partners, L.P. holds a 34.72% shareholding interest in CRFIH and is therefore deemed to be interested in 441,000,000 Shares. Millennium Management LLC is the general partner of Millennium Partners, L.P., and therefore may also be deemed to be interested in 441,000,000 Shares. Israel A. Englander, is the managing member of Millennium Management LLC, and therefore may also be deemed to be interested in 441,000,000 Shares.

If the Over-allotment Option is fully exercised, the shareholdings held by each of CRF Enterprise and PUD will be 39.6% and 25.9%, respectively.

Except as disclosed in this prospectus, the Directors are not aware of any person who will, immediately following the completion of the Global Offering, have an interest or short position in Shares which would fall to be disclosed to us under the provisions of Divisions 2 and 3 of Part XV of the SFO.

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## SUBSTANTIAL SHAREHOLDERS

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- (b) As of the Latest Practicable Date, so far as is known to our Directors, the following person was interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of our Group or had an option in respect of such capital:

<u>Name of shareholder</u>	<u>Name of company</u>	<u>Approximate percentage of shareholding</u>
Ningbo Nantian Metal Co., Ltd.* (寧波南天金屬有限公司)	GCPN	15%
PMM China Limited	GCTP	49%

Except as disclosed in this prospectus, our Directors are not aware of any person who will, immediately following the completion of the Global Offering, be directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of our Group, our Directors are not aware of any arrangement which may at a subsequent date result in a change of control of our Company.

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## SHARE CAPITAL

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### AUTHORIZED AND ISSUED SHARE CAPITAL

The following is a description of the authorized and issued share capital of our Company in issue and to be issued as fully paid or credited as fully paid immediately before and after completion of the Global Offering:

	<b>HK\$</b>
<b>Authorized share capital:</b>	
50,000,000,000 Shares of HK\$0.01 each	500,000,000
<b>Issued share capital:</b>	
27,300,000 Shares in issue as at the date of this prospectus	273,000
<b>Shares to be issued:</b>	
771,700,000 Shares to be issued pursuant to the Capitalization Issue	7,717,000
201,000,000 Shares to be issued pursuant to the Global Offering	2,010,000
<b>Total issued and to be issued share capital:</b>	
1,000,000,000 Shares	10,000,000

### ASSUMPTIONS

The above table assumes that the Global Offering becomes unconditional and does not take into account any Shares which may be issued upon the exercise of any options which may be granted under the Share Option Scheme.

### RANKING

The Shares are ordinary shares in the share capital of the Company and rank equally with all Shares currently in issue or to be issued and, in particular, will rank in full for all dividends or other distributions declared, made or paid on the Shares in respect of a record date which falls after the date of this prospectus.

### GENERAL MANDATE TO ISSUE SHARES

Subject to the conditions stated in “Structure of the Global Offering — Conditions of the Public Offer,” our Directors have been granted a general mandate to allot, issue and deal with Shares with an aggregate nominal value of not more than the sum of: (i) 20% of the aggregate nominal value of the share capital of the Company in issue immediately following the completion of the Global Offering, excluding Shares which may be issued upon the exercise of any options which may be granted under the Share Option Scheme; and (ii) the aggregate nominal value of the share capital of the Company repurchased by us (if any).

The general mandate is in addition to the powers of our Directors to allot, issue or deal with Shares under any rights issue, scrip dividend scheme or similar arrangement providing for the allotment and issue of Shares in lieu of the whole or part of a dividend in accordance with our Memorandum and Articles of

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## SHARE CAPITAL

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Association, or pursuant to the exercise of any subscription rights attached to any warrants which may be issued by us from time to time, or upon the exercise of any options granted under the Share Option Scheme. The general mandate does not include any Shares to be issued pursuant to any options granted under the Share Option Scheme.

This general mandate to issue Shares will expire:

- at the end of our next annual general meeting;
- at the end of the period within which we are required by any applicable law or our Articles of Association to hold our next annual general meeting; or
- when varied or revoked by an ordinary resolution of our shareholders in general meeting,

whichever is the earliest.

### **GENERAL MANDATE TO REPURCHASE SHARES**

Subject to the conditions stated in “Structure of the Global Offering — Conditions of the Public Offer,” our Directors have been granted a general mandate to exercise all our powers to repurchase Shares with a total nominal value of not more than 10% of the aggregate nominal value of our share capital in issue immediately following the completion of the Global Offering, excluding Shares which may be issued pursuant to the exercise of any options which may be granted under the Share Option Scheme.

This general mandate only relates to repurchases made on the Stock Exchange, or on any other stock exchange on which the Shares are listed (and which is recognized by the SFC and the Stock Exchange for this purpose), and made in accordance with all applicable laws and the requirements of the Listing Rules. A summary of the relevant Listing Rules is set out in “Repurchase by the Company of Shares” in Appendix VI.

This general mandate to repurchase Shares will expire:

- at the end of our next annual general meeting;
- at the end of the period within which we are required by any applicable law or our Articles of Association to hold our next annual general meeting; or
- when varied or revoked by an ordinary resolution of our shareholders in general meeting,

whichever is the earliest.

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## FINANCIAL INFORMATION

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*The following discussion of our financial condition and results of operations should be read in conjunction with our consolidated financial information as of and for each of the three years ended December 31, 2009 and the seven months ended July 31, 2009 and 2010, including the notes thereto, included in Appendix I, of this prospectus. Our consolidated financial information as of and for the seven months ended July 31, 2009 has not been audited. The financial statements have been prepared in accordance with IFRSs, which differ in certain material respects from generally accepted accounting principles in other jurisdictions, including the United States. Other than profit after tax contributed by the discontinued operations prior to November 1, 2007, the discussion of financial information in this “Financial Information” section, unless otherwise indicated, is limited to our Continuing Operations. The following discussion contains certain forward-looking statements that involve risks and uncertainties. Our future results could differ materially from those discussed below as a result of various factors, including those set forth under “Risk Factors” and elsewhere in this prospectus.*

### OVERVIEW

We are an international durable juvenile products company headquartered in China. In 2009, we were the largest supplier of strollers in North America<sup>(1)</sup>, our European market and China and we produced one out of every 1.8 strollers sold in North America, one out of every 4.1 strollers sold in our European market, one out of every 3.7 strollers sold in China and one out of every 2.9 strollers sold in all these markets combined, according to Frost & Sullivan. In 2009, we had the largest market share of strollers in terms of units sold and retail value in China, which was 27.2% and 41.2%, respectively, according to Frost & Sullivan. We principally engage in the design, research and development, manufacture, marketing and sale of strollers, children’s car safety seats, cribs, bicycles and tricycles, and other durable juvenile products. The durable juvenile products that we design, manufacture and sell are long-lasting hardware products for external use and are intended for use or that may be reasonably expected to be used by children. We are committed to providing safe, innovative, fashionable, easy-to-use strollers and other durable juvenile products throughout the world. For the year ended December 31, 2007, 34.5%, 28.0%, 24.0% and 13.5% of our revenue from Continuing Operations was generated from North America, our European market, China and Other Overseas Markets, respectively. For the year ended December 31, 2008, 30.9%, 32.8%, 22.9% and 13.4% of our revenue from Continuing Operations was generated from North America, our European market, China and Other Overseas Markets, respectively. For the year ended December 31, 2009, 33.0%, 30.6%, 24.1% and 12.3% of our revenue from Continuing Operations was generated from North America, our European market, China and Other Overseas Markets, respectively. For the seven months ended July 31, 2010, 34.8%, 28.9%, 23.9% and 12.3% of our revenue from Continuing Operations was generated from North America, our European market, China and Other Overseas Markets, respectively.

#### **Our China Business**

According to Frost & Sullivan, our brand “好孩子 Goodbaby” (“好孩子” literally means “good child”), is the most recognized brand name for durable juvenile products in China where it enjoys recognition substantially ahead of other competitive brands. We design, produce and sell products principally under our own brands, particularly “好孩子 Goodbaby” and “小龍哈彼 Happy Dino”, both of which enjoy a leading market share in China. We sell to distributors, including to our Parent Group which, among other operations, operates retail stores under the brand name “Goodbaby”.

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<sup>(1)</sup> For purposes of this prospectus, references to “North America” mean the United States and Canada.

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## FINANCIAL INFORMATION

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### Our Overseas Business

In North America and our European market, we establish strategic relationships with owners of internationally leading durable juvenile products brands, such as “Safety 1st”, “Cosco”, “Quinny” and “Maxi Cosi”. We design and develop durable juvenile products either on our own or jointly with these brand owners, and manufacture and sell such products to the brand owners. These durable juvenile products are in turn sold by the brand owners under their brands using their distribution channels. In Other Overseas Markets, we similarly sell products, which we have designed (or jointly designed in the case of one of our customers) or manufactured, to locally leading brand owners, who then sell and distribute these products under their brands using their distribution channels. We also sell our own branded products to experienced local distributors in Other Overseas Markets.

Leveraging our leading R&D capability and product knowledge in the industry, we intend to further consolidate and strengthen our brand reputation, enhance our market penetration and broaden our product offerings in other durable juvenile products segments, such as children’s car safety seats, both in China and internationally.

According to Frost & Sullivan,

- In 2009, when asked to identify a single durable juvenile product brand in China, 64.0 out of every 100 respondents identified “好孩子 Goodbaby”, substantially ahead of the second most recognized brand, which was identified by 8.6 out of every 100 respondents.
- In China, we have maintained the largest market share of stroller sales in terms of units sold and retail value for 17 years. In 2009, our “小龍哈彼 Happy Dino” brand commanded a number one market share by units sold of 16.2% in China and our “好孩子 Goodbaby” branded strollers commanded a number two market share by units sold of 11.0% in China, both of which are substantially ahead of the 3.1% market share of the closest competitor’s brand. In 2009, our “好孩子 Goodbaby” brand commanded a number one market share by retail value of 23.2% in China and our “小龍哈彼 Happy Dino” branded strollers commanded a number two market share by retail value of 18.0% in China, both of which are substantially ahead of the 3.0% market share of the closest competitor’s brand. In 2009, our “好孩子 Goodbaby” brand was ranked first for children’s car safety seats in terms of units sold and retail value, and our “小龍哈彼 Happy Dino” brand was ranked first for cribs in terms of units sold and retail value.
- In North America, we have been the largest supplier of strollers for 11 years. In 2009, the strollers that we supplied accounted for 55.1% of the total number of strollers sold in North America and 34.1% of the total sales of strollers in North America in terms of retail value.
- In our European market, we have been the largest supplier of strollers for four years. In 2009, the strollers that we supplied accounted for 24.1% of the total number of strollers sold in our European market and 16.4% of the total sales of strollers in our European market in terms of retail value.
- In 2009, we produced one out of every 2.9 strollers in China, North America and our European market combined.



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## FINANCIAL INFORMATION

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Our chairman, Mr. Song, first entered into the durable juvenile products business in 1989, when he founded a predecessor company that designed, manufactured and marketed strollers in China. In the same year, this company established the “好孩子 Goodbaby” brand and also introduced the first “push and rock” stroller in China, which had a seat designed to rock gently in the same way as a cradle. In 1990, we were granted a 10-year patent in China for a “push and rock” stroller that we invented. Since 1993, we have become the market leader in terms of stroller sales by units sold and retail value in China, according to Frost & Sullivan. In 1996, we began to sell strollers in North America to an international brand owner, Dorel, with whom we have since established a strategic relationship. By 1999, only three years after our commencement of business in such market, we became the largest supplier of strollers in North America, according to Frost & Sullivan. In 2002, we began to sell strollers in our European market by working strategically with leading international brand owners and, in 2006, according to Frost & Sullivan, we became the largest supplier of strollers in our European market. In 2006, we re-branded our “小小恐龍 Little Dinosaur” brand to “小龍哈彼 Happy Dino”. Our “小小恐龍 Little Dinosaur” brand was first launched in 1999 primarily to target the mass market segment in China. “好孩子 Goodbaby” and “小龍哈彼 Happy Dino” were the most popular stroller brands in China in 2009. For the years ended December 31, 2007, 2008 and 2009 and for the seven months ended July 31, 2010, our revenue from stroller sales accounted for 47.8%, 51.0%, 53.1% and 50.7%, respectively, of our total revenue from Continuing Operations. Other durable juvenile products such as children’s car safety seats, cribs, bicycles and tricycles accounted for the remainder of our sales revenue from Continuing Operations during these periods. During the past few years, we have rapidly expanded our product offerings in China and internationally. In North America and our European market, we believe we are the partner of choice for durable juvenile products, especially strollers. As part of our effort to increase our brand recognition overseas, we recently introduced our new logo, “gb”, which we expect to gradually replace the English-language “Goodbaby” logo over time. Similarly, in China, we expect to gradually replace the “好孩子 Goodbaby” logo with “好孩子 gb”.

We seek to maintain a leading position by continuously introducing original industry-leading products and innovations that are widely accepted in our industry. For example, in 1999, we received a 10-year patent in China for a mechanism that allowed strollers to be collapsed and folded using only one hand rather than both hands. Subsequent to the granting of such patent in 1999, we have developed more advanced methods to enable strollers to be collapsed and folded using one hand and have received patents for such mechanisms. We expect to continue developing more advanced methods and mechanisms for strollers as well as our other durable juvenile products. Over the years, we have steadily increased the number of our trademark and patent registrations for our products and innovations and as of September 30, 2010, we had 209 registered trademarks, 85 applications for trademark registration, 2,116 registered patents and 527 applications for patent registration in China. We hold patents of three different categories, namely, invention patents, utility patents and design patents. As of September 30, 2010, we held 93 invention patents, 664 utility patents and 1,359 design patents, and our registration applications for 83 invention patents, 256 utility patents and 188 design patents were pending. For further details on our intellectual property rights, please refer to Appendix VI to this prospectus under the heading “Further Information About The Business — Intellectual property rights of the Group”. We currently have five R&D centers, in Kunshan, China, Boston, U.S.A., Utrecht, the Netherlands, Tokyo, Japan and, most recently, Hong Kong, with an R&D team of over 300 personnel. Through our strengths in R&D, we seek to continuously provide complete solutions encompassing market research, market-oriented product planning, concept creation, structural design, engineering design as well as fashion design, so that we consistently introduce innovative, high-quality products that are responsive to market demand.

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## FINANCIAL INFORMATION

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Our business is supported by our efficient and stable production control and supply chain management system. We seek to maintain our supply chain through the establishment of procurement, production and safety standards, the control and management of our production facilities in Kunshan and Ningbo, outsourcing to third parties, as well as related logistical systems. Under this integrated management system, we can constantly analyze and monitor the level of production capacity, quality control and consistency of our products in order to determine the optimal mix of products that we choose to produce through our production facilities, or outsource to reliable third-party manufacturers, most of whom have long-standing relationships with us. Our production and ancillary facilities in Kunshan and Ningbo in China occupy an aggregate of 329,504.07 square meters as of July 31, 2010.

In China, we sell our products through an extensive distribution network, with 28 provinces, autonomous regions and municipalities in the PRC with coverage of 5,297 maternity and childcare specialty stores, 835 hypermarket outlets, and 664 department store outlets as of July 31, 2010. We sell all of our products in China to distributors, who in turn distribute our products to end consumers through retail outlets operated by the distributors themselves or their sub-distributors. These retail outlets include department stores, hypermarkets and, increasingly, maternity and childcare specialty stores. We collaborate with these retail outlets by inspecting and providing suggestions on the image displays, establishing operating standards relating to personnel and inventory at these outlets, and providing training programs and general assistance to these retail outlets in their operations. In North America and our European market, we sell our products, which we have designed (or jointly designed) or manufactured, to international brand owners, who in turn sell these products under their brands using their distribution channels. In Other Overseas Markets, we similarly sell products, which we have designed (or jointly designed in the case of one of our customers) or manufactured, to locally leading brand owners, who then sell and distribute these products under their brands using their distribution channels. We also sell our own branded products to experienced local distributors in Other Overseas Markets.

We operate different business models in connection with operations relating to our self-owned brands and operations relating to international brand owners. Should we become unable to effectively address the risks, difficulties and challenges resulting from these different business models, some of which are beyond our control, our business, financial condition or results of operations may be materially and adversely affected. In addition, we operate in a highly competitive industry. For our domestic market and our Overseas Markets where we sell our branded products, we face competition primarily from third-party local durable juvenile product brand owners in the mass market and owners of international brands in the mid- to high-end market. As such, our branded products compete for sales against international brand owners who might also be our customers. Failure to maintain our competitive position may materially adversely affect our business, financial condition or results of operations.

As of July 31, 2010, we had 451 distributors in China and had sold our products to 83 international brand owners and 32 distributors in overseas markets. GCCL, a member of our Parent Group, which, among other things, operates retail stores under the “好孩子 Goodbaby” brand, acts as our largest distributor and for the three years ended December 31, 2009 and for the seven months ended July 31, 2010, sales to GCCL contributed approximately 12.1%, 10.8%, 8.6%, and 7.2%, respectively, of our revenue from Continuing Operations and approximately 50.1%, 47.2%, 35.7% and 30.2%, respectively, of our domestic revenue from Continuing Operations.

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## FINANCIAL INFORMATION

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As of July 31, 2010, among our 451 distributors in China, 300 had entered into a distributorship agreement with us and the remaining 151 distributors did not have a distributorship agreement with us and principally worked with us on the basis of purchase orders. For the years ended December 31, 2007, 2008 and 2009 and for the seven months ended July 31, 2010, we derived 95.4%, 94.4%, 91.7% and 96.9%, respectively, of our revenue from distributors in China with whom we have entered into distributorship agreements. For our overseas markets, we have not entered into any exclusivity agreement with our customers.

On December 18, 2009, one of our largest customers voluntarily recalled children's car safety seats sold under their brands, including children's car safety seats produced by us. On the basis of our continual long-term business relationship with this customer, we sought to support this customer by bearing a part of their loss. After the product recall, we continue to maintain a normal business relationship with this customer. In addition, on November 8, 2007, an independent third party seller of durable juvenile products, which was not our direct customer nor had any form of contact with us, had recalled its cribs sold under its brands. We had sold products, on an OEM basis, through the independent third party seller's independent merchandiser and we had terminated our working relationship with the independent merchandiser of such independent thirdparty seller in March 2007. We are not able to verify that the recalled products were manufactured by us. For more details, please refer to the section headed "Business — Quality Control — Recalls" and "Risk Factors — Risks Relating to Our Business — The manufacturing process for products in our industry is complex and any failure to adhere to quality and safety standards may adversely affect our financial condition and results of operations."

For the year ended December 31, 2007, 2008 and 2009, our revenue from Continuing Operations was HK\$2,586.5 million, HK\$3,266.2 million and HK\$3,032.2 million, respectively, representing a CAGR of 8.3% over the three years ended December 31, 2009, while our profit for the year from Continuing Operations was HK\$162.2 million, HK\$173.5 million and HK\$164.4 million, respectively, representing a CAGR of 0.7% over the three years ended December 31, 2009. Our profit from Continuing Operations decreased from HK\$173.5 million in 2008 to HK\$164.4 million in 2009, primarily attributable to a decrease in revenue in each of our geographical markets, which was a result of the global financial crisis and economic downturn. Although the performance of our product lines was generally impacted by the economic downturn as consumers were more cautious on their spending, the demand for and sales of our strollers and accessories in North America and China had increased in 2009 despite the economic downturn. For more details, please refer to the section headed "Financial Information — Review of Historical Operating Results — Year Ended December 31, 2009 Compared to Year Ended December 31, 2008 — Continuing Operations." For the seven months ended July 31, 2009 and 2010, our revenue from Continuing Operations was HK\$1,694.0 million and HK\$2,198.5 million, respectively, representing an increase of 29.8%. Our profit from Continuing Operations for the seven months ended July 31, 2009 and 2010 was HK\$99.4 million and HK\$141.5 million, respectively, representing an increase of 42.4%. For the years ended December 31, 2007, 2008 and 2009 and the seven months ended July 31, 2010, as a result of hedging activities for our operations, we recorded changes in the fair value of the forward contracts amounting to gain/(loss) of HK\$8.5 million, HK\$(27.1) million, HK\$(0.2) million and HK\$1.7 million, respectively, on our income statement. These forward currency contracts are not designated as cash flow, fair value or net investment hedges.

## FINANCIAL INFORMATION

The table below sets out our revenue from Continuing Operations for our principal products<sup>(1)</sup> and their respective percentage of revenue from Continuing Operations, by geographical market, for the periods indicated.

	For the year ended December 31,						For the seven months ended July 31,			
	2007		2008		2009		2009		2010	
	Sales	% of sales	Sales	% of sales	Sales	% of sales	Sales	% of sales	Sales	% of sales
	(HK\$ millions)		(HK\$ millions)		(HK\$ millions)		(HK\$ millions)		(HK\$ millions)	
<b>Our European Market</b>										
Strollers and accessories . . . . .	532.6	20.6%	772.7	23.7%	636.4	21.0%	317.1	18.7%	411.2	18.7%
Car seats and accessories . . . . .	123.4	4.8%	157.1	4.8%	161.2	5.3%	71.5	4.2%	106.6	4.9%
Other durable juvenile products . . . . .	68.0	2.6%	140.5	4.3%	130.8	4.3%	72.6	4.3%	118.3	5.4%
Sub-total . . . . .	724.1	28.0%	1,070.2	32.8%	928.4	30.6%	461.2	27.2%	636.1	28.9%
<b>North America</b>										
Strollers and accessories . . . . .	337.9	13.1%	434.9	13.3%	513.0	16.9%	304.7	18.0%	357.6	16.3%
Car seats and accessories . . . . .	249.0	9.6%	270.1	8.3%	203.1	6.7%	140.2	8.3%	156.0	7.1%
Other durable juvenile products . . . . .	304.3	11.8%	305.4	9.4%	284.1	9.4%	155.0	9.2%	251.5	11.4%
Sub-total . . . . .	891.2	34.5%	1,010.4	31.0%	1,000.2	33.0%	599.9	35.4%	765.0	34.8%
<b>China</b>										
Strollers and accessories . . . . .	205.2	7.9%	245.6	7.5%	263.4	8.7%	170.6	10.1%	198.1	9.0%
Bicycles, tricycles and e-cars . . . . .	245.8	9.5%	295.1	9.0%	274.2	9.0%	166.0	9.8%	204.6	9.3%
Other durable juvenile products . . . . .	170.9	6.6%	208.3	6.4%	192.5	6.4%	113.2	6.7%	123.5	5.6%
Sub-total . . . . .	621.9	24.0%	749.1	22.9%	730.1	24.1%	449.8	26.6%	526.2	23.9%
<b>Other Overseas Markets</b>										
Strollers and accessories . . . . .	160.7	6.2%	213.8	6.5%	196.5	6.5%	110.2	6.5%	147.6	6.7%
Other durable juvenile products . . . . .	188.6	7.3%	222.7	6.8%	177.0	5.8%	73.0	4.3%	123.7	5.6%
Sub-total . . . . .	349.3	13.5%	436.5	13.4%	373.5	12.3%	183.2	10.8%	271.3	12.3%
<b>Total . . . . .</b>	<b>2,586.5</b>	<b>100.0%</b>	<b>3,266.2</b>	<b>100.0%</b>	<b>3,032.2</b>	<b>100.0%</b>	<b>1,694.0</b>	<b>100.0%</b>	<b>2,198.5</b>	<b>100.0%</b>

<sup>(1)</sup> For China, we sell products principally under our brands. For North America and our European market, we sell products to international brand owners who then distribute under their brands. For Other Overseas Markets, we sell products to locally leading brand owners who then distribute under their brands as well as our branded products to experienced local distributors.

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The table below sets out our revenue from Continuing Operations for our products sold under our brands and products sold under third party-owned brands in Other Overseas Markets and their respective percentage of revenue from Continuing Operations for the periods indicated.

	For the year ended December 31,						For the seven months ended July 31,			
	2007		2008		2009		2009		2010	
	Sales	% of sales	Sales	% of sales	Sales	% of sales	Sales	% of sales	Sales	% of sales
	(HK\$ millions)		(HK\$ millions)		(HK\$ millions)		(HK\$ millions)		(HK\$ millions)	
<b>Other Overseas Markets</b>										
Products sold under our brands . . . . .	155.7	44.6%	193.4	44.3%	145.7	39.0%	73.4	40.1%	111.6	41.1%
Products sold under third party-owned brands . . . . .	193.6	55.4%	243.1	55.7%	227.8	61.0%	109.8	59.9%	159.7	58.9%
<b>Total . . . . .</b>	<u>349.3</u>	<u>100.0%</u>	<u>436.5</u>	<u>100.0%</u>	<u>373.5</u>	<u>100.0%</u>	<u>183.2</u>	<u>100.0%</u>	<u>271.3</u>	<u>100.0%</u>

During the Track Record Period, we disposed of certain operations to our Parent Group which are separate and distinct from our core business. For more information relating to the Retained Business and Discontinued Operations, please see the section headed “Relationship with our Controlling Shareholders — Operations retained by our Controlling Shareholders” and Notes 14 and 34 to the Accountants’ Report in Appendix I to this prospectus.

### BASIS OF CONSOLIDATION

Our financial information comprises the financial statements of the Company and its subsidiaries for the periods set forth in Appendix I to this prospectus. The financial statements of our subsidiaries were prepared for the same reporting years as the Company, using consistent accounting policies.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions that are recognized in assets have been eliminated in full.

Our subsidiaries are fully consolidated from the date of acquisition, being the date on which we obtain control, and continue to be consolidated until the date that such control ceases.

Non-controlling interests represent the portion of profit and net assets of our subsidiaries not held by us and are presented separately in the consolidated statement of comprehensive income and in the consolidated statement of financial position. We recognize transactions with our non-controlling equity holders of the Company’s subsidiaries at book value and classify these transactions as equity transactions. Accordingly, when we acquire non-controlling interests in subsidiaries, we recognize the difference between the consideration paid and the carrying values of the non-controlling interests as an equity transaction.

A jointly-controlled entity is a joint venture that is subject to joint control, resulting in none of the participating parties having unilateral control over the economic activity of the jointly-controlled entity.

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The Group's interests in its jointly-controlled entities are accounted for by proportionate consolidation, which involves recognizing its share of the jointly-controlled entities' assets, liabilities, income and expenses with similar items in the consolidated financial statements on a line-by-line basis.

### FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business, results of operations, financial condition and prospects have been, and will continue to be affected by a number of factors, including those set out below.

#### Changes in the global economic and regulatory environment

Demand for our products is generally impacted by changing economic conditions. The recent global financial crisis and economic downturn affected the demand for and the sales of our products as consumers became more cautious in their spending. In our overseas markets, our sales decreased by 8.5% to HK\$2,302.1 million in 2009 from HK\$2,517.1 million in 2008. In China, our sales decreased by 2.5% to HK\$730.1 million in 2009 from HK\$749.1 million in 2008. Any future slowdown or decline in the global economy may affect our business and our results of operations. Furthermore, our product sales in our overseas markets have in the past and may in the future be affected by changes in foreign laws and regulations such as those governing product standards relating to durable juvenile product industry. For example, the Consumer Product Safety Improvement Act ("CPSIA"), enacted on August 14, 2008 by the United States government, includes a series of provisions that impose stringent limits on lead content and phthalates in children's products, including products imported into the country. Under the CPSIA, products sold in the United States on and after February 10, 2009 must comply with the CPSIA standards, regardless of the manufacturing date of the products. As a result of the new CPSIA standards, we incurred additional compliance costs and our sales of products to the North American market were affected. Future changes in the international economic and regulatory environment may have an impact on the overall demand for and sales of our durable juvenile products as well as our profitability in the overseas markets.

#### Consumer preferences, levels of per capita disposable income and consumer spending in China

Our results of operations are influenced by consumer preferences and continuing demand for durable juvenile products in China which, to a certain extent, depend on the continued growth of China's economy. We have benefited from the rapid growth of China's economy, which has led to an increase in urbanization and a rise in the affluence of urban population in China. Income levels of urban households have increased with the growth of the economy. According to Frost & Sullivan Report, from 2005 to 2009, per capita annual disposable income of urban households in China grew from US\$1,281 to US\$2,514, representing a CAGR of 18.4% over this five-year period. As per capita disposable income of urban households has increased, consumer spending has also increased. Furthermore, consumers in China have tended to shift their spending towards the consumption of branded and lifestyle products, including durable juvenile products. According to Frost & Sullivan, respondents who were interviewed have reported that in making their choices in purchasing durable juvenile products, they would prefer branded products for better quality and safety. We expect that the increase in the purchasing power of consumers in China will drive sentiment towards the purchase of durable juvenile products and that the demand for durable juvenile products, particularly, branded products will continue to grow in the near future.



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### **Introduction of new products**

In order to meet consumer demand, we continuously introduce new products either under our brands or brands of third parties. Our continuing ability to develop and launch new products not only impacts our image and perception among consumers but also has a significant effect on our sales, operating profit and growth each year. We believe new products and innovations to existing products have, among other factors, enabled us to enjoy an enhanced reputation in the market, attract internationally recognized durable juvenile products companies to work with us, attract distributors to purchase our products and, in some instances, price our products at a premium. Our future results of operations and financial condition will be influenced by our ability to design, develop and bring new, high-quality products to market and to respond to changes in consumer trends and preferences rapidly and cost-efficiently.

We believe that our strong market research and R&D capabilities have allowed, and will continue to allow, us to offer a comprehensive range of durable juvenile products, including strollers, children's car safety seats, cribs, bicycles and tricycles. During the Track Record Period, on average, we introduced 107 new products and product modifications<sup>(2)</sup> each quarter, including brand new products as well as products which were upgraded and improved from our existing products. Our ability to anticipate changing consumer preferences and develop a comprehensive range of products on a cost-effective and efficient manner to meet different consumer needs and preferences is important to our future growth and performance in the durable juvenile product industry. We believe that our experience and leading position in the durable juvenile product industry will strengthen our performance in our other existing categories of durable juvenile products and that we will continue to experience positive growth.

### **Relationships with our international brand owner customers and management of sales and distribution network**

In our overseas markets, our performance and growth is primarily affected by our ability to establish and maintain strong strategic relationships with international brand owners and distributors. We have partnered with leading international brand owners, many of whom are leading providers of durable juvenile products such as Dorel, Silver Cross and Mothercare. We design and develop durable juvenile products either on our own or jointly with these brand owners, and manufacture and sell such products to the brand owners. These durable juvenile products are in turn sold by these brand owners under their brands using their distribution channels. We derive a substantial percentage of our revenue from sales to overseas customers, including primarily our international brand owner customers. For the years ended December 31, 2007, 2008 and 2009 and for the seven months ended July 31, 2010, overseas sales accounted for 76.0%, 77.1%, 75.9% and 76.1% of our revenue from Continuing Operations, respectively. We believe developing and maintaining long-term strategic relationships with our customers to be essential to our overseas business. We intend to continue working closely with our customers in the overseas markets as we believe that there remains significant potential for us to grow our sales in the overseas markets.

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<sup>(2)</sup> New products and product modifications include newly applied technologies and innovations, newly designed products, redesigned products and partially redesigned and modified products and product components.



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In China, our ability to maintain and further increase the depth and breadth of our distribution network is important to our growth and our ability to maintain our leading position in the durable juvenile product industry. As of July 31, 2010, we had 451 distributors in China, and our products were sold through our distributors to 5,297 maternity and childcare specialty stores, 835 hypermarket outlets and 664 department store outlets. As our distribution network is crucial to our growth and success, we actively manage our distribution network by monitoring and evaluating the performance of our distributors as well as establishing long-term relationships with suitable distributors where appropriate. We have organized, and will continue to organize, provincial fairs and distributor fairs, which represent an important avenue through which we expand our distribution network. Our financial condition and results of operations will continue to be affected by our ability to work closely with our distributors and our ability to attract suitable distributors through our marketing programs, including the provincial fairs and distributor fairs.

Our sales and growth in China will continue to depend on the extent of our collaboration with retail outlets, particularly maternity and childcare specialty stores, which have become increasingly important as points of sale for our durable juvenile products. In collaborating with retail outlets, our approach has been to inspect retail outlet displays from time to time, analyze the sale of our products sold in retail outlets and suggest appropriate adjustments to displays so as to increase the sales volume of our products in such retail outlets. We believe our continuing collaboration with retail outlets, particularly maternity and childcare specialty stores, as well as our ability to secure more sales through maternity and childcare specialty stores will be crucial to our future success.

### **Branding and pricing**

Our financial condition and results of operations will also be affected by our ability to continuously maintain and enhance brand recognition of our products. Our “Goodbaby” and “Happy Dino” brands are leading domestic durable juvenile products brands and enjoy significant market recognition in China. We intend to further strengthen our established brand names and continue to monitor and adjust our brands to increase our overall sales and profitability in China. We establish strategic relationships with owners of internationally leading durable products brands, such as “Safety 1st”, “Cosco”, “Quinny” and “Maxi Cosi”. We design and develop durable juvenile products either on our own or jointly with these brand owners, and manufacture and sell such products to the brand owners. These durable juvenile products are in turn sold by these brand owners under their brands using their distribution channels. We intend to continue to promote our brands outside of China together with leading third party-owned brands as brand recognition is an important factor for our future growth and success. We believe that our multi-brand strategy that targets a wide consumer base ranging from mass market to high-end market allows us to diversify the risks associated with over-reliance on one type of target market.

Our ability to continue to price our products at levels we prefer is important to our results of operations and financial performance. We determine our prices based on various factors, such as our internal and outsourcing production costs, our competitors’ pricing strategies, consumers’ purchasing power, our brand recognition and our R&D capability. We believe that our strong R&D capability and brand recognition has allowed us to set prices for our products at levels that we prefer and, in some instances, to price our products at a premium.

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### **Manufacturing capacity and production control**

Our financial condition will be influenced by our flexibility in making effective use of our internal production and outsourcing manufacturers. We manufacture a significant portion of our products at our own production and ancillary facilities in Kunshan and Ningbo. As of July 31, 2010, the two facilities together occupied 329,504.07 square meters. Both of these facilities have comprehensive manufacturing capabilities that include plastic processing, fabric sewing, aluminum processing, metal processing and product assembly. In 2009, our facilities produced 5,564,250 strollers and 1,145,860 children's car safety seats.

For the years ended December 31, 2007, 2008 and 2009 and for the seven months ended July 31, 2010, in terms of units produced, we outsourced production of approximately 71.6%, 75.3%, 73.9% and 79.8%, respectively, of our “小龍哈彼 Happy Dino” products and approximately 35.8%, 21.7%, 24.1% and 34.0%, respectively, of our “好孩子 Goodbaby” products. For the years ended December 31, 2007, 2008 and 2009 and for the seven months ended July 31, 2010, our outsourced production represented approximately 9.4%, 9.8%, 12.9% and 13.0%, respectively, of our total production in terms of units produced. In the future, we plan to increase the percentage of production that we outsource and to continue to select, at our discretion, the type of products we outsource. Our outsourcing arrangements may expose us to risks relating to disruption of outsourced products manufactured by the third-party manufacturers and, if we are unable to locate suitable alternative third-party manufacturers or manufacture these products internally, our business and results of operations may be materially and adversely affected.

Our financial condition and results of operation will also be affected by our ability to maintain our integrated production control system. We have been able to effectively and efficiently analyze and monitor production capacity, quality control and consistency for our products, as well as the level and sales performance of our distributors or their retail outlets in order to determine the desired mix of products that we manufacture or outsource. We believe that our efficient and stable production control has enabled us to respond faster and more flexibly than our competitors to changing market conditions and demands.

### **Exchange rate fluctuations**

Our sales are mainly denominated in U.S. dollars and Renminbi. Our cost of sales and operating expenses are mainly denominated in Renminbi. Approximately 76.0%, 77.1%, 75.9% and 76.1% of our revenue from Continuing Operations for the years ended December 31, 2007, 2008 and 2009 and the seven months ended July 31, 2010, respectively, was denominated in U.S. dollars. The Renminbi appreciated 6.5%, 6.4%, 0.1% and 0.8% against the U.S. dollar for the years ended December 31, 2007, 2008 and 2009 and the seven months ended July 31, 2010, respectively. Our profit margins will be negatively affected to the extent that we are unable to increase the U.S. dollar selling prices of the products we sell to our overseas customers to offset any appreciation of the Renminbi against the U.S. dollar.

### **Cost of raw materials and labor**

The cost of raw materials is the single largest component of our cost of sales. Raw material costs accounted for 75.2% in 2007, 77.6% in 2008, 77.0% in 2009 and 74.3% for the seven months ended July 31, 2010, of our cost of sales. The raw materials we use in our production primarily consist of plastic, fabrics, steel, packaging materials, wood and aluminum. We procure most of our raw material supplies in China. In recent years, the average price of raw materials has increased. However, we believe that our ability to make products that cater to market demand has provided us with greater pricing flexibility.

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As our manufacturing is labor intensive, the cost of labor also forms an important component of our cost of sales. Labor costs accounted for 12.2% in 2007, 10.1% in 2008, 9.6% in 2009 and 13.2% for the seven months ended July 31, 2010, of our cost of sales. Labor costs primarily consist of wages paid to production staff. In recent years, there has been a general trend of wage increases in China. If cost of labor continues to increase in China in the future, our production costs will increase and our results of operations may be impacted by our ability to successfully pass these increases in labor costs on to our customers.

### Regulations

Our business is affected by various government regulations that are product- and country-specific. These regulations change from time to time to satisfy higher safety or functional demands from consumers or regulatory authorities. Although these regulations may lead to higher compliance costs, they may also present new business opportunities. For example, legislation passed in late 2006 in the European Union mandates the use of children's car safety seats for all children under the age of 12. In China, we believe that a new law may be passed within the next few years that will make the use of children's car safety seats mandatory for children under a certain age if traveling in a car. For more information, see "Industry Overview — Durable Juvenile Product Market in North America and Our European Market — Overview of Durable Juvenile Product Market in North America & Our European Market — Children's Car Safety Seat Market" and "Industry Overview — Durable Juvenile Product Market in China — Overview of Durable Juvenile Product Market — Children's Car Safety Seat Market."

### Taxation

Our financial performance may be affected by a change in the export tax rebate enjoyed by some of our products sold overseas, including strollers and children's car safety seats. For example, effective July 1, 2007, the export tax rebate for our strollers was reduced from 13% to 9%. This reduction in tax credit increased our cost of sales by a corresponding amount. In the absence of any increase in the price for our products, our gross margins would have been reduced by 4%. However, since July 1, 2007, we have been able to increase the price of many of our products to mitigate the impact of the reduced export tax rebate on our gross profit margin. Subsequently, beginning April 2009, we have enjoyed higher export tax rebates generally.

We are subject to income tax in the PRC. Our subsidiaries registered in the PRC and that only have operations in the PRC are subject to enterprise income tax on the taxable income as reported in their PRC statutory accounts adjusted in accordance with relevant PRC income tax laws. On March 16, 2007, the PRC government promulgated the EIT Law, which became effective on January 1, 2008. On December 6, 2007, the State Council issued Implementation Regulation of the EIT Law. The EIT Law and Implementation Regulation changed the tax rate of PRC enterprises from 33% to 25% from January 1, 2008 onwards. Pursuant to relevant laws and regulations in the PRC and with approval from the responsible tax authorities, GCPC, one of our subsidiaries, has been qualified as a "Hi-Tech Enterprise" and subject to a preferential tax rate of 15% from 2008 to 2010. GCPC plans to renew its application for the preferential tax treatment but has yet to receive confirmation from the relevant tax authority on the tax rate applicable to GCPC after 2010. The difference between the normal tax rate (25%) and preferential tax rate (15%) is 10%. Based on 2009 profit before tax from GCPC's Continuing Operations, if GCPC were not qualified as a "Hi-Tech Enterprise" in 2009, we could be subject to an increase in tax payment in the amount of HK\$19.7 million (being HK\$197.1 million x 10%).

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### CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of financial statements in conformity with IFRSs requires us to adopt accounting policies and make estimates and assumptions that affect amounts reported in our financial statements. In applying these accounting policies, we make subjective and complex judgments that frequently require estimates about matters that are inherently uncertain. Many of these policies, estimates and related judgments are common to the wholesale industry, while others are specific to our business and operations. The following sections discuss certain key accounting policies, judgments and estimations applied in preparing our financial statements.

#### Revenue recognition

We recognize our revenue to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. We measure our revenue at the fair value of the consideration received, excluding discounts, rebates, and sales taxes or duty. We recognize our revenue from domestic wholesale and from overseas sales when the significant risks and rewards of ownership and title have been transferred to the buyer, provided that the Group maintain neither managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

#### Allowance on trade and other receivables

The provision policy for doubtful debts of the Group is based on the ongoing evaluation of the collectability and aging analysis of the outstanding receivables and on the management's judgment. A considerable amount of judgment is required in assessing the ultimate realization of these receivables, including the creditworthiness and the past collection history of each customer. If the financial conditions of the customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional impairment may be required. The carrying amounts of impairment provision for trade receivables as of December 31, 2007, 2008 and 2009 and, as of July 31, 2010 were approximately HK\$1.0 million, HK\$2.6 million, HK\$6.5 million and HK\$3.0 million, respectively. Further details are given in Note 25 to the Accountants' Report included in Appendix I to this prospectus.

#### Deferred tax assets

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The unrecognized tax losses as of December 31, 2007, 2008 and 2009 and, as of July 31, 2010 were approximately HK\$57.5 million, HK\$56.5 million, HK\$36.6 million and HK\$4.4 million, respectively. Further details are contained in Note 32 to the Accountants' Report included in Appendix I to this prospectus.

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### Description of Selected Income Statement Line Items — Continuing Operations

**Revenue.** Our revenue represents the net value of goods sold, after deduction of value-added taxes, allowances for goods returned, rebates and discounts, and elimination of intra-group sales. We derive our revenue from two main markets: overseas market and domestic market.

The table below sets out our revenue by segment for the periods indicated.

	For the year ended December 31,						For the seven months ended July 31,			
	2007		2008		2009		2009		2010	
	Sales	% of sales	Sales	% of sales	Sales	% of sales	Sales	% of sales	Sales	% of sales
	(HK\$ millions)		(HK\$ millions)		(HK\$ millions)		(HK\$ millions)		(HK\$ millions)	
<b>Overseas market:</b>										
Strollers and accessories segment . . . . .	1,031.2	39.9%	1,421.3	43.5%	1,345.9	44.4%	732.0	43.2%	916.3	41.7%
Other durable juvenile products segment . . .	933.4	36.1%	1,095.8	33.6%	956.2	31.5%	512.2	30.2%	756.0	34.4%
<b>Domestic market:</b>										
Strollers and accessories segment . . . . .	205.2	7.9%	245.6	7.5%	263.4	8.7%	170.6	10.1%	198.1	9.0%
Other durable juvenile products segment . . .	416.7	16.1%	503.5	15.4%	466.7	15.4%	279.2	16.5%	328.1	14.9%
<b>Total . . . . .</b>	<u>2,586.5</u>	<u>100.0%</u>	<u>3,266.2</u>	<u>100.0%</u>	<u>3,032.2</u>	<u>100.0%</u>	<u>1,694.0</u>	<u>100.0%</u>	<u>2,198.5</u>	<u>100.0%</u>

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The table below sets out our revenue from our principal products<sup>(1)</sup> and their respective percentage of total sales, by geographical market, for the periods indicated.

	For the year ended December 31,						For the seven months ended July 31,			
	2007		2008		2009		2009		2010	
	Sales	% of sales	Sales	% of sales	Sales	% of sales	Sales	% of sales	Sales	% of sales
	(HK\$ millions)		(HK\$ millions)		(HK\$ millions)		(HK\$ millions)		(HK\$ millions)	
<b>Our European Market</b>										
Strollers and accessories . . .	532.6	20.6%	772.7	23.7%	636.4	21.0%	317.1	18.7%	411.2	18.7%
Car seats and accessories . . .	123.4	4.8%	157.1	4.8%	161.2	5.3%	71.5	4.2%	106.6	4.9%
Other durable juvenile products . . . . .	68.0	2.6%	140.5	4.3%	130.8	4.3%	72.6	4.3%	118.3	5.4%
Sub-total . . . . .	724.1	28.0%	1,070.2	32.8%	928.4	30.6%	461.2	27.2%	636.1	28.9%
<b>North America</b>										
Strollers and accessories . . .	337.9	13.1%	434.9	13.3%	513.0	16.9%	304.7	18.0%	357.6	16.3%
Car seats and accessories . . .	249.0	9.6%	270.1	8.3%	203.1	6.7%	140.2	8.3%	156.0	7.1%
Other durable juvenile products . . . . .	304.3	11.8%	305.4	9.4%	284.1	9.4%	155.0	9.2%	251.5	11.4%
Sub-total . . . . .	891.2	34.5%	1,010.4	31.0%	1,000.2	33.0%	599.9	35.4%	765.0	34.8%
<b>China</b>										
Strollers and accessories . . .	205.2	7.9%	245.6	7.5%	263.4	8.7%	170.6	10.1%	198.1	9.0%
Bicycles, tricycles and e-cars . . . . .	245.8	9.5%	295.1	9.0%	274.2	9.0%	166.0	9.8%	204.6	9.3%
Other durable juvenile products . . . . .	170.9	6.6%	208.3	6.4%	192.5	6.4%	113.2	6.7%	123.5	5.6%
Sub-total . . . . .	621.9	24.0%	749.1	22.9%	730.1	24.1%	449.8	26.6%	526.2	23.9%
<b>Other Overseas Markets</b>										
Strollers and accessories . . .	160.7	6.2%	213.8	6.5%	196.5	6.5%	110.2	6.5%	147.6	6.7%
Other durable juvenile products . . . . .	188.6	7.3%	222.7	6.8%	177.0	5.8%	73.0	4.3%	123.7	5.6%
Sub-total . . . . .	349.3	13.5%	436.5	13.4%	373.5	12.3%	183.2	10.8%	271.3	12.3%
<b>Total</b> . . . . .	<b>2,586.5</b>	<b>100.0%</b>	<b>3,266.2</b>	<b>100.0%</b>	<b>3,032.2</b>	<b>100.0%</b>	<b>1,694.0</b>	<b>100.0%</b>	<b>2,198.5</b>	<b>100.0%</b>

<sup>(1)</sup> For China, we sell products principally under our brands. For North America and our European market, we sell products to international brand owners who then distribute under their brands. For Other Overseas Markets, we sell products to locally leading brand owners who then distribute under their brands as well as our branded products to experienced local distributors.

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The table below sets out our revenue for our products sold under our brands and products sold under third party-owned brands in Other Overseas Markets and their respective percentage of revenue for the periods indicated.

	For the year ended December 31,						For the seven months ended July 31,			
	2007		2008		2009		2009		2010	
	Sales	% of sales	Sales	% of sales	Sales	% of sales	Sales	% of sales	Sales	% of sales
	(HK\$ millions)		(HK\$ millions)		(HK\$ millions)		(HK\$ millions)		(HK\$ millions)	
<b>Other Overseas Markets</b>										
Products sold under our brands . . . . .	155.7	44.6%	193.4	44.3%	145.7	39.0%	73.4	40.1%	111.6	41.1%
Products sold under third party-owned brands . . . . .	193.6	55.4%	243.1	55.7%	227.8	61.0%	109.8	59.9%	159.7	58.9%
<b>Total . . . . .</b>	<b>349.3</b>	<b>100.0%</b>	<b>436.5</b>	<b>100.0%</b>	<b>373.5</b>	<b>100.0%</b>	<b>183.2</b>	<b>100.0%</b>	<b>271.3</b>	<b>100.0%</b>

**Cost of sales.** Our cost of sales primarily consists of raw material costs, direct labor costs and overhead costs, such as utilities, staff expenses for production management and depreciation of plant and machineries.

	For the year ended December 31,						For the seven months ended July 31,			
	2007		2008		2009		2009		2010	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(HK\$ millions)		(HK\$ millions)		(HK\$ millions)		(HK\$ millions)		(HK\$ millions)	
<b>Raw materials</b>										
Plastic . . . . .	299.6	13.9%	388.0	14.5%	347.1	14.1%	194.8	14.3%	247.4	14.2%
Steel . . . . .	221.3	10.2%	252.5	9.5%	225.8	9.2%	125.0	9.2%	156.8	9.0%
Fabrics . . . . .	293.2	13.6%	283.1	10.6%	281.8	11.4%	155.3	11.4%	198.6	11.4%
Wood . . . . .	75.5	3.4%	67.1	2.5%	51.7	2.1%	30.0	2.2%	41.8	2.4%
Aluminum . . . . .	35.9	1.7%	35.4	1.3%	32.9	1.3%	18.6	1.4%	26.1	1.5%
Packaging materials . . . . .	163.0	7.6%	165.6	6.2%	149.4	6.1%	83.5	6.1%	106.3	6.1%
Others . . . . .	534.6	24.8%	880.5	33.0%	808.7	32.8%	439.3	32.3%	516.7	29.7%
Sub-total . . . . .	1,623.6	75.2%	2,072.2	77.6%	1,897.5	77.0%	1,046.5	76.8%	1,293.9	74.3%
Labor costs . . . . .	263.6	12.2%	268.8	10.1%	236.7	9.6%	128.0	9.4%	230.8	13.2%
Overhead costs . . . . .	272.2	12.6%	327.9	12.3%	329.2	13.4%	187.6	13.8%	217.8	12.5%
<b>Total . . . . .</b>	<b>2,159.4</b>	<b>100.0%</b>	<b>2,668.9</b>	<b>100.0%</b>	<b>2,463.4</b>	<b>100.0%</b>	<b>1,362.1</b>	<b>100.0%</b>	<b>1,742.5</b>	<b>100.0%</b>



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**Gross margin.** The table below sets out our gross profit margins for our principal products for the periods indicated.

	For the year ended December 31,			For the seven months ended July 31,	
	2007	2008	2009	2009	2010
	%	%	%	%	%
<b>Overseas market:</b>					
Strollers and accessories segment . . . . .	19.8%	18.9%	19.6%	19.5%	19.8%
Car seats and accessories segment . . . . .	23.5%	18.2%	27.8%	26.5%	28.2%
Other durable juvenile products segment . . .	9.1%	13.4%	10.9%	12.4%	14.1%
<b>Domestic market:</b>					
Strollers and accessories segment . . . . .	17.1%	25.7%	24.8%	26.6%	31.4%
Bicycles, tricycles and e-cars . . . . .	12.7%	16.3%	15.6%	17.6%	20.6%
Other durable juvenile products segment . . .	10.3%	24.0%	14.9%	19.1%	21.4%
<b>Total</b> . . . . .	<b>16.5%</b>	<b>18.3%</b>	<b>18.8%</b>	<b>19.6%</b>	<b>20.7%</b>

**Other income.** Other income primarily consists of (i) re-investment tax refund income arising from the direct re-investment of our share in the distributed profit of GCPC; (ii) gain on sales of raw materials and scrap materials; (iii) compensation from customers as a result of cancellation of orders and suppliers as a result of defective products or shipment delay in the normal course of business; (iv) government grants in connection with certain financial support to local business enterprises; and (v) service fee income for factory administrative service to a related party. “Re-investment tax refund income” means the income which was derived from the refund of the entire portion of enterprise income tax paid on the reinvested amount. In accordance with the provision of the State Council on Article 81 of the Rule of the Implementation of Income Tax Law of the People’s Republic of China for Enterprises with Foreign Investment and Foreign Enterprises (中華人民共和國外商投資企業和外國企業所得稅法實施細則) (the “Relevant Provision”), with respect to any direct reinvestment in the PRC by foreign investors for the establishment and expansion of export-oriented enterprises, the entire portion of the enterprise income tax that has already been paid on the reinvested amount can, in accordance with the Relevant Provision, be refunded.

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**Selling and distribution costs.** Our selling and distribution costs primarily consist of salary, promotion and transportation.

	For the year ended December 31,						For the seven months ended July 31,			
	2007		2008		2009		2009		2010	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(HK\$ millions)		(HK\$ millions)		(HK\$ millions)		(HK\$ millions)		(HK\$ millions)	
<b>Selling and Distribution</b>										
<b>Costs</b>										
Salary . . . . .	47.0	31.8%	48.6	25.7%	51.2	28.4%	31.4	31.0%	46.0	31.0%
Depreciation . . . . .	0.5	0.3%	2.4	1.3%	3.0	1.7%	1.1	1.1%	0.9	0.6%
Rental expenses . . . . .	0.1	0.1%	6.0	3.2%	7.9	4.4%	4.9	4.8%	8.2	5.6%
Administrative expenses . . . . .	8.3	5.6%	11.5	6.1%	10.9	6.0%	4.5	4.5%	7.4	5.0%
Promotion . . . . .	53.2	36.0%	62.2	32.9%	61.6	34.2%	37.1	36.6%	48.9	33.0%
Transportation . . . . .	30.2	20.5%	46.4	24.5%	35.8	19.9%	17.9	17.7%	33.7	22.7%
Advertising . . . . .	1.3	0.9%	4.7	2.5%	4.9	2.7%	3.8	3.8%	3.0	2.0%
Others . . . . .	7.1	4.8%	7.1	3.8%	4.8	2.7%	0.6	0.6%	0.1	0.1%
<b>Total . . . . .</b>	<b>147.7</b>	<b>100.0%</b>	<b>188.9</b>	<b>100.0%</b>	<b>180.1</b>	<b>100.0%</b>	<b>101.3</b>	<b>100.0%</b>	<b>148.3</b>	<b>100.0%</b>

**Administrative expenses.** Our administrative expenses primarily consist of salary, R&D expenses and depreciation.

	For the year ended December 31,						For the seven months ended July 31,			
	2007		2008		2009		2009		2010	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
	(HK\$ millions)		(HK\$ millions)		(HK\$ millions)		(HK\$ millions)		(HK\$ millions)	
<b>Administrative Expenses</b>										
Salary . . . . .	57.8	44.6%	65.0	41.7%	69.0	39.2%	34.7	36.4%	46.2	33.8%
Depreciation . . . . .	16.6	12.8%	14.9	9.6%	16.6	9.4%	10.2	10.7%	11.4	8.3%
Rental expenses . . . . .	2.8	2.2%	0.8	0.5%	1.0	0.6%	0.2	0.3%	1.2	0.9%
Professional expenses . . . . .	2.4	1.9%	8.7	5.6%	9.0	5.1%	4.7	4.9%	20.7	15.1%
Amortization . . . . .	2.3	1.8%	3.7	2.4%	7.5	4.3%	2.1	2.1%	2.2	1.6%
R&D expenses . . . . .	34.1	26.2%	51.2	32.8%	55.3	31.4%	35.5	37.3%	47.2	34.5%
Others . . . . .	13.6	10.5%	11.5	7.4%	17.6	10.0%	7.9	8.3%	8.0	5.8%
<b>Total . . . . .</b>	<b>129.6</b>	<b>100.0%</b>	<b>155.8</b>	<b>100.0%</b>	<b>176.0</b>	<b>100.0%</b>	<b>95.2</b>	<b>100.0%</b>	<b>137.0</b>	<b>100.0%</b>

**Other expenses.** Our other expenses primarily consist of foreign exchange losses.

**Finance income.** Our finance income primarily consists of interest income from our bank deposits.

**Finance costs.** Our finance costs consist of interest expenses for bank loans.

**Income tax expense.** Our income tax expense represents corporate income tax for the companies in our Group. For more details, please see the section headed “Financial information — Factors Affecting Our Results of Operations — Taxation” in this prospectus.

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### SUMMARY OF RESULTS OF OPERATIONS

The table below sets out selected financial information for the periods indicated.

	For the year ended December 31,			For the seven months ended July 31,	
	2007	2008	2009	2009	2010
	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)
<b>Continuing operations:</b>					
Revenue . . . . .	2,586.5	3,266.2	3,032.2	1,694.0	2,198.5
Cost of sales . . . . .	(2,159.4)	(2,668.9)	(2,463.4)	(1,362.1)	(1,742.5)
Gross profit . . . . .	427.1	597.3	568.8	331.9	456.0
Other income . . . . .	42.8	37.3	25.1	11.3	21.5
Selling and distribution costs . . . . .	(147.7)	(188.9)	(180.1)	(101.3)	(148.3)
Administrative expenses . . . . .	(129.6)	(155.8)	(176.0)	(95.2)	(137.0)
Other expenses . . . . .	(9.9)	(54.5)	(20.0)	(14.4)	(6.4)
Operating profit . . . . .	182.7	235.4	217.8	132.2	185.8
Finance income . . . . .	1.5	1.3	1.4	0.3	0.4
Finance costs . . . . .	(12.1)	(19.0)	(14.4)	(7.0)	(9.6)
Profit before tax . . . . .	172.1	217.7	204.8	125.6	176.6
Income tax expenses . . . . .	(9.9)	(44.1)	(40.4)	(26.2)	(35.1)
Profit for the year/period from Continuing Operations . . . . .	162.2	173.5	164.4	99.4	141.5
<b>Discontinued Operations:</b>					
Loss after tax for the year/period from Discontinued Operations . . . . .	(51.4)	(173.7)	(104.7)	(57.2)	(52.2)
<b>Profit/(loss) for the year/period . . . . .</b>	<b>110.8</b>	<b>(0.2)</b>	<b>59.7</b>	<b>42.2</b>	<b>89.3</b>
<b>Other comprehensive income:</b>					
Exchange differences on translation . . . . .	50.7	41.7	1.4	0.0	7.2
Total comprehensive income for the year/period, net of tax . . . . .	161.4	41.5	61.1	42.2	96.5
<b>Profit/(loss) for the year/period attributable to:</b>					
Owners of the parent . . . . .	109.4	2.5	62.7	42.2	90.1
Non-controlling interests . . . . .	1.4	(2.7)	(3.0)	(0.0)	(0.8)
	110.8	(0.2)	59.7	42.2	89.3
<b>Total comprehensive income attributable to:</b>					
Owners of the parent . . . . .	158.7	41.9	64.1	42.5	97.0
Non-controlling interests . . . . .	2.7	(0.4)	(3.0)	(0.3)	(0.5)
	161.4	41.5	61.1	42.2	96.5

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### REVIEW OF HISTORICAL OPERATING RESULTS

#### Seven Months Ended July 31, 2010 Compared to Seven Months Ended July 31, 2009 — Continuing Operations

**Revenue.** Our revenue increased by 29.8% to HK\$2,198.5 million for the seven months ended July 31, 2010 from HK\$1,694.0 million for the seven months ended July 31, 2009. The increase of 29.8% in our revenue for the seven months ended July 31, 2010 compared to July 31, 2009 reflected an increase in revenue in each of our geographic markets. For the seven months ended July 31, 2010, as compared to the seven months ended July 31, 2009, our revenue increased by 37.9% in our European market, 27.5% in North America, 17.0% in China and 48.1% in our Other Overseas Markets. Further details regarding the performance of our product lines in each market are set forth below.

#### *Our European Market*

Revenue from sales of our strollers and accessories in our European market increased by 29.7% to HK\$411.2 million for the seven months ended July 31, 2010 from HK\$317.1 million for the seven months ended July 31, 2009, primarily attributable to our continued strategic focus on our European market through our effort in continuously introducing innovative, high-quality products that are responsive to market demand, as well as strengthening our strategic relationships with our international brand owner customers to deepen our penetration in such market. We believe that our continued strategic focus on strengthening our market presence in our European market and our strong product design and R&D capability have allowed us to capture new opportunities as the economy in our European market gradually stabilized.

Revenue from sales of our car seats and accessories in our European market increased by 49.1% to HK\$106.6 million for the seven months ended July 31, 2010 from HK\$71.5 million for the seven months ended July 31, 2009, primarily because of the increased sales of our accessories for car seats in our European market. We believe that our increased sales was in part driven by the success in our strategy of further collaborating with international brand owner customers to further develop our European market. Improving economic conditions in our European market as a result of recovery from the global economic downturn also contributed to the increase in sales of our car seats and accessories for the seven months ended July 31, 2010.

Revenue from sales of our other durable juvenile products in our European market increased by 62.9% to HK\$118.3 million for the seven months ended July 31, 2010 from HK\$72.6 million for the seven months ended July 31, 2009, primarily because of the increase in our sales of high chairs, e-cars and tricycles in our European market. This increase was primarily attributable to our continued strategic focus on this other durable juvenile products segment, which we had increasingly sought to expand our market presence since 2008, by our effort in leveraging our experience and leading position in the stroller industry and replicating our business success in the stroller segment to strengthen our performance in other durable juvenile product segment in our European market.

#### *North America*

Revenue from sales of our strollers and accessories in North America increased by 17.4% to HK\$357.6 million for the seven months ended July 31, 2010 from HK\$304.7 million for the seven months ended July 31, 2009, primarily because of the continued increase in demand for our higher-priced mass-market strollers

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and accessories in North America. Our continued effort in introducing new products into this market was a driving factor in the increased demand for our strollers and accessories in the North American market. Our continued effort in strengthening our strategic relationship with our international brand owner customer has, we believe, also contributed to the increase in sales of our strollers and accessories in North America.

Revenue from sales of our car seats and accessories in North America increased by 11.3% to HK\$156.0 million for the seven months ended July 31, 2010 from HK\$140.2 million for the seven months ended July 31, 2009, primarily because of the increase in sales volume. The increase in sales of our car seats primarily resulted from an increase in demand for our car seats stemming from improving economic conditions in North America as the economy in North America gradually stabilized.

Revenue from sales of our other durable juvenile products in North America increased by 62.3% to HK\$251.5 million for the seven months ended July 31, 2010 from HK\$155.0 million for the seven months ended July 31, 2009, primarily because of our increased sales of e-cars and cribs in North America. This increase was primarily attributable to our continued strategic focus on this other durable juvenile products segment, which we had increasingly sought to expand our market presence in North America. We believe that our increase in sales of other durable juvenile products is driven by our effort in leveraging our experience and leading position in the stroller industry and replicating our business success in the stroller segment to strengthen our performance in other durable juvenile products segment in North America.

### *China*

Revenue from sales of our strollers and accessories in China increased by 16.1% to HK\$198.1 million for the seven months ended July 31, 2010 from HK\$170.6 million for the seven months ended July 31, 2009, primarily because of our higher level of sales of our branded strollers and accessories, which was primarily attributable to both higher sales volume and higher selling prices of these products. Furthermore, the increased sales of our strollers and accessories were also in part attributable to our increased market penetration through the maternity and childcare specialty stores, which has been the fastest-growing distribution channel.

Revenue from sales of our bicycles, tricycles and e-cars in China increased by 23.3% to HK\$204.6 million for the seven months ended July 31, 2010 from HK\$166.0 million for the seven months ended July 31, 2009, primarily due to higher selling prices of these products and higher sales volume primarily resulting from the increased sales through the maternity and childcare specialty stores.

Revenue from sales of our other durable juvenile products in China increased by 9.1% to HK\$123.5 million for the seven months ended July 31, 2010 from HK\$113.2 million for the seven months ended July 31, 2009, primarily because of higher sales of our branded cribs. The increase in revenue from sales of our other durable juvenile products also reflects our increased market penetration through the maternity and childcare specialty stores, to whom our products are increasingly sold through our distributors in China.

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### *Other Overseas Markets*

Revenue from sales of our strollers and accessories in our Other Overseas Markets increased by 33.9% to HK\$147.6 million for the seven months ended July 31, 2010 from HK\$110.2 million for the seven months ended July 31, 2009. Revenue from sales of our other durable juvenile products in our Other Overseas Markets increased by 69.5% to HK\$123.7 million for the seven months ended July 31, 2010 from HK\$73.0 million for the seven months ended July 31, 2009.

The increase in revenue from sales of our strollers and accessories as well as our other durable juvenile products is primarily attributable to our continued effort in strategically focusing on our Other Overseas Markets by replicating our business success in our European market, North America and China to deepen our penetration into and strengthen our performance in our Other Overseas Markets.

**Cost of sales.** Our cost of sales increased by 27.9% to HK\$1,742.5 million for the seven months ended July 31, 2010 from HK\$1,362.1 million for the seven months ended July 31, 2009, which was primarily due to the increased sales and production driven by higher demand for our products, as well as the increase in our labor costs. Our labor costs increased as a percentage of our cost of sales from 9.4% for the seven months ended July 31, 2009 to 13.2% for the seven months ended July 31, 2010, primarily because we increased the number of our employees engaged in production and incurred additional wage expenses due to wage increases in China. As a percentage of sales, our cost of sales decreased from 80.4% for the seven months ended July 31, 2009 to 79.3% for the seven months ended July 31, 2010. Although there was an increase in our labor costs, this increase was partially offset by our savings in raw materials and overhead costs, which was primarily driven by improved efficiencies in our manufacturing processes and our supply chain management system.

**Gross profit.** Our gross profit increased by 37.4% to HK\$456.0 million for the seven months ended July 31, 2010 from HK\$331.9 million for the seven months ended July 31, 2009 as a result of the foregoing factors.

**Gross profit margin.** Our gross profit margin increased to 20.7% for the seven months ended July 31, 2010 from 19.6% for the seven months ended July 31, 2009, primarily as a result of the following:

### *Overseas markets*

For our overseas markets, our gross profit margin for the strollers and accessories segment remained relatively stable for the seven months ended July 31, 2009 and 2010. The gross profit margin for the car seats and accessories segment increased from 26.5% for the seven months ended July 31, 2009 to 28.2% for the seven months ended July 31, 2010, which was primarily attributable to our cost savings derived from the higher export tax rebates and the integration of suppliers allowing us to purchase our raw materials at lower prices. Our gross profit margin for other durable juvenile products segment increased from 12.4% for the seven months ended July 31, 2009 to 14.1% for the seven months ended July 31, 2010, primarily attributable to our cost savings from the production of these products, due to our improved efficiency of management and control of the production facilities.

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### *China*

In China, our gross profit margin for the strollers and accessories segment increased from 26.6% for the seven months ended July 31, 2009 to 31.4% for the seven months ended July 31, 2010. The gross profit margin for the bicycles, tricycles and e-cars segment increased from 17.6% for the seven months ended July 31, 2009 to 20.6% for the seven months ended July 31, 2010. Our gross profit margin for the other durable juvenile products segment increased from 19.1% for the seven months ended July 31, 2009 to 21.4% for the seven months ended July 31, 2010. The increase in gross profit margin for all of our durable juvenile products segments, including the strollers and accessories and car seats and accessories segments, was primarily attributable to higher selling prices of our products as well as our cost savings that we derived from our selective outsourcing of production of our products. Our ability to increase the selling prices of most of our products across the product lines that we offer in China was positively influenced by, we believe, our success in maintaining our leading position in the strollers industry and our performance in other existing categories of durable juvenile products in China.

**Other income.** Our other income increased by 89.8% to HK\$21.5 million for the seven months ended July 31, 2010 from HK\$11.3 million for the seven months ended July 31, 2009, primarily attributable to an increase in the gain on sales of raw materials of HK\$7.0 million and an increase in compensation income of HK\$2.5 million, which represented compensation received from our customers as a result of cancellation of orders and suppliers as a result of defective products or shipment delay in the normal course of business.

**Selling and distribution costs.** Our selling and distribution costs increased by 46.4% to HK\$148.3 million for the seven months ended July 31, 2010 from HK\$101.3 million for the seven months ended July 31, 2009. The increase in our selling and distribution costs was primarily as a result of: (i) an increase of HK\$15.9 million in transportation expenses, which was primarily attributable to an increase in sales for the seven months ended July 31, 2010 as well as an increase in the transportation charges which was primarily due to higher terminal handling charges; (ii) an increase of HK\$14.6 million of salary expenses, which was primarily due to wage increases in China as well as additional employees engaged to interact with approximately 7,000 maternity and childcare specialty stores; and (iii) an increase in promotion expenses of HK\$11.8 million. As a percentage of sales, selling and distribution costs increased to 6.7% for the seven months ended July 31, 2010 from 6.0% for the seven months ended July 31, 2009.

**Administrative expenses.** Our administrative expenses increased by 43.8% to HK\$137.0 million for the seven months ended July 31, 2010 from HK\$95.2 million for the seven months ended July 31, 2009. The increase in administrative expenses was primarily a result of: (i) an increase of salary expenses of HK\$11.5 million, mainly attributable to the wage increases in China; (ii) an increase of professional expenses of HK\$16.0 million, mainly attributable to expenses in connection with the Global Offering; and (iii) an increase in market research and products research and development expenses of HK\$11.7 million. As a percentage of sales, administrative expenses increased to 6.2% for the seven months ended July 31, 2010 from 5.6% for the seven months ended July 31, 2009.

**Other expenses.** Our other expenses decreased by 55.7% to HK\$6.4 million for the seven months ended July 31, 2010 from HK\$14.4 million for the seven months ended July 31, 2009. The decrease in our other expenses was primarily due to a specific one-off provision of HK\$11.0 million that was charged to other



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expenses for the seven months ended July 31, 2009 in relation to a product recall by one of our largest customers. No such specific provision was made for the seven months ended July 31, 2010. This decrease was partially offset by an increase in our foreign exchange losses of HK\$6.6 million for the seven months ended July 31, 2010 as compared to July 31, 2009.

**Operating profit.** Our operating profit increased by 40.5% to HK\$185.8 million for the seven months ended July 31, 2010 from HK\$132.2 million for the seven months ended July 31, 2009. Our operating profit margin increased to 8.5% for the seven months ended July 31, 2010 from 7.8% for the seven months ended July 31, 2009. The increase in our operating profit and the increase in our operating profit margin were primarily as a result of the factors described above.

**Finance income.** Our finance income increased by 33.3% to HK\$0.4 million for the seven months ended July 31, 2010 from HK\$0.3 million for the seven months ended July 31, 2009.

**Finance costs.** Our finance costs increased by 37.1% to HK\$9.6 million for the seven months ended July 31, 2010 from HK\$7.0 million for the seven months ended July 31, 2009. This increase was primarily due to the increase in interest rates resulting from our conversion of short-term bank borrowings to long-term bank borrowings.

**Profit before tax.** Our profit before tax increased by 40.6% to HK\$176.6 million for the seven months ended July 31, 2010 from HK\$125.6 million for the seven months ended July 31, 2009. This increase was primarily due to the factors discussed above.

**Income tax expense.** Our income tax expense increased by 34.0% to HK\$35.1 million for the seven months ended July 31, 2010 from HK\$26.2 million for the seven months ended July 31, 2009. At the same time, our effective tax rate decreased to 19.9% for the seven months ended July 31, 2010 from 20.9% for the seven months ended July 31, 2009, primarily as a result of a decrease in tax losses not recognized for deferred tax assets and an increase in tax credit arising from additional deduction of R&D expenditures of one of our PRC subsidiaries. The decrease in our effective tax rate was partially offset by an increase in non-deductible expenses.

**Profit for the year.** Our profit for the year increased by 42.4% to HK\$141.5 million for the seven months ended July 31, 2010 from HK\$99.4 million for the seven months ended July 31, 2009 as a result of the factors described above. As a percentage of total revenue, our profit for the year increased to 6.4% for the seven months ended July 31, 2010 from 5.9% for the seven months ended July 31, 2009.

### **Year Ended December 31, 2009 Compared to Year Ended December 31, 2008 — Continuing Operations**

**Revenue.** Our revenue decreased by 7.2% to HK\$3,032.2 million in 2009 from HK\$3,266.2 million in 2008, primarily as a result of the global financial crisis and economic downturn. Although we were impacted by the economic downturn, our multi-brand strategy that targets a wide consumer base ranging from mass market to high-end market has enabled us to diversify the risks associated with over-reliance on one type of target market. In addition, our comprehensive range of products has allowed us to enjoy growth in certain types of products or markets that still experienced favorable growth despite the economic downturn. We believe that our branding and product range have collectively allowed us to perform better than other durable

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juvenile products companies, particularly in the stroller industry, in the midst of the financial crisis and economic downturn. For example, according to the China Toy Association, in 2009, the overall decline in China's export sales of strollers and accessories was 23.2%. Our overseas sales of strollers and accessories decreased by 5.3% in the same period.

The decrease of 7.2% in our revenue in 2009 compared to 2008 reflected a decrease in each of our geographic markets. In 2009, our revenue decreased by 13.2% in our European market, 1.0% in North America, 2.5% in China and 14.4% in our Other Overseas Markets. Further details regarding the performance of our product lines in each such market are set forth below.

### *Our European Market*

Revenue from sales of our strollers and accessories in our European market decreased by 17.6% to HK\$636.4 million in 2009 from HK\$772.7 million in 2008, primarily attributable to a decrease in the number of strollers sold in 2009 as a result of the global financial crisis and economic downturn. The strollers that we sold in our European market were mainly high-end products. Our sales in our European market in 2009 were affected by the impact of the global financial crisis and economic downturn as consumers were less inclined towards purchasing high-end products. Accordingly, we experienced a reduced level of demand for our high-end strollers in our European market, which resulted in a decrease in revenue from the sales of our strollers and accessories in 2009. During this period, our effort in expanding our product categories with various price ranges has allowed us to partially offset the impact of the economic downturn in our European market.

Revenue from sales of our car seats and accessories in our European market increased by 2.6% to HK\$161.2 million in 2009 from HK\$157.1 million in 2008, primarily attributable to an increase in our sales of accessories, partially offset by a decrease in our sales of car seats. Our decrease in car seats was primarily attributable to weaker consumer demand as a result of the global financial crisis and economic downturn.

Revenue from sales of our other durable juvenile products in our European market decreased by 6.9% to HK\$130.8 million in 2009 from HK\$140.5 million in 2008, primarily attributable to a decrease in revenue from our sales of high chairs, which was mainly due to the negative impact of the financial crisis and economic downturn on our European market.

### *North America*

Revenue from sales of our strollers and accessories in North America increased by 17.9% to HK\$513.0 million in 2009 from HK\$434.9 million in 2008, primarily as a result of our leading position in the mass-market products segment in North America and our strong product design and R&D capability. During the economic downturn, more consumers switched to buying mass-market strollers instead of high-end strollers. The strollers that we sold in North America were mainly mass-market products. Among our mass-market strollers, demand for the higher-priced products increased. As such, despite the global financial crisis and economic downturn, demand for our higher-priced mass-market strollers and accessories increased. We believe that our ability to deliver innovative and high-quality products that are responsive to market demand had led to more consumers purchasing our products during the period of economic downturn, resulting in an increase in our revenue from sales of our strollers and accessories in North America in 2009.

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Revenue from sales of our car seats and accessories in North America decreased by 24.8% to HK\$203.1 million in 2009 from HK\$270.1 million in 2008, primarily because of reduced orders for our car seats and accessories due to the uncertain global economic situation in 2009.

Revenue from sales of our other durable juvenile products in North America decreased by 7.0% to HK\$284.1 million in 2009 from HK\$305.4 million in 2008, primarily because of reduced demand for our e-cars and cribs as a result of the negative impact from the economic downturn.

### *China*

Revenue from sales of our strollers and accessories in China increased by 7.2% to HK\$263.4 million in 2009 from HK\$245.6 million in 2008. Although China was affected by the financial crisis and economic downturn, we experienced a positive growth in the volume of strollers sold in China in 2009, largely because strollers in China are viewed more as a necessity product when compared to other durable juvenile products and thus, demand for strollers in China remained strong amid the economic downturn.

Revenue from sales of our bicycles, tricycles and e-cars in China decreased by 7.1% to HK\$274.2 million in 2009 from HK\$295.1 million in 2008, primarily because of reduced demand for our products resulting from reduced consumer spending attributable to the economic downturn. In addition, our revenue from sales of our bicycles, tricycles and e-cars was in part affected by certain promotional discounts that we provided at our provincial fairs which we began organizing in 2009. These fairs are principally targeted at the maternity and specialty stores throughout China, and we provided promotional discounts at these fairs to encourage more maternity and childcare specialty stores to purchase our products through our distributors.

Revenue from sales of our other durable juvenile products in China decreased by 7.6% to HK\$192.5 million in 2009 from HK\$208.3 million in 2008, primarily attributable to the reduced demand for our products during the period of economic downturn. In addition, our revenue from sales of our other durable juvenile products were in part affected by certain promotional discounts that we provided at our provincial fairs, as described above.

### *Other Overseas Markets*

Revenue from sales of our strollers and accessories in our Other Overseas Markets decreased by 8.1% to HK\$196.5 million in 2009 from HK\$213.8 million in 2008. Revenue from sales of our other durable juvenile products in our Other Overseas Markets decreased by 20.5% to HK\$177.0 million in 2009 from HK\$222.7 million in 2008. These decreases were primarily attributable to our prudent management of market and credit risk during the period of economic downturn.

**Cost of sales.** Our cost of sales decreased by 7.7% to HK\$2,463.4 million in 2009 from HK\$2,668.9 million in 2008 primarily due to a decrease in our raw material costs as our export tax rebate increased.

**Gross profit.** Our gross profit decreased by 4.8% to HK\$568.9 million in 2009 from HK\$597.3 million in 2008 as a result of the foregoing factors.

**Gross profit margin.** Our gross profit margin increased to 18.8% in 2009 from 18.3% in 2008, primarily as a result of the following:

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### *Overseas markets*

For our overseas markets, our gross profit margin for the strollers and accessories segment increased from 18.9% to 19.6%, primarily attributable to the increase in export tax rebate in 2009. The increase in export tax rebate in 2009 reduced the cost of sales for the strollers and accessories segment, resulting in a higher gross profit margin for 2009. The increase in our gross profit margin for the strollers and accessories segment was also attributable to the sales of our new products which we had introduced in our overseas markets in 2009, and these new products had higher selling prices as compared to existing comparable products. The gross profit for the car seats and accessories segment in the overseas markets increased from 18.2% to 27.8%, primarily attributable to the increase in export tax rebate in 2009, which reduced our cost of sales, and our ability to source lower-cost materials with the requisite quality due to our effort in continuously researching for lower-cost materials as well as the integration of suppliers allowing us to purchase our raw materials at lower prices. Our gross profit for other durable juvenile products segment decreased from 13.4% to 10.9%, primarily attributable to changes in our products mix as well as the impact from the economic downturn in Other Overseas Markets, particularly Russia.

### *China*

In China, our gross profit margin for strollers and accessories, bicycles, tricycles and e-cars and other durable juvenile products segments generally decreased in 2009, primarily due to certain promotional discounts that we provided at our provincial fairs which we began organizing in 2009, as described above.

***Other income.*** Our other income decreased by 32.7% to HK\$25.1 million in 2009 from HK\$37.3 million in 2008, primarily attributable to a decrease in our re-investment tax refund income of HK\$2.0 million, a decrease in the gain on sales of raw materials of HK\$5.0 million and a decrease in the service fee income for factory administrative service to a related party of HK\$3.3 million.

***Selling and distribution costs.*** Our selling and distribution costs decreased by 4.6% to HK\$180.1 million in 2009 from HK\$188.9 million in 2008. The decrease in our selling and distribution costs was primarily as a result of a decrease of HK\$10.6 million in transportation expenses, which was mainly attributable to the decrease in sales in 2009. As a percentage of sales, selling and distribution costs increased slightly to 5.9% in 2009 from 5.8% in 2008.

***Administrative expenses.*** Our administrative expenses increased by 12.9% to HK\$176.0 million in 2009 from HK\$155.8 million in 2008. As a percentage of sales, administrative expenses increased to 5.8% in 2009 from 4.8% in 2008. The increase in administrative expenses was primarily as a result of: (i) an increase of HK\$4.2 million in market research, product development and design expenses, mainly due to the expansion of our R&D team; (ii) an increase of HK\$4.0 million in staff related expenses; and (iii) an increase of HK\$6.1 million in general administrative expenses such as entertainment expenses and other miscellaneous local taxes and testing expenses.

***Other expenses.*** Our other expenses decreased by 63.2% to HK\$20.0 million in 2009 from HK\$54.5 million in 2008. This decrease was primarily due to a decrease in our foreign exchange losses in 2009 as compared to 2008.

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**Operating profit.** Our operating profit decreased by 7.4% to HK\$217.8 million in 2009 from HK\$235.4 million in 2008. The decrease in our operating profit was primarily as a result of the factors described above. Our operating profit margin was 7.2% for both 2008 and 2009.

**Finance income.** Our finance income increased by 8.3% to HK\$1.4 million in 2009 from HK\$1.3 million in 2008.

**Finance costs.** Our finance costs decreased by 23.9% to HK\$14.4 million in 2009 from HK\$19.0 million in 2008. This decrease was primarily due to a decrease in bank borrowings and a decrease in average interest rates.

**Profit before tax.** Our profit before tax decreased by 5.9% to HK\$204.8 million in 2009 from HK\$217.7 million in 2008. This decrease was primarily due to the factors discussed above.

**Income tax expense.** Our income tax expense decreased by 8.4% to HK\$40.4 million in 2009 from HK\$44.1 million in 2008. At the same time, our effective tax rate decreased to 19.7% in 2009 from 20.3% in 2008 primarily as a result of the changes in effective tax rate on deferred tax asset balance. The decrease in our effective tax rate was partially offset by an increase in the deferred tax liability on withholding tax.

**Profit for the year.** Our profit for the year decreased by 5.3% to HK\$164.4 million in 2009 from HK\$173.5 million in 2008 as a result of the factors described above. As a percentage of total revenue, our profit for the year increased to 5.4% in 2009 from 5.3% in 2008.

### **Year Ended December 31, 2008 Compared to Year Ended December 31, 2007 — Continuing Operations**

**Revenue.** Our revenue increased by 26.3% to HK\$3,266.2 million in 2008 from HK\$2,586.5 million in 2007 due to the growth of our business as we successfully implemented our business strategies in China, North America, our European market and our Other Overseas Markets. We believe that our introduction of new products in China and the overseas markets strengthened our relationships with our customers and led to higher sales in 2008 in these target markets.

#### *Our European Market*

Revenue from sales of our strollers and accessories in our European market increased by 45.1% to HK\$772.7 million in 2008 from HK\$532.6 million in 2007, primarily attributable to our continued strategic focus on our European market through our effort in enhancing our product design and R&D capability, as well as strengthening our strategic relationships with our international brand owner customers to deepen our penetration in such market. We believe that our strategic focus on deepening our penetration in our European market and continuously providing comprehensive, market-oriented product solutions to our international brand owner customers has contributed to the increase in revenue from sales of the strollers and accessories segment in our European market in 2008.

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Revenue from sales of our car seats and accessories in our European market increased by 27.2% to HK\$157.1 million in 2008 from HK\$123.4 million in 2007, primarily attributable to our successful effort in developing our strategic relationships with the international brand owners, deepening our market knowledge of the car seats and accessories industry in our European market as well as our successful introduction of new products in 2008.

Revenue from sales of our other durable juvenile products in our European market increased by 106.6% to HK\$140.5 million in 2008 from HK\$68.0 million in 2007, primarily attributable to an increased volume of cribs sold in our European market, which was a result of our successful effort in collaborating with one of our key customers in developing our cribs line and deepening our penetration in our European market for this product line. Our higher sales of our other durable juvenile products in our European market was generally driven by our strategic focus on this other durable juvenile products segment, which we sought to expand our market presence in 2008. We believe that our increase in sales of other durable juvenile products is driven by our effort in leveraging our experience and leading position in the stroller industry and replicating our business success in the stroller segment to strengthen our performance in other durable juvenile products segment in our European market.

### *North America*

Revenue from sales of our strollers and accessories in North America increased by 28.7% to HK\$434.9 million in 2008 from HK\$337.9 million in 2007, primarily because of an increase in our volume of strollers sold, which was mainly attributable to our effort in introducing new products and strengthening our strategic relationship with our international brand owner customer in North America.

Revenue from sales of our car seats and accessories in North America increased by 8.5% to HK\$270.1 million in 2008 from HK\$249.0 million in 2007 because of an increase in our volume of car seats and accessories sold, which was mainly attributable to our successful introduction of new products in this market.

Revenue from sales of our other durable juvenile products in North America increased slightly by 0.4% to HK\$305.4 million in 2008 from HK\$304.3 million in 2007. Our revenue for these two years had remained relatively stable.

### *China*

Revenue from sales of our strollers and accessories in China increased by 19.7% to HK\$245.6 million in 2008 from HK\$205.2 million in 2007, primarily attributable to our higher level of sales of our branded strollers and accessories. In 2008, we successfully increased the penetration into the mass market segment, which resulted in an increase in the sales volume of our branded strollers in 2008.

Revenue from sales of our bicycles, tricycles and e-cars in China increased by 20.1% to HK\$295.1 million in 2008 from HK\$245.8 million in 2007, primarily because of an increase in the sales volume, which was mainly attributable to the robust growth of our mass-market product segment.

Revenue from sales of our other durable juvenile products in China increased by 21.9% to HK\$208.3 million in 2008 from HK\$170.9 million in 2007, mainly attributable to an increase in the sales volume of these products, which was primarily as a result of the robust growth of our mass-market product segment.



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### *Other Overseas Markets*

Revenue from sales of our strollers and accessories in our Other Overseas Markets increased by 33.0% to HK\$213.8 million in 2008 from HK\$160.7 million in 2007. Revenue from sales of our other durable juvenile products in our Other Overseas Markets increased by 18.1% to HK\$222.7 million in 2008 from HK\$188.6 million in 2007, primarily because of an increase in volume of our sales of e-cars and cribs in Russia and our sales of tricycles in other overseas markets, including Japan.

The increase in revenue from sales of our strollers and accessories as well as our other durable juvenile products is primarily attributable to our effort in strategically focusing on our Other Overseas Markets, which we began to focus on 2008. We sought to seek new opportunities with locally leading brand owner customers and experienced distributors to enhance our penetration in our Other Overseas Markets. We believe our effort in replicating our business success in our European market, North America and China to strengthen our performance in our Other Overseas Markets has increased our overall sales for 2008 in our Other Overseas Markets.

**Cost of sales.** Our cost of sales increased by 23.6% to HK\$2,668.9 million in 2008 from HK\$2,159.4 million in 2007. This increase was generally in line with the increase in our sales. As a percentage of sales, cost of sales decreased slightly from 83.5% in 2007 to 81.7% in 2008. This decrease was primarily due to better control of our cost of sales, including costs relating to our manufacturing processes and our supply chain management system, which was mainly due to our improved efficiencies.

**Gross profit.** Our gross profit increased by 39.8% to HK\$597.3 million in 2008 from HK\$427.1 million in 2007 due to the increase in our revenue.

**Gross profit margin.** Our gross profit margin increased to 18.3% in 2008 from 16.5% in 2007, primarily as a result of the following:

### *Overseas markets*

For our overseas markets, our gross profit margin for the strollers and accessories segment decreased from 19.8% in 2007 to 18.9% in 2008, primarily attributable to the increase in the prices of the raw material and the appreciation of RMB against the U.S. dollar. Our gross profit margin for the car seats and accessories segment decreased from 23.5% to 18.2%, primarily attributable to the increase in the prices of the raw material and the appreciation of the RMB against the U.S. dollar. Our gross profit for other durable juvenile product segments increased from 9.1% to 13.4%, primarily attributable to the introduction of new higher-margin products under our other durable juvenile product segments in our overseas markets.

### *China*

In China, our gross profit margin for all of our durable juvenile product segments, including the strollers and accessories and car seats and accessories segments, generally increased from 2007 to 2008, primarily attributable to increases in our selling prices of products. Our ability to increase the selling prices of our products is primarily attributable to our successful brand promotion, improved product design, the expansion of our distribution network as well as the expansion of our range of product offerings in China.



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**Other income.** Our other income decreased by 12.8% to HK\$37.3 million in 2008 from HK\$42.8 million in 2007. This decrease was primarily due to a decrease in re-investment tax refund income of HK\$15.5 million arising from the direct re-investment of the dividend declared by GCPC, partially offset by an increase of subsidies of HK\$5.2 million received from the government and an increase in the gain in sales of raw materials of HK\$4.8 million.

**Selling and distribution costs.** Our selling and distribution expenses increased by 27.9% to HK\$188.9 million in 2008 from HK\$147.7 million in 2007. As a percentage of sales, selling and distribution costs increased slightly to 5.8% in 2008 from 5.7% in 2007. The increase in our selling and distribution costs was primarily as a result of an increase of: (i) HK\$16.2 million in transportation expenses compensation; (ii) HK\$9.0 million in marketing expenses; and (iii) HK\$5.9 million rental expenses in finished goods warehouse.

**Administrative expenses.** Our administrative expenses increased by 20.2% to HK\$155.8 million in 2008 from HK\$129.6 million in 2007, primarily as a result of (i) an increase in market and products research and development expenses of HK\$17.1 million; and (ii) an increase in professional expenses for a previous financing exercise project of HK\$6.3 million. As a percentage of sales, administrative expenses decreased to 4.8% in 2008 from 5.0% in 2007.

**Other expenses.** Our other expenses increased by 450.9% to HK\$54.5 million in 2008 from HK\$9.9 million in 2007. This increase was primarily due to an increase in our foreign exchange losses in 2008 as compared to 2007.

**Operating profit.** Our operating profit increased by 28.8% to HK\$235.4 million in 2008 from HK\$182.7 million in 2007. Our operating profit margin increased from 7.1% in 2007 to 7.2% in 2008. The increase in our operating profit and the increase in our operating profit margin were primarily as a result of the factors described above.

**Finance income.** Our finance income decreased by 15.1% to HK\$1.3 million in 2008 from HK\$1.5 million in 2007.

**Finance costs.** Our finance costs rose by 56.5% to HK\$19.0 million in 2008 from HK\$12.1 million in 2007. This increase was primarily due to the increase in our bank borrowings and the general increase in interest rate in China.

**Profit before tax.** Our profit before tax rose by 26.5% to HK\$217.7 million in 2008 from HK\$172.1 million in 2007. This increase was primarily as a result of the factors described above.

**Income tax expense.** Our income tax expense increased by 347.1% to HK\$44.1 million in 2008 from HK\$9.9 million in 2007. Our effective tax rate increased to 20.3% in 2008 from 5.7% in 2007, primarily due to the changes in effective tax rate on deferred tax asset balance; and lower preferential tax rate for one of the subsidiaries that has been qualified as “Export Enterprise” in 2007. The increase in our effective tax rate was partially offset by the decrease in applicable tax rate in for 2008 as compared to 2007 and a decrease in non-deductible expenses in 2008 as compared to 2007.

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**Profit for the year.** Our profit for the year increased by 7.0% to HK\$173.5 million in 2008 from HK\$162.2 million in 2007 as a result of the factors described above. As a percentage of total revenue, our profit for the year decreased to 5.3% in 2008 from 6.3% in 2007.

### LIQUIDITY AND CAPITAL RESOURCES

Our principal sources of liquidity and capital resources have been cash flow from operating activities and bank borrowings. Our principal uses of cash have been for the funding of required working capital to support the expansion of our sales and distribution network, the purchase of property, plant and equipment, payments for the acquisition of land use rights and leasehold land, and investment in our market research, product development and design capability. We plan to continue to use our cash to support the expansion of our sales and distribution network and invest in our market research, product development and design capability. In addition, we plan to use our cash to improve our information technology system and our manufacturing facilities. We may also use our cash for acquisitions of new brands, products or distribution platforms that complement our business.

Given our current credit status and the current availability of capital in China, we believe that we will not encounter any major difficulties in obtaining additional bank borrowings. We plan to fund our future business plans, capital expenditures and related expenses as described in this prospectus with cash from operating activities, the net proceeds from the Global Offering and through short-term and long-term indebtedness.

### Cash Flow

The following table presents selected cash flow data from our consolidated cash flow statements for each of the periods indicated.

	For the year ended December 31,			For the seven months ended July 31,	
	2007	2008	2009	2009	2010
	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)
Net cash generated from operating activities . . . . .	76.2	91.6	394.2	345.2	73.2
Net cash used in investing activities . . . . .	(115.6)	(268.4)	(197.0)	(138.0)	(158.8)
Net cash generated from/(used in) financing activities . . . . .	73.2	244.2	(168.7)	(151.2)	6.3
Net increase/(decrease) in cash and cash equivalents . . . . .	33.8	67.4	28.6	55.9	(79.3)
Cash and cash equivalents at the end of the year/period . . . . .	122.6	190.0	218.6	245.9	139.3

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### Net cash flows from operating activities

Net cash inflow from operating activities for the seven months ended July 31, 2010 was HK\$73.2 million while our profit for the same period was HK\$89.3 million. The difference of HK\$16.0 million was primarily due to: (i) an increase in trade and notes receivables of HK\$129.0 million, which was attributable to an increase in the sales volume; (ii) an increase in inventories of HK\$97.2 million, primarily attributable to the increase in sales volume for our export business as well as additional inventory stocking in July 2010 for the domestic promotional sales campaign in August 2010; and (iii) an increase in prepayments and other receivables of HK\$69.1 million, primarily attributable to the additional purchases of raw materials to meet the sales demand. These amounts were partially offset by an increase in trade and notes payables of HK\$190.0 million, primarily attributable to the increase in our sales volume for the seven months ended July 31, 2010; add back of non-cash item of depreciation and amortization of HK\$63.1 million; and an adjustment of income tax expense of HK\$28.0 million.

Net cash inflow from operating activities for the seven months ended July 31, 2009 was HK\$345.2 million while our profit for the same period was HK\$42.2 million. The difference of HK\$303.0 million was primarily due to: (i) a decrease in the net amounts due from related parties of HK\$118.8 million, primarily attributable to settlement by GPCL for the balances arising from 2007 reorganization as well as normal operations; (ii) a decrease in inventories of HK\$82.8 million, primarily attributable to higher efficiencies in the coordination in supply management and inventory control for our manufacturing operations; (iii) add back of non-cash item of depreciation of HK\$55.8 million; (iv) an increase in trade and notes payables of HK\$42.5 million, primarily attributable to our successful negotiation with certain major suppliers to extend the payment terms by 15 days on the original basis; and (v) an increase in other payables, advances from customers and other accruals of HK\$23.3 million, primarily attributable to a specific provision made as a result of our support to bear the loss of one of our largest customers due to their voluntary product recall. These amounts were partially offset by an increase in trade and notes receivables of HK\$51.0 million, primarily attributable to an increase in our sales volume.

Net cash inflow from operating activities for 2009 was HK\$394.2 million while our profit for the same period was HK\$59.7 million. The difference of HK\$334.5 million was primarily due to: (i) adjustment of income tax expense of HK\$25.5 million; (ii) an increase in trade and notes payables of HK\$141.8 million, primarily attributable to our successful negotiation with certain major suppliers to extend the payment terms by 15 days on the original basis; (iii) an increase in other payables, advances from customers and accruals of HK\$58.4 million, primarily attributable to an increase in deposits from promotional sales campaigns from the domestic sales and advance payments for tooling expenses received from customers on the overseas sales; (iv) a net decrease in the amounts due from related parties of HK\$147.0 million, primarily attributable to the settlement of HK\$103.4 million by GPCL; and (v) add back of non-cash item of depreciation and amortization of HK\$108.3 million. These amounts were partially offset by an increase in trade and notes receivables of HK\$167.9 million, primarily attributable to our sales growth in 2009.

Net cash inflow from operating activities for 2008 was HK\$91.6 million while our loss for the same period was HK\$0.2 million. The difference of HK\$91.4 million was primarily a result of: (i) adjustment of income tax expense of HK\$28.8 million; (ii) a decrease in trade and notes receivables of HK\$45.1 million, primarily attributable to a decrease in the sales for the fourth quarter of 2008 in our overseas markets; (iii) an increase in trade and notes payables of HK\$87.7 million, primarily attributable to an increase in such payables for Discontinued Operations, partially offset by a decrease in such payables for Continuing Operations, which was due to delay in payments at the end of 2007; (iv) an increase in other payables,

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advances from customers and accruals of HK\$46.2 million, primarily attributable to an increase in the overall sales volume for 2008; and (v) add back of non-cash item of depreciation and amortization of HK\$102.0 million. These amounts were partially offset by an increase in inventory of HK\$224.3 million, primarily attributable to increased amounts of finished goods as at the end of 2008 because of the higher level of sales in our domestic market; and a net increase in amounts due from related parties of HK\$54.4 million, primarily attributable to carve out of the “MMGB” Group of companies from GIHL.

Net cash inflow from operating activities for 2007 was HK\$76.2 million while our profit for the same period was HK\$110.8 million. The difference of HK\$(34.6) million was primarily a result of: (i) an increase in inventories of HK\$188.7 million, (ii) an increase in trade and notes receivables of HK\$127.5 million; and (iii) an increase in prepayments and other receivables of HK\$87.3 million primarily attributable to the growth in sales volume in 2007. The amounts were partially offset by an increase in trade and notes payables of HK\$213.3 million, primarily attributable to the delay in payments to suppliers at the year end; an increase in other payables, advances from customers and accruals of HK\$89.3 million, primarily attributable to growth in sales volume in 2007; and add back of non-cash items of depreciation and amortization of HK\$75.5 million.

### Cash flows from investing activities

Our investing activities primarily consist of the purchase and disposal of property, plant and equipment. Our property, plant and equipment purchases mainly included buildings, plant and machinery and office equipment and furniture.

Net cash outflow used in investing activities for the seven months ended July 31, 2010 was HK\$158.8 million, primarily as a result of: (i) our advance to related parties of HK\$44.0 million, which was primarily attributable to the advances to GBHL for the repayment of loan principal and interest; (ii) our purchase of property, plant and equipment of HK\$69.7 million; and (iii) the net cash outflow in respect of our disposal of discontinued operations of HK\$37.3 million.

Net cash outflow used in investing activities for the seven months ended July 31, 2009 was HK\$138.0 million, primarily as a result of: (i) our advance to related parties of HK\$99.6 million, which was primarily attributable to the advances to SGCP and the advances to GBHL for the repayment of loan principal and interest; and (ii) our purchase of property, plant and equipment of HK\$38.8 million.

Net cash outflow used in investing activities for 2009 was HK\$197.0 million, primarily as a result of: (i) our advance to related parties of HK\$127.5 million, which was primarily attributable to the advances to SGCP and the advances to GBHL for the repayment of loan principal and interest; and (ii) our purchase of property, plant and equipment of HK\$71.4 million.

Net cash outflow used in investing activities for 2008 was HK\$268.4 million, primarily as a result of: (i) our advance to related parties of HK\$117.8 million, which was primarily attributable to the advances to SGCP and the advances to GBHL for the repayment of loan principal and interest; (ii) our purchase of property, plant and equipment of HK\$151.7 million; and (iii) our purchase of intangible assets of HK\$8.2 million. These amounts were partially offset by the proceeds from disposal of property, plant and equipment of HK\$9.0 million.

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Net cash outflow used in investing activities for 2007 was HK\$115.6 million, primarily as a result of: (i) our purchase of property, plant and equipment of HK\$112.5 million; and (ii) our purchase of intangible assets of HK\$3.2 million. These amounts were partially offset by the proceeds from the disposal of property, plant and equipment of HK\$3.3 million.

### **Cash flows from financing activities**

Our financing activities primarily consist of borrowing and repaying bank loans. We have both secured and unsecured bank loans. For secured loans, we generally use our trade and notes receivable as collateral.

Net cash inflow from financing activities for the seven months ended July 31, 2010 was HK\$6.3 million, primarily as a result of our proceeds from borrowings of HK\$362.8 million, partially offset by repayment of borrowings of HK\$338.4 million and interest payment of HK\$15.8 million.

Net cash outflow used in financing activities for the seven months ended July 31, 2009 was HK\$151.2 million, primarily as a result of repayment of borrowings of HK\$1,016.1 million and interest payment of HK\$17.8 million, partially offset by proceeds from borrowings of HK\$871.3 million.

Net cash outflow used in financing activities for 2009 was HK\$168.7 million, primarily as a result of our repayment of borrowings of HK\$1,401.5 million and our interest payment of HK\$31.4 million, which in aggregate exceeded our proceeds from new borrowings of HK\$1,248.4 million.

Net cash inflow from financing activities for 2008 was HK\$244.2 million, primarily as a result of our proceeds from borrowings of HK\$1,587.7 million and our advance from related parties of HK\$102.4 million, which was primarily attributable to advances from GBHL of HK\$69.1 million and from GGCL of an amount of HK\$33.3 million. These amounts are partially offset by repayment of borrowings of HK\$1,390.0 million and interest payment of HK\$42.7 million.

Net cash inflow from financing activities for 2007 was HK\$73.2 million, primarily as a result of the proceeds from new borrowings of HK\$1,011.1 million, partially offset by repayment of borrowings of HK\$922.8 million and interest payment of HK\$26.8 million.

### **WORKING CAPITAL**

The Board of Directors is satisfied taking into consideration our current cash and cash equivalents, cash flow from operations and the proceeds from the Global Offering, that the Group has sufficient working capital for the Group's present requirements, for at least the next 12 months from the date of this prospectus.

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### NET CURRENT ASSETS

Details of our current assets and liabilities at each of the financial position dates during the Track Record Period are as follows:

	As of December 31,			As of	As of
	2007	2008	2009	July 31,	September 30,
	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)
Inventories . . . . .	637.4	845.2	811.1	490.8	515.7
Trade and notes receivables . . . . .	500.5	433.3	586.0	617.2	576.3
Prepayments and other receivables . . . . .	128.0	112.7	156.2	182.1	173.2
Income tax receivables . . . . .	6.5	—	—	—	—
Due from related parties . . . . .	98.6	482.4	395.8	248.0	107.9
Cash and cash equivalents . . . . .	122.6	190.0	218.6	139.3	212.4
Derivative financial instruments . . . . .	—	—	—	1.7	1.7
Current assets . . . . .	<u>1,493.6</u>	<u>2,063.6</u>	<u>2,167.7</u>	<u>1,679.1</u>	<u>1,587.2</u>
Trade and notes payables . . . . .	576.0	630.6	772.4	823.3	780.6
Other payables, advances from customers and accruals . . . . .	366.1	341.6	412.3	250.3	296.2
Interest-bearing bank borrowings . . . . .	340.4	655.6	127.7	175.3	265.5
Derivative financial instruments . . . . .	—	11.2	—	—	—
Due to related parties . . . . .	76.6	408.6	353.9	98.4	81.2
Income tax payable . . . . .	—	2.2	9.2	27.5	12.8
Provision . . . . .	8.2	8.9	20.7	28.6	29.7
Current liabilities . . . . .	<u>1,367.4</u>	<u>2,058.7</u>	<u>1,696.1</u>	<u>1,403.4</u>	<u>1,466.0</u>
Net current assets . . . . .	<u>126.2</u>	<u>4.9</u>	<u>471.6</u>	<u>275.8</u>	<u>121.2</u>

Our net current assets decreased by 96.1% from HK\$126.2 million as of December 31, 2007 to HK\$4.9 million as of December 31, 2008, primarily due to an increase in interest-bearing bank borrowings of HK\$315.2 million, which was primarily attributable to the increase in our working capital to support our business expansion, and an increase in amount due to related parties of HK\$332.0 million. Such amounts were partially offset by an increase in amount due from related parties of HK\$383.8 million and an increase in inventories of HK\$207.8 million, which was primarily attributable to our domestic operations. For more details relating to the increases in amounts due to and from related parties, please refer to the section headed “Financial Information — Analysis of Other Selected Financial Position Items — Amounts due to related parties” and “Financial Information — Analysis of Other Selected Financial Position Items — Amounts due from related parties — shareholders and directors.”

Our net current assets increased by 9,524.5% from HK\$4.9 million as of December 31, 2008 to HK\$471.6 million as of December 31, 2009, primarily due to a decrease in interest-bearing short-term bank borrowings of HK\$527.9 million, which was primarily attributable to replacement of short-term loans of HK\$374.8 million by long-term loans as well as expansion in business in 2008 contributed to an increase in cash flow in 2009 for the repayment of short-term loans, and an increase in trade and notes receivables of HK\$152.7 million, which was primarily attributable to the higher level of sales in the first quarter of 2009

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as compared to the fourth quarter of 2008. Such amounts were partially offset by a decrease in amount due from related parties of HK\$86.6 million and an increase in trade and notes payable of HK\$141.8 million, which was primarily attributable to our successful negotiation with certain major suppliers in extending our payment terms. For more details relating to the decrease in amount due to related parties, please refer to the section headed “Financial Information — Analysis of Other Selected Financial Position Items — Amounts due to related parties.”

Our net current assets decreased by 41.5% from HK\$471.6 million as of December 31, 2009 to HK\$275.8 million as of July 31, 2010, primarily due to a decrease in inventories of HK\$320.3 million, which was primarily due to carve out of Discontinued Operation, and a decrease in the amount due from related parties of HK\$147.8 million. Such amounts were partially offset by a decrease in amount due to related parties of HK\$255.5 million and a decrease in other payables, advances from customers and accruals of HK\$162.0 million, which was primarily attributable to deposits relating to our domestic promotional sales and tooling expenses from our overseas customers. For more details relating to the decreases in amounts due to and from related parties, please refer to the section headed “Financial Information Analysis of Other Selected Financial Position Items — Amounts due to related parties” and “Financial Information — Amounts due from related parties, shareholders and directors.”

As of September 30, 2010, we had net current assets of HK\$121.2 million. The key components of our current assets as of such date included trade and note receivables of HK\$576.3 million, inventories of HK\$515.7 million and amount due from related parties of HK\$107.9 million. The key components of our current liabilities included trade and notes payables of HK\$780.6 million, other payables, advances from customers and accruals of HK\$296.2 million and interest-bearing bank borrowings of HK\$265.5 million. Our net current assets decreased by 56.1% from HK\$275.8 million as of July 31, 2010 to HK\$121.2 million as of September 30, 2010, primarily due to a decrease in the amount due from related parties of HK\$140.1 million, which was due to the settlement of related party balance by GCCL to GCPC in connection with the Reorganization, and an increase in our short-term interest-bearing bank borrowings of HK\$90.2 million, which was to fund our daily operations. Such decrease was partially offset by a decrease in trade and notes payables of HK\$42.8 million, which was due to the settlement of matured trade payables.

### INDEBTEDNESS

Our indebtedness consists of both short-term and long-term bank loans. Our long-term loans are unsecured while a majority of our short-term loans are secured by our trade and notes receivable.



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### Loans and borrowings

	As of December 31,			As of	As of
	2007	2008	2009	July 31,	September 30,
	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)	2010 (HK\$ millions)	2010 (HK\$ millions)
Short-term debt:					
Bank loans - secured . . . . .	169.5	143.1	70.9	—	—
Bank loans - unsecured . . . . .	<u>170.9</u>	<u>512.5</u>	<u>56.8</u>	<u>175.3</u>	<u>265.5</u>
	340.4	655.6	127.7	175.3	265.5
Long-term debt:					
Bank loans - unsecured . . . . .	<u>117.5</u>	—	<u>374.8</u>	<u>355.3</u>	<u>173.7</u>
Total: . . . . .	<u><u>457.9</u></u>	<u><u>655.6</u></u>	<u><u>502.5</u></u>	<u><u>530.6</u></u>	<u><u>439.2</u></u>

As of December 31, 2009, our secured short-term borrowings bore interest at rates ranging from 1.05% to 1.06% per annum, and were secured by certain of the Group's trade receivables.

As of December 31, 2009, our unsecured short-term borrowings bore interest at rates ranging from 4.37% to 4.78% per annum.

As of December 31, 2009, our unsecured long-term borrowings bore interest rate of 4.86%, which are due progressively from April to July 2012. As of December 31, 2009, the outstanding balance of unsecured long-term borrowings was HK\$374.8 million. Our interest arising from these long-term borrowings, calculated till the maturity of the loans, would amount to HK\$26.7 million. As such, as of December 31, 2009 the total balance of unsecured long-term borrowings, including HK\$26.7 million of interest, amounted to HK\$401.5 million. See Note 42 to the Accountants' Report included in Appendix I to this prospectus.

As of July 31, 2010, our unsecured short-term borrowings bore interest at rates ranging from 3.54% to 4.86% per annum. As of July 31, 2010, the outstanding balance of unsecured short-term borrowings was HK\$175.3 million. The increase of HK\$47.6 million in our unsecured short-term borrowings from HK\$127.7 million as of December 31, 2009 to HK\$175.3 million as of July 31, 2010 was primarily attributable to an increase in our working capital to support our sales growth.

As of July 31, 2010, our unsecured long-term borrowings bore interest rate of 4.86%, which are due progressively from April to July 2012. As of July 31, 2010, the outstanding balance of unsecured long-term borrowings was HK\$355.3 million. The decrease of HK\$19.5 million of unsecured long-term borrowing from HK\$374.8 million as of December 31, 2009 was primarily due to the repayment of a long-term loan using drawdowns of short-term loans.

As of September 30, 2010, the outstanding balance of unsecured short-term borrowings was HK\$265.5 million. The increase of HK\$90.2 million in our unsecured short-term borrowings from HK\$175.3 million as of July 31, 2010 to HK\$265.5 million as of September 30, 2010 was primarily to fund our daily operations. As of September 30, 2010, our unsecured long-term borrowings are due progressively from April to July 2012. As of September 30, 2010, the outstanding balance of unsecured long-term borrowings was HK\$173.7

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million. The decrease of HK\$181.6 million in our unsecured long-term borrowings from HK\$355.3 million as of July 31, 2010 to HK\$173.7 million as of September 30, 2010 was primarily attributable to the settlement of long-term loans. In the foreseeable future after the Listing, we intend to raise additional material external debt financing for purposes of financing future capital requirements, investment plans and other funding requirements. For further details on our loans and borrowings, see Note 31 to the Accountants' Report in Appendix I to this prospectus.

The repayment terms of our bank loans are set out in the following table:

	<b>As of December 31, 2009</b>	<b>As of July 31, 2010</b>	<b>As of September 30, 2010</b>
	<b>(HK\$ millions)</b>	<b>(HK\$ millions)</b>	<b>(HK\$ millions)</b>
Bank loans repayment terms:			
Within one year . . . . .	127.7	175.3	265.5
In the second year . . . . .	—	298.0	173.7
In the third to fifth years, inclusive . . . . .	374.8	57.3	—

Utilization of the Group's credit facilities as of the dates indicated was as follows:

	<b>As of December 31,</b>			<b>As of July 31,</b>	<b>As of September 30,</b>
	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2010</b>
	<b>(HK\$ millions)</b>	<b>(HK\$ millions)</b>	<b>(HK\$ millions)</b>	<b>(HK\$ millions)</b>	<b>(HK\$ millions)</b>
<b>Credit facilities available</b>					
Loan facilities . . . . .	572.8	832.6	692.8	943.4	721.7
Letters of credit . . . . .	202.9	147.4	280.6	157.0	158.4
Less: Amounts utilized					
Loan facilities . . . . .	(457.9)	(655.6)	(502.5)	(530.6)	(439.2)
Net amount of credit facilities available . . . . .	317.8	324.5	470.9	569.7	440.9

Certain of our loan facilities are secured by certain of the Group's and intra-group trade receivables.

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Our gearing ratio, which is used to measure the percentage of capital employed that is financed by equity and long term liabilities, can be illustrated as of the dates indicated in the table below:

	As of December 31,			As of	As of
	2007	2008	2009	July 31,	September 30,
	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)	2010 (HK\$ millions)	2010 (HK\$ millions)
Trade and notes payables . . . . .	576.0	630.6	772.4	823.3	780.6
Other payables, advances from customers and accruals . . . . .	366.1	341.6	412.2	250.3	296.2
Interest-bearing loans and borrowings . . . . .	457.9	655.6	502.5	530.6	439.2
Amounts due to related parties . . . . .	76.6	408.6	353.9	98.4	81.2
Less: Cash and cash equivalents. . . . .	(122.6)	(190.0)	(218.6)	(139.3)	(212.4)
Net debt . . . . .	<u>1,354.0</u>	<u>1,846.4</u>	<u>1,822.4</u>	<u>1,563.3</u>	<u>1,384.8</u>
Equity attributable to owners of the parent . . . . .	<u>687.4</u>	<u>729.3</u>	<u>793.4</u>	<u>519.6</u>	<u>553.9</u>
Capital and net debt . . . . .	<u>2,041.4</u>	<u>2,575.7</u>	<u>2,615.8</u>	<u>2,082.9</u>	<u>1,938.7</u>
Gearing ratio <sup>(1)</sup> . . . . .	<u>66%</u>	<u>72%</u>	<u>70%</u>	<u>75%</u>	<u>71%</u>

(1) Gearing ratio = Net debt / Capital and net debt

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The gearing ratio increased from 66% as of December 31, 2007 to 72% as of December 31, 2008, primarily due to an increase in amounts due to related parties as well as an increase in the levels of our loans, which was due to our investments in capital assets and expansion of distribution network. The gearing ratios as of December 31, 2008 and 2009 remained relatively stable. The gearing ratio increased from 70% as of December 31, 2009 to 75% as of July 31, 2010, primarily due to the special dividend declared from GIHL to GBHL on July 31, 2010. The gearing ratio decreased from 75% as of July 31, 2010 to 71% as of September 30, 2010, primarily due to the net decrease in interest-bearing loans and borrowings as a result of settlement that was made.

### Contingent liabilities

As of September 30, 2010, the Group had guaranteed HK\$226,200,000 borrowed by GBHL from Fubon in September 2010. Save as this guarantee and the contingent liabilities disclosed in note (ii) section IV of the Accountants' Report, we did not have any outstanding loan capital issued or agree to be issued, bank overdrafts, loans, debt securities, borrowings or other similar indebtedness, liabilities under acceptance (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, finance leases, hire purchase commitments, guarantees or other material contingent liabilities.

### CAPITAL EXPENDITURES

Our capital expenditures have related primarily to purchases of property, plant and equipment, land use rights and investment properties. We have funded our historical capital expenditures through cash flows generated from operating activities and bank borrowings.

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The following table sets out our planned capital expenditures for the periods indicated.

	For the year ended December 31,	
	2010 <sup>(1)</sup>	2011 <sup>(2)</sup>
	(HK\$ millions)	(HK\$ millions)
Sales and distribution . . . . .	0.3	0.5
Supply chain center . . . . .	7.5	15.4
Market research, product development and design . . . . .	1.3	74.2
Production facilities . . . . .	<u>109.8</u>	<u>132.7</u>
Total . . . . .	<u>118.9</u>	<u>222.8</u>

(1) Estimated exchange rate (RMB/HK\$) for 2010 is 0.8816.

(2) Estimated exchange rate (RMB/HK\$) for 2011 is 0.8746.

Our planned capital expenditures primarily relate to the expansion of our market, products research and development functions as well as our core production facilities to support our business growth. We plan to fund our future capital expenditures with cash inflows from our operating activities, bank borrowings and the proceeds of the Global Offering.

Our actual capital expenditures may differ from the amounts set out above due to various factors, including our future cash flows, results of operations and financial condition, changes in the PRC and world economy, the availability of financing on terms acceptable to us, technical or other problems in obtaining or installing equipment, changes in the regulatory environment in the PRC and other factors. We may also pursue new expansion through internal development, acquisitions of existing operations, investments in other businesses, or joint ventures with third parties.

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### CONTRACTUAL OBLIGATIONS

The following table sets out our contractual obligations as of December 31, 2007, 2008 and 2009 and July 31, 2010:

	As of December 31,			As of July 31,
	2007	2008	2009	2010
	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)
<b>Operating lease commitments</b>				
Within one year . . . . .	58.8	52.3	47.1	21.5
After one year but not more than five years . . . . .	207.3	42.2	55.7	32.9
More than five years . . . . .	49.1	10.8	5.7	3.2
	315.3	105.3	108.5	57.6
	As of December 31,			As of July 31,
	2007	2008	2009	2010
	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)
<b>Capital commitments</b>				
Contracted, but not provided for in respect of acquisition of:				
- Property, plant and equipment . . . . .	10.0	5.5	4.4	0.2

### INVENTORY ANALYSIS

The following table sets out a summary of our inventory balance as at the respective financial position dates below as well as the average inventory revenue days for the periods indicated.

	As of December 31,			As of July 31,
	2007	2008	2009	2010
	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)
Raw materials . . . . .	257.1	184.8	142.5	168.2
Work in progress . . . . .	84.8	67.9	55.9	76.3
Finished goods . . . . .	326.5	615.2	640.9	261.9
Less: Provision . . . . .	(31.0)	(22.7)	(28.2)	(15.6)
Total . . . . .	637.4	845.2	811.1	490.8

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We record inventory at cost and if the net realizable value drops below cost, the difference will be written down as our inventory provision, which is included in cost of sales. The balances of write-down of inventories recognized as cost of sales were HK\$31.0 million, HK\$22.7 million, HK\$28.2 million and HK\$15.6 million for the years ended December 31, 2007, 2008, 2009 and for the seven months ended July 31, 2010, respectively.

The increase in our inventory balance from HK\$637.4 million as of December 31, 2007 to HK\$845.2 million as of December 31, 2008 was primarily due to the increase in the balance of our inventory, which in turn was caused by the increase in inventories for our domestic operations. The decrease in our inventory balance from HK\$845.2 million as of December 31, 2008 to HK\$811.1 million as of December 31, 2009 was primarily due to reduction of inventories by domestic operations in connection with our promotional sales campaign. The decrease in our inventory balance from HK\$811.1 million as of December 31, 2009 to HK\$490.8 million as of July 31, 2010 was primarily attributable to a decrease in our inventory balance of an amount of HK\$412.0 million resulting from the carve out of Discontinued Operations, partially offset by an increase in our inventory balance for Continuing Operations, which was primarily due to the increase in sales volume for our export business as well as additional inventory stocking in July 2010 for the domestic promotional sales campaign in August 2010.

Our inventory turnover days<sup>(1)</sup> were 97, 101 and 123 and 78 for the years ended December 31, 2007, 2008 and 2009 and for the seven months ended July 31, 2010, respectively. The increase in our inventory turnover days from 2007 to 2009 was primarily due to increase in inventories for our domestic operations. The decrease in our inventory turnover days from 123 for the year ended December 31, 2009 to 78 for the seven months ended July 31, 2010 was primarily due to the carve out of Discontinued Operations during the seven months ended July 31, 2010.

As of July 31, 2010, approximately 95.2% of our inventories as of December 31, 2009 had been used or sold. As of September 30, 2010, approximately 77.4% of our inventories as of July 31, 2010 had been used or sold.

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(1) Inventory turnover days for each of the years ended December 31, 2007, 2008 and 2009 =  $365 \times (\text{average of the period beginning and ending inventory balances}) / (\text{cost of sales})$ . Inventory turnover days for the seven months ended July 31, 2010 =  $212 \times (\text{average of the period beginning and ending inventory balances}) / (\text{cost of sales})$ .

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## FINANCIAL INFORMATION

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### TRADE AND NOTES RECEIVABLE ANALYSIS

#### Trade and notes receivable

The following table sets out a summary of our trade and notes receivable balances as at the respective financial position dates below.

	As of December 31,			As of
	2007	2008	2009	July 31, 2010
	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)
Trade receivables . . . . .	496.3	435.2	584.5	607.2
Notes receivables . . . . .	5.2	0.7	8.0	13.0
	501.5	435.9	592.5	620.2
Less: Impairment of the trade receivables . . . . .	(1.0)	(2.6)	(6.5)	(3.0)
	500.5	433.3	586.0	617.2

The decrease in our trade and notes receivables balance to HK\$433.3 million as of December 31, 2008 from HK\$500.5 million as of December 31, 2007 was primarily attributable to the lower level of sales in the fourth quarter of 2008, as a result of the global economic downturn and financial crisis. The increase in our trade and notes receivables balance to HK\$586.0 million as of December 31, 2009 from HK\$433.3 million as of December 31, 2008 was primarily attributable to the higher level of sales in the first quarter of 2009 as compared to the fourth quarter of 2008. The increase of HK\$31.2 million in our trade and notes receivables balance from HK\$586.0 million as of December 31, 2009 to HK\$617.2 million as of July 31, 2010 was primarily attributable to our increased sales during the seven months ended July 31, 2010.

For the years ended December 31, 2007, 2008 and 2009 and for the seven months ended July 31, 2010, our trade and notes receivable turnover days<sup>(1)</sup> were 68, 52, 61 and 57, respectively. The decrease in our trade and notes receivable turnover days in 2008 from 2007 was primarily due to the lower level of sales in the fourth quarter of 2008. The increase in our trade and notes receivable turnover days in 2009 from 2008 was primarily due to the higher level of sales in the fourth quarter of 2009 as compared to the fourth quarter of 2008. The decrease in our trade and notes receivable turnover days from 61 for the year ended December 31, 2009 to 57 for the seven months ended July 31, 2010 was primarily due to the higher level of sales to our distributors in China generally with shorter credit periods.

As of July 31, 2010, approximately 99.4% of our trade receivables as of December 31, 2009 had been settled. In particular, as of July 31, 2010, 100.0% of our trade receivables with Dorel. As of September 30, 2010, approximately 93.5% of our trade receivables as of July 31, 2010 had been settled.

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(1) Trade and notes receivable turnover days for each of the years ended December 31, 2007, 2008 and 2009 = 365 x (average of the period beginning and ending trade and notes receivables balances)/revenue. Trade and notes receivable turnover days for the seven months ended July 31, 2010 = 212 x (average of the period beginning and ending trade and notes receivables balances)/revenue.



## FINANCIAL INFORMATION

### Aging analysis of trade receivable

We grant to our domestic distributors credit terms that are generally within 90 days from the invoice date. For our overseas customers, the credit terms are generally within 90 days. Our domestic distributors and overseas customers mainly settle their balances through wire transfers and drafts drawn under letters of credit. An aging analysis of the trade receivable based on invoice dates, net of provision, is set out below.

	As of December 31,			As of July 31,
	2007	2008	2009	2010
	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)
Within 3 months . . . . .	492.1	409.5	550.5	592.2
3 to 6 months . . . . .	2.8	18.2	24.3	9.2
6 months to 1 year . . . . .	0.3	3.8	2.7	2.4
Over 1 years . . . . .	0.1	1.1	0.4	0.4
	495.3	432.6	578.0	604.2

### TRADE AND NOTES PAYABLES ANALYSIS

The following table sets out our trade and notes payables balances as at the respective financial position dates below grouped by their ages.

	As of December 31,			As of July 31,
	2007	2008	2009	2010
	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)
Within 3 months . . . . .	502.4	569.6	734.2	793.5
3 to 12 months . . . . .	68.1	38.6	27.5	23.2
1 to 2 years . . . . .	3.6	17.3	5.0	2.8
2 to 3 years . . . . .	0.7	3.4	2.2	1.5
Over 3 years . . . . .	1.2	1.7	3.5	2.3
	576.0	630.6	772.4	823.3

The balance of trade and notes payables increased by 22.5% from HK\$630.6 million as of December 31, 2008 to HK\$772.4 million as of December 31, 2009. This increase was primarily due to our successful negotiation with certain major suppliers in extending the payment terms by 15 days from the original basis. The balance of trade and notes payables increased by 6.6% from HK\$772.4 million as of December 31, 2009 to HK\$823.3 million as of July 31, 2010. This increase was primarily due to the increase in our sales volume for the seven months ended July 31, 2010. See “Financial Information — Liquidity and Capital Resources — Cash Flow — Net cash flow from operating activities” for information on this increase’s effect on our cash flow. During the Track Record Period, our suppliers generally granted us credit terms that range from 60 to 90 days.

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## FINANCIAL INFORMATION

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For the years ended December 31, 2007, 2008 and 2009 and for the seven months ended July 31, 2010, our trade and notes payables turnover days<sup>(1)</sup> remained stable at 85, 83, 104 and 96, respectively. The increase in our trade and notes payables turnover days from 2007 to 2009 was primarily due to longer payment terms negotiated with certain major suppliers. The decrease in our trade and notes payables turnover days from 104 for the year ended December 31, 2009 to 96 for the seven months ended July 31, 2010 was primarily due to the carve out of the trade and notes payables relating to Discontinued Operations.

- (1) Trade and notes payables turnover days for the years ended December 31, 2007, 2008 and 2009 =  $365 \times (\text{average of the period beginning and ending trade and notes receivables balances}) / \text{cost of sales}$ . Trade and notes payables turnover days for the seven months ended July 31, 2010 =  $212 \times (\text{average of the period beginning and ending trade and notes receivables balances}) / \text{cost of sales}$ .

### ANALYSIS OF OTHER SELECTED FINANCIAL POSITION ITEMS

#### Prepayments and other receivables

The following table sets out our prepayments and other receivables as at the dates indicated.

	As of December 31,			As of July 31,
	2007	2008	2009	2010
	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)
Prepayments <sup>(1)</sup> . . . . .	79.3	64.3	78.8	145.6
Other receivables <sup>(2)</sup> . . . . .	48.7	48.3	77.4	36.5
	128.0	112.6	156.2	182.1

- (1) Prepayments include advance payments for the purchase of raw materials and equipment.
- (2) Other receivables refer to input VAT pending offset by output VAT; deposit/down payments for rental premises or services providers; and advance cash payment to employees for purposes of our day-to-day business operations.

The balance of prepayments and other receivables decreased to HK\$112.6 million as of December 31, 2008 from HK\$128.0 million as of December 31, 2007. This decrease was primarily attributable to the disposal of a subsidiary.

The balance of prepayments and other receivables increased by 38.7% to HK\$156.2 million as of December 31, 2009 from HK\$112.6 million as of December 31, 2008. The increase was primarily attributable to an increase of prepayment for the purchase of materials in bulk for our overseas business, an increase in other receivables due to timing differences in offsetting input VAT and output VAT, as well as an increase in receivables from staff.

The balance of prepayments and other receivables increased by 16.6% to HK\$182.1 million as of July 31, 2010 from HK\$156.2 million as of December 31, 2009. The increase was primarily attributable to an increase in advances that we made to one of our key suppliers for bulk purchases.

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## FINANCIAL INFORMATION

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### Other payables, advances from customers and accruals

The following table sets out our other payables, advances from customers and accruals as at the dates indicated.

	As of December 31,			As of
	2007	2008	2009	July 31, 2010
	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)
Other payables. . . . .	109.6	102.1	132.4	59.6
Advances from customers. . . . .	55.7	55.5	73.7	56.5
Accruals. . . . .	200.8	184.0	206.1	134.2
	366.1	341.6	412.2	250.3

The decrease in other payables from HK\$109.6 million as of December 31, 2007 to HK\$102.1 million as of December 31, 2008 was primarily due to disposal of a subsidiary. The increase in other payables from HK\$102.1 million as of December 31, 2008 to HK\$132.4 million as of December 31, 2009 was primarily due to security payment from sub-contractors and distributors. The decrease in other payables from HK\$132.4 million as of December 31, 2009 to HK\$59.6 million as of July 31, 2010 was primarily due to the disposal of Discontinued Operations.

The decrease in advances from customers from HK\$55.7 million as of December 31, 2007 to HK\$55.5 million as of December 31, 2008 was primarily due to ordinary course of business. The increase in advances from customers from HK\$55.5 million as of December 31, 2008 to HK\$73.7 million as of December 31, 2009 was primarily attributable to deposits related to domestic promotional sales as well as tooling expenses from our overseas customers. The decrease in advances from customers from HK\$73.7 million as of December 31, 2009 to HK\$56.5 million as of July 31, 2010 was primarily due to the lower level of advances received from domestic customers as there was no promotional sales for the month of July.

The decrease in accruals from HK\$200.8 million as of December 31, 2007 to HK\$184.0 million as of December 31, 2008 was primarily due to reversal of over provisions brought forward from 2007 in connection with our domestic operations. The increase in accruals from HK\$184.0 million as of December 31, 2008 to HK\$206.1 million as of December 31, 2009 was primarily due to increase in specific provision for costs sharing in relation to a voluntary recall by one of our largest customers. The decrease in accruals from HK\$206.1 million as of December 31, 2009 to HK\$134.2 million as of July 31, 2010 was primarily due to the carve out of Discontinued Operations and the payout of management bonus in the first quarter of 2010.

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## FINANCIAL INFORMATION

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### Provision

	As of December 31,			As of
	2007	2008	2009	July 31,
	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)	2010 (HK\$ millions)
Provision . . . . .	8.2	8.9	20.7	28.6

The increase in the balance of provision from HK\$8.9 million as of December 31, 2008 to HK\$20.7 million as of December 31, 2009 was primarily due to the addition in warranty provision of HK\$19.4 million, offset by an utilization of warranty provision of HK\$10.1 million. The increase of HK\$10.7 million in addition in provision from HK\$8.7 million in 2008 to HK\$19.4 million in 2009 was primarily attributable to: (i) an increase in our provision of HK\$8.7 million due to our support of a major client by bearing a portion of the loss suffered as a result of return of goods by end consumers; and (ii) an increase in warranties of HK\$1.6 million as a result of our proactive after-sale services in providing additional spare parts to our clients. The increase in our provision relating to return of goods and additional spare parts was not caused by our defective products. The utilization of warranty provision of HK\$10.1 million was attributable to the expenditures on after sales services for both overseas and the domestic markets under normal course of business in 2009. The increase in the balance of provision from HK\$20.7 million as of December 31, 2009 to HK\$28.6 million as of July 31, 2010 was primarily attributable to the increase in general provision, which was due to the increase in the volume of our overall sales for the period as well as the range of products that were produced and sold during the period. During the seven months ended July 31, 2010, we had recorded higher sales growth for e-cars, wood cribs and wood high chairs as compared to other products and it is our policy to charge a higher provision amount for e-cars, wood cribs and wood high chairs because such products are relatively easier to be damaged during transportation.

As of December 31, 2009 and July 31, 2010, we were under negotiation with one of our largest customers about a product warranty claim of HK\$5.5 million involving strollers, which was fully provided for and is part of the HK\$8.7 million provision disclosed in the paragraph above. Such product warranty claim relates to return of products by end consumers to retailers who in turn returned such products to our customer, which is a common retail consumer and industry practice in North America and our European market, and was not related to the product recall incident on December 18, 2009. The amount of product warranty claim is calculated based on a certain percentage of an aggregate of the amount of credit notes received by our customer from retailers in relation to the returned goods and the repair costs incurred by our customer in connection with the returned goods. There is no evidence showing that the return of goods were caused by any of our product design defect or manufacturing defect. Under our warranty policy, which has been agreed to and implemented by this customer, we are responsible only for liability that arises out of a manufacturing defect in the relevant products. Our customer had asked for HK\$5.5 million from us in connection with the product warranty. Accordingly, the potential maximum amount that may be paid by us in connection with this claim is HK\$5.5 million. We are currently under negotiation with this customer with respect to this product warranty claim. If we were to make any payment on this claim matter, it would be done

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so purely through negotiation and/or as a demonstration of support on the basis of our continual long-term relationship with this customer. For details of the product warranty claims during the Track Record Period, please refer to the section headed “Business — Quality Control — Recalls” as well as Section IV of the Accountants’ Report.

### Deferred income tax assets

The movements in deferred income tax assets during the Track Record Period are as follows:

	Provision for receivables	Write-down of inventories	Provision	Accruals	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At January 1, 2007 . . . . .	2,479	3,611	1,254	6,978	14,322
Credited to profit or loss . . . . .	1,140	1,105	99	5,159	7,503
Disposal of discontinued operations . . . . .	(1,979)	(1,048)	—	—	(3,027)
Translation adjustments . . . . .	169	276	87	94	626
At December 31, 2007 and at January 1, 2008 . . . . .	1,809	3,944	1,440	12,231	19,424
Charged to profit or loss . . . . .	(1,500)	(2,585)	(43)	(7,375)	(11,503)
Translation adjustments . . . . .	53	325	13	961	1,352
At December 31, 2008 and at January 1, 2009 . . . . .	362	1,684	1,410	5,817	9,273
Credited to profit or loss . . . . .	860	10	2,260	5,852	8,982
Translation adjustments . . . . .	2	58	7	12	79
At December 31, 2009 and at January 1, 2010 . . . . .	1,224	1,752	3,677	11,681	18,334
Credited/(charged) to profit or loss . . . . .	(588.9)	(325.2)	659.2	(541.6)	(796.5)
Translation adjustments . . . . .	9.9	14.2	29.8	94.6	148.5
At July 31, 2010 . . . . .	645.0	1,441.0	4,366.0	11,234.0	17,686.0

Deferred income tax assets — accruals represent income tax effect of the temporary differences arising from the timing difference between the accruals for expenses and the actual payment of these expenses. These expenses are only deductible for tax purpose upon payment. Accruals primarily include accruals for sales commission and accruals for advertising expenses.

## FINANCIAL INFORMATION

### Amounts due to related parties

The following table sets out amounts due to related parties as at the dates indicated.

	As of December 31,			As of
	2007	2008	2009	July 31,
	HK\$'000	HK\$'000	HK\$'000	2010
Amounts due to related parties				HK\$'000
— GGCL . . . . .	2,838	27,602	41,240	1,694
— GBHL . . . . .	13,218	69,749	66,933	11,370
— GPHL . . . . .	—	2,972	—	—
— BEHL . . . . .	—	3,616	3,617	—
— CSAL . . . . .	—	3,740	3,741	—
— FSCP . . . . .	—	3,742	3,743	—
— GPCL . . . . .	54,673	152,770	91,634	85,296
— SGCP . . . . .	—	42	—	—
— CRFH . . . . .	—	67,989	67,973	—
— ETHL . . . . .	—	67,997	67,980	—
— GRTC . . . . .	—	5,176	5,182	—
— BRKH . . . . .	5,901	2,770	1,778	—
— GCTP . . . . .	—	443	49	—
Total . . . . .	<u>76,630</u>	<u>408,608</u>	<u>353,870</u>	<u>98,360</u>

Amounts due to related parties increased by 433.4% to HK\$408.6 million as of December 31, 2008 from HK\$76.6 million as of December 31, 2007. This increase was primarily due to (i) increase in balance with GPCL of HK\$98.1 million as a result of the carve out of PCPC from GPCL and put back under GIHL, (ii) increase in balance with CRFH and ETHL of HK\$136.0 million because of the carve out of the 'MMGB' group of companies from GIHL and (iii) advance from GBHL of HK\$56.5 million. Amounts due to related parties decreased by 13.4% to HK\$353.9 million as of December 31, 2009 from HK\$408.6 million as of December 31, 2008. The decrease was primarily due to the settlement of balances with GPCL, which resulted in a reduction in balances with GPCL. Amount due to related parties decreased by 72.2% from HK\$353.9 million as of December 31, 2009 to HK\$98.4 million as of July 31, 2010. The decrease was primarily due to the settlement among related parties in connection with the carve out of Discontinued Operations, partially offset by an increase in dividend payable to related parties.

The nature of the amount due to related parties as of December 31, 2009 primarily consists of: (i) historical balances in connection with a previous Group re-organization amounting to HK\$147.1 million; (ii) advances from related parties amounting to HK\$108.2 million; and (iii) balance arising from the course of normal operations amounting to HK\$98.6 million. The balances under (i) and (ii) had been substantially settled through the amounts due from related parties in connection with the debt re-organization before the Listing while the balance of (iii) would be settled in cash before the end of 2010.

As of July 31, 2010, the amount due to related parties was HK\$98.4 million, with HK\$11.4 million representing non-trading nature not arising from the course of the our normal operations. This balance of HK\$11.4 million was also settled in August 2010.

## FINANCIAL INFORMATION

### Amounts due from related parties, shareholders and directors

We had the following significant balances with our related parties, shareholders and directors, at each of the financial position dates of the Track Record Period:

	As of December 31,			As of
	2007	2008	2009	July 31, 2010
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Amounts due from related parties				
— GBHL . . . . .	—	75,908	145,481	—
— GCCL . . . . .	—	—	—	245,304
— SHFS . . . . .	—	—	—	69
— GPHL . . . . .	4,655	771	14,100	53
— GPCL . . . . .	91,709	211,995	2,811	2,589
— SGCP . . . . .	—	101,669	138,706	—
— BRKH . . . . .	1,124	1,406	1,194	—
— MJSL . . . . .	—	28,706	30,555	—
— CRFH . . . . .	—	29,284	29,284	—
— ETHL . . . . .	—	29,284	29,284	—
— Mr. Song . . . . .	768	2,442	2,905	—
— Ms. Fu . . . . .	367	955	1,439	—
Total . . . . .	<u>98,623</u>	<u>482,420</u>	<u>395,759</u>	<u>248,015</u>

The amount due from related parties increased from HK\$98.6 million as of December 31, 2007 to HK\$482.4 million as of December 31, 2008. This increase was primarily attributable to the disposal of subsidiaries in 2008. The amount due from related parties decreased from HK\$482.4 million as of December 31, 2008 to HK\$395.8 million as of December 31, 2009. The decrease was primarily attributable to a decrease in amount due from GPCL by HK\$209.2 million, which was mainly attributable to the settlement by GPCL. Such decrease is partially offset by (i) the increase in amount due from GBHL of HK\$69.6 million, which was mainly attributable to contribution of cash by the Group to the ultimate holding company, and (ii) the increase in amount due from SGCP of HK\$37.0 million relating to trade receivables under normal course of transactions. The amount due from related parties decreased from HK\$395.8 million as of December 31, 2009 to HK\$248.0 million as at July 31, 2010. The decrease was primarily attributable to the settlement by related parties, partially offset by (i) the increase in amounts due from related parties under normal trading activities and (ii) the carve out of Discontinued Operations.

The related parties balances composes of transactions under normal course of business as well as balances due to historical re-organization. For the part of balances due to normal course of business they will not be eliminated prior to our Global Offering as we will maintain these business relationships. As for the non-trade balances the Group will settle them before the offering.



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## FINANCIAL INFORMATION

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### RELATED PARTY TRANSACTIONS

It is the view of our directors that each of the related party transactions set out in Note 39 to the Accountants' Report in Appendix I to this prospectus was conducted in the ordinary and usual course of business and on normal commercial terms between the relevant parties.

### FINANCIAL INSTRUMENTS

We have entered into various forward currency contracts to manage our exchange rate exposures pursuant to our hedging policy, which is to enter into forward exchange contracts for anticipated future cash flows in foreign currencies based on a certain percentage of sales that are expected to be in foreign currencies. These forward currency contracts did not meet the criteria for hedge accounting as required by IAS 39.

In 2007, the Renminbi appreciated 6.5% against the U.S. dollars. At the beginning of 2008, there were indications in the market that the Renminbi would undergo a deeper appreciation in the year as compared to 2007. In order to hedge against anticipated Renminbi appreciation, we entered into forward contracts with exchange rates set at a fixed pace of appreciation. For the years ended December 31, 2007, 2008 and 2009 and the seven months ended July 31, 2010, as a result of hedging activities for our operations, we recorded changes in the fair value of the forward contracts amounting to gain/(loss) of HK\$8.5 million, HK\$(27.1) million, HK\$(0.2) million and HK\$1.7 million, respectively, on the income statement. These forward currency contracts are not designated as cash flow, fair value or net investment hedges.

When entering into derivative financial instruments we seek to ensure that each financial instrument satisfies the following conditions: (i) the contract amount should not exceed 80% of forecasted collection which is in turn based on our actual sales and sales forecast; (ii) at least three banks are invited to provide quotes for the futures; (iii) the futures should only be arranged for three months ahead and in exceptional case, up to six months subject to approval by certain management members.

As of July 31, 2010, the nominal value (book value) of the forward currency contracts was US\$34.4 million and the maximum financial exposure arising from the forward currency contracts was a gain of RMB1.8 million.

### Off-balance sheet Commitments

Other than our operating lease commitments and capital commitments, we do not have any other off-balance sheet commitments as of the Latest Practicable Date.

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## FINANCIAL INFORMATION

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### MARKET RISKS

In the normal course of business, we are exposed to various types of market risks, including the following:

#### Foreign currency risk

Our financial condition and results of operations are exposed to transaction and translation risks relating to foreign currency exchange rates. Our foreign exchange risk arises mainly from foreign-currency denominated sales. See “— Factors Affecting Our Business, Financial Condition, Results of Operations and Prospects — Fluctuations in Foreign Currency Exchange Rates” and “Risk Factors — Risks Relating to Conducting Business in China — We are subject to foreign exchange rate fluctuations” for a further discussion of the impact of foreign exchange fluctuations on our business.

We have transactional currency exposure. Such exposure arises from sales or purchases by operating units in currencies other than the units’ functional currencies. Our reporting currency is the Hong Kong dollar. Our sales are mainly denominated in U.S. dollars and in Renminbi. Our cost of sales and operating expenses are mainly denominated in Renminbi. Approximately 76.0%, 77.1%, 75.9% and 76.1% of our sales revenue from Continuing Operations for the years ended December 31, 2007, 2008 and 2009 and for the seven months ended July 31, 2010, respectively, were denominated in U.S. dollars. The Renminbi appreciated 6.5%, 6.4%, 0.1% and 0.8% against the U.S. dollar for the years ended December 31, 2007, 2008 and 2009 and for the seven months ended July 31, 2010, respectively. Our profit margins will be negatively affected if we are unable to increase the U.S. dollar selling prices of the products we sell to our overseas customers to offset for any appreciation of the Renminbi against the U.S. dollar.

As of July 31, 2010, we had total borrowings of HK\$530.6 million, of which HK\$511.2 million were denominated in Renminbi, and HK\$19.4 million were denominated in U.S. dollars. As of December 31, 2009, we had total borrowings of HK\$502.5 million, of which HK\$431.6 million were denominated in Renminbi, and HK\$70.9 million were denominated in U.S. dollars.

Our net foreign exchange losses and these losses as a percentage of our profit before tax are set forth below for the periods indicated.

	For the year ended December 31,			For the seven months ended July 31,	
	2007	2008	2009	2009	2010
	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)	(HK\$ millions)
Net foreign exchange losses/(gain) . . . . .	15.2	18.9	0.2	(0.1)	6.5
Percentage of profit before income tax (%) . . . . .	8.8%	8.7%	0.1%	(0.1%)	3.7%

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Our net foreign exchange losses have increased in the Track Record Period, which was primarily due to the increase in the balance of our account and notes receivables denominated in the U.S. dollar, which depreciated against the Renminbi. We enter into forward exchange contracts in order to manage this exposure. Foreign contracts are matched with anticipated future cash flows in foreign currencies. In the future, we may consider using more derivative financial instruments, including foreign currency contracts and foreign currency options to hedge material exchange exposures.

### **Interest rate risk**

Our exposure to the risk of changes in market interest rates relates primarily to our bank borrowings with floating interest rates. Details of our interest rate and terms of repayment of borrowings are disclosed in Note 31 to the Accountants' Report in Appendix I to this prospectus. We have not used any interest swaps to hedge our exposure to interest rate risk.

### **Credit risk**

We trade only with recognized, creditworthy third parties. It is our policy that all customers who wish to trade on credit terms have to be subject to credit verification procedures and that our receivable balances are monitored on an ongoing basis. Our exposure to bad debt is hence not significant. Concentration of credit risk exists when changes in economic, industrial or geographic factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to our total credit exposure. We have a significant concentration of customers and credit exposure in North America and our European market. No significant default from our customers had occurred during the Track Record Period.

With respect to credit risk arising from our other financial assets, which consist of cash and cash equivalents, available-for-sale investments, held-to-maturity investments, other receivables and amounts due from related parties, our exposure to such credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

### **Liquidity risk**

Our approach to monitoring our liquidity risk is to monitor our current ratio, which is calculated by comparing current assets with current liabilities. Our objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans. All of our borrowings are approved by our chief financial officer.

### **Inflation**

During 2007, 2008 and 2009, the inflation rate in China as measured by the consumer price index was 4.8%, 5.9% and -0.7%, respectively, according to the National Bureau of Statistics of China. We have not been materially and adversely affected by these inflationary pressures. However, if the consumer price index continues to rise and if we are not able to increase the sales prices of our products in China, our financial condition will be materially adversely affected.

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## FINANCIAL INFORMATION

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### DIVIDEND POLICY

After completion of the Global Offering, our Shareholders will be entitled to receive any dividends we may declare. As a Cayman Islands-incorporated company, any amount of dividends we pay will be recommended at the discretion of our Directors and will depend upon our future operations and earnings, capital requirements and surplus, general financial conditions, contractual restrictions and other factors which our Directors consider relevant. Under our Articles, final dividends are declared by our Shareholders at a general meeting.

As regards our PRC-incorporated subsidiaries, PRC laws require that dividends be paid only out of the net profit calculated according to PRC accounting principles, which differ from generally accepted accounting principles in other jurisdictions, including IFRSs. PRC laws also require foreign-invested enterprise, such as some of our subsidiaries in China, to set aside part of their net profit as statutory reserves. These statutory reserves are not available for distribution as cash dividends.

Subject to the above factors, we currently plan to pay annual dividends of not more than 50% of our consolidated profit attributable to Shareholders beginning from the financial year ending December 31, 2008. Cash dividends on our Shares, if any, will be paid in Hong Kong dollars. Other distributions, if any, will be paid to our shareholders by any means which our directors consider legal, fair and practicable.

On March 21, 2007, we declared dividends totaling HK\$40.1 million to G-Baby Holdings. The dividend was applied by way of set off to settle part of the advance of HK\$99.7 million extended by us to G-Baby Holdings in 2006. On October 31, 2007, we declared dividends totaling HK\$221.8 million. HK\$59.6 million of the declared dividend was applied to settle the remaining balance of the advance due by G-Baby Holdings. Of the remaining HK\$162.2 million, HK\$149.0 million had been settled through set off of the amounts due from G-Baby Holdings in 2007, and HK\$13.2 million was paid in 2008. The amount of dividends declared during the Track Record Period was determined taking into account our financial performance, business prospects, immediate anticipated capital requirements, Shareholder's needs and the amount of distributable profits available at the relevant time. Our historical dividend distributions are not necessarily indicative of our future dividend distribution policy.

On July 31, 2010, GIHL declared a special dividend out of its retained earnings and capital reserve as at December 31, 2009 in an amount of HK\$406.5 million, which would be settled through the net non-trading intercompany balance owed by GBHL to GIHL before Listing.

### DISTRIBUTABLE RESERVES

Our distributable reserves consist of share premium and retained earnings. Under the Cayman Islands Companies Law, the share premium account is distributable to Shareholders if immediately following the date on which we propose to distribute the dividend, we will be in a position to pay off our debts as they fall due in the ordinary course of business. As at July 31, 2010, we had reserves available for distribution to our Shareholders of HK\$153.1 million.

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## FINANCIAL INFORMATION

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### PROFIT FORECAST FOR THE YEAR ENDING DECEMBER 31, 2010

		HK\$
		(in millions)
<b>Forecast consolidated profit from Continuing Operations attributable to owners of the parent<sup>(2)</sup></b> . . . . .		<b>not less than 193.7</b>
<b>Less:</b>		
(i) Losses after tax from Discontinued Operations attributable to owners of the parent <sup>(1)</sup> . . . . .		49.8
<b>Forecast consolidated profit attributable to owners of the parent<sup>(2)</sup></b> . . . . .		<b>not less than 143.9</b>
	<b>Forecast consolidated profit attributable to owners of the parent</b>	<b>Forecast consolidated profit from continuing operations attributable to owners of the parent</b>
	<b>HK\$</b>	<b>HK\$</b>
Unaudited pro forma forecast earnings per share <sup>(3)</sup> . . . . .	0.144	0.194

*Notes:*

- (1) Under IFRSs, gains or losses arising from the Discontinued Operations are included in the period in which they arise.
- (2) The bases and assumptions on which the above profit forecast for the year ending December 31, 2010 has been prepared and summarized in Appendix III to this prospectus. The Directors have prepared the forecast consolidated profit from Continuing Operations attributable to owners of the parent and the forecast consolidated profit attributable to owners of the parent for the year ending December 31, 2010 based on the audited consolidated results of the Group for the seven months ended July 31, 2010, the unaudited consolidated management accounts of the Group for the two months ended September 30, 2010 and a forecast of the consolidated results of the Group for the remaining three months ending December 31, 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 note 3.2 of Section II of the Accountants' Report, the text of which is set out in Appendix I to this prospectus.
- (3) The calculation of the unaudited pro forma forecast earnings per share is based on the forecast consolidated profit attributable to owners of the parent for the year ending December 31, 2010 and a total of 1,000,000,000 shares were issued and outstanding during the entire year, adjusted, as if the Global Offering had occurred on January 1, 2010.

## FINANCIAL INFORMATION

### UNAUDITED PRO FORMA ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

The following is an illustrative statement of unaudited pro forma adjusted consolidated net tangible assets of the Group which has been prepared for the purpose of illustrating the effect of the Global Offering as if it had taken place on July 31, 2010. It is based on the audited consolidated net tangible assets attributable to owners of the parent as at July 31, 2010 as shown in the Accountants' Report of the Group, the text of which is set out in Appendix I to this prospectus, and is adjusted as follows:

	<b>Audited consolidated net tangible assets attributable to owners of the parent as at July 31, 2010</b>	<b>Estimated net Proceeds receivable by the Company from the Global Offering</b>	<b>Unaudited pro forma adjusted consolidated net tangible assets</b>	<b>Unaudited pro forma adjusted consolidated net tangible assets per Share</b>
	<b>HK\$'000 (Note 1)</b>	<b>HK\$'000 (Note 2)</b>	<b>HK\$'000 (Note 3)</b>	<b>HK\$ (Note 4)</b>
Based on an Offer Price of HK\$3.70 per Share . . . . .	491,656	681,890	1,173,546	1.17
Based on an Offer Price of HK\$4.90 per Share . . . . .	491,656	912,497	1,404,153	1.40

*Notes:*

- (1) The consolidated net tangible assets attributable to owners of the parent as at July 31, 2010 is extracted from the Accountants' Report set out in Appendix I to this prospectus and set forth below:

	<b>HK\$'000</b>
Consolidated net assets attributable to owners of the parent . . . . .	519,594
Less: Intangible assets . . . . .	27,938
Consolidated net tangible assets attributable to owners of the parent . . . . .	<u>491,656</u>

- (2) The estimated net proceeds from the Global Offering are based on an Offer Price of HK\$3.70 per Share or HK\$4.90 per Share after deduction of the underwriting fees and other related expenses payable by the Company and takes no account of any Share which may be issued upon exercise of the Over-allotment Option.
- (3) Details of the valuations of the Group's properties as at September 30, 2010 are set out in "Appendix IV — Property Valuation". The revaluation surplus of properties included in property, plant and equipment and land use rights was not incorporated in the Group's financial statements for the seven months ended July 31, 2010. If the revaluation surplus was recorded in the Group's financial statements, the annual depreciation expense would increase by approximately HK\$11,940,000.
- (4) The unaudited pro forma adjusted consolidated net tangible assets per share amount is determined after the adjustment as described above and on the basis that 1,000,000,000 shares (being the number of shares expected to be in issue immediately after completion of the Global Offering, without taking into account of any shares which may be issued upon the exercise of the Over-allotment Option) are issued and outstanding.

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## FINANCIAL INFORMATION

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### PROPERTY INTERESTS AND PROPERTY VALUATION

Jones Lang LaSalle Sallmanns Limited, an independent property valuer, has valued our property interests as of September 30, 2010. The full text of the letter, summary of valuation and valuation certificates with regard to such property interests are set out in Appendix IV to this prospectus.

The table below sets forth the reconciliation between the net book value of the Group's property interests as of July 31, 2010 and the valuation of such property interest as of September 30, 2010:

	(HK\$'000)
Net book value of property interests of the Group as of July 31, 2010	
— Buildings included in property, plant and equipment . . . . .	260,821
— Land use rights . . . . .	65,977
Movements for the two months ended September 30, 2010	
Add: Net addition during the period . . . . .	1,347
Translation adjustments . . . . .	3,368
Less: Depreciation and amortization during the period . . . . .	(2,941)
Net book value as of September 30, 2010 . . . . .	328,572
Valuation surplus . . . . .	245,166
Valuation as of September 30, 2010 <sup>(1)(2)</sup> . . . . .	573,738

*Note:*

- (1) The property interests of our Group as indicated are comprised of the properties valued by Jones Lang LaSalle Sallmanns Limited as which are described in Appendix IV to this prospectus.
- (2) The translation of Renminbi into Hong Kong dollars has been made at the rate of RMB0.86349 to HK\$1.00, the exchange rate set by PBOC for foreign exchange transactions prevailing on September 30, 2010.

### NO MATERIAL ADVERSE CHANGE

Our Directors confirm that, up to the Latest Practicable Date, there has been no material adverse change in our financial or trading position or prospects of our Company since July 31, 2010.

### DISCLOSURE REQUIRED UNDER THE LISTING RULES

We confirm that, as of the Latest Practicable Date, there is no circumstance that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.



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## FUTURE PLANS AND USE OF PROCEEDS

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### FUTURE PLANS

See the section entitled “ Business — Our Strategies” for a detailed description of our future plans. We also intend to finance capital expenditures through internal cash resources, bank borrowings and, if necessary, debt financings. For more details of our capital expenditures, see the section entitled “Financial Information — Capital Expenditures.”

### USE OF PROCEEDS

We estimate that the aggregate net proceeds to us from the Global Offering (after deducting underwriting fees and estimated expenses payable by us in connection with the Global Offering), assuming an Offer Price of HK\$4.30 per Share, being the mid-point of the proposed Offer Price range of HK\$3.70 to HK\$4.90 per Share, will be approximately HK\$780.0 million. We currently intend to use the proceeds for the following purposes:

- approximately 30% or HK\$234.0 million to be used for capital expenditures, of which (i) approximately 11% or HK\$85.8 million are intended to be used to expand our production capacity at our existing stroller plants in Kunshan and Ningbo; (ii) approximately 12% or HK\$93.6 million are intended to be used to increase our production efficiency through purchases of more advanced machines such as plastic processing machines, sewing machines and other fully automated machines; and (iii) approximately 7% or HK\$54.6 million are intended to be used for expenditures to construct a new staff hostel and canteen;
- approximately 20% or HK\$156.0 million, (i) of which approximately 10% or HK\$78.0 million are intended to be used for our R&D and commercialization of new children’s car safety seat products; and (ii) approximately 10% or HK\$78.0 million are intended to be used for our R&D and commercialization of other new products, primarily consisting of stationary activity play centers. The stationary activity play centers serve a childcare function, and offer a variety of features to keep the child occupied, including, for example, various interactive learning toys and different activity tasks for the child to experience. The stationary activity play centers also includes safety features which stop the child from wandering off the stationary activity play centers;
- approximately 15% or HK\$117.0 million to be used to improve our general market research, product development and design capability, of which (i) approximately 12% or HK\$93.6 million are intended to be used to further expand and improve our research center in Kunshan; and (ii) approximately 3% or HK\$23.4 million are intended to be used to further improve our overseas research centers;
- approximately 15% or HK\$117.0 million, of which (i) approximately 7% or HK\$54.6 million are intended to be used to expand and enhance the distribution network in China; and (ii) approximately 8% or HK\$62.4 million are intended to be used to expand and enhance the distribution network in our overseas markets;
- approximately 10% or HK\$78.0 million are intended to be used to market and promote our brands through more marketing and promotional activities; and

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## FUTURE PLANS AND USE OF PROCEEDS

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- approximately 10% or HK\$78.0 million for working capital and other general corporate purposes.

To the extent that the net proceeds are not immediately applied to the above purposes and to the extent permitted by applicable law and regulations, we intend to deposit the net proceeds into short-term demand deposits and/or money market instruments.

If the Over-allotment Option is exercised in full, the aggregate net proceeds from the Global Offering will be increased by up to approximately HK\$210.6 million (being the highest price of the estimated Offer Price per Share) or HK\$159.0 million (being the lowest price of the estimated Offer Price per Share). We will not receive any of the net proceeds of the Global Offering from the sale of the Sale Shares by the Selling Shareholder or from the exercise of the Over-allotment Option from the sale of the additional existing Shares by CRF Enterprise.

In the event that the Offer Price is fixed at HK\$3.70 per Share, being the lowest price of the estimated Offer Price range, the net proceeds will be reduced by approximately HK\$115.2 million. In such circumstances, our Directors intend to reduce the application of the proceeds in the same manner and in the same proportion as described above.

In the event that the Offer Price is fixed at HK\$4.90 per Share, being the highest price of the estimated Offer Price range, the net proceeds will be increased by approximately HK\$115.2 million. In such circumstances, our Directors intend to increase the application of the proceeds in the same manner and in the same proportion as described above.

We estimate that the Selling Shareholder will receive approximately HK\$406.5 million, after deducting the underwriting commissions and fees payable by the Selling Shareholder in respect of the Sale Shares (assuming an Offer Price of HK\$4.30 per Offer Share, being the mid-point of our indicative Offer Price range) of net proceeds from the Global Offering assuming the Over-allotment Option is not exercised. In the event that the Over-allotment Option is exercised in full, CRF Enterprise will receive net proceeds of approximately HK\$184.8 million (assuming an Offer Price of HK\$4.30 per Offer Share, being the mid-point of our indicative Offer Price range).

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## UNDERWRITING

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### HONG KONG UNDERWRITERS

#### Lead Manager

Morgan Stanley Asia Limited

#### Co-managers

Fubon Capital (HK) Limited  
First Shanghai Securities Limited  
Haitong International Securities Company Limited

### UNDERWRITING ARRANGEMENTS AND EXPENSES

#### (a) Public Offer

##### *Hong Kong Underwriting Agreement*

Pursuant to the Hong Kong Underwriting Agreement, we are offering 30,000,000 Hong Kong Offer Shares (subject to adjustment) for subscription on the terms and subject to the conditions of this prospectus and the Application Forms at the Offer Price.

Subject to (i) the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Shares in issue and to be issued pursuant to the Capitalization Issue and the Global Offering; and (ii) the satisfaction of certain other conditions (including, without limitation, the release of the Relevant Security and Guarantee) set out in the Hong Kong Underwriting Agreement, the Hong Kong Underwriters have severally agreed to apply or procure applications, on the terms and conditions of this prospectus and the related Application Forms, for the Hong Kong Offer Shares now being offered and which are not taken up under the Public Offer.

The Hong Kong Underwriting Agreement is conditional on and subject to the International Underwriting Agreement having been signed and becoming unconditional.

##### *Grounds for termination*

The obligations of the Hong Kong Underwriters to subscribe or procure subscribers for the Hong Kong Offer Shares is subject to termination by oral or written notice from the Global Coordinator (for itself and on behalf of the Hong Kong Underwriters) if any of the following events occur prior to 8:00 a.m. on the Listing Date:

- (1) there shall develop, occur, exist or come into effect:
  - (i) any new law or regulation or any change or development involving a prospective change in existing laws or regulations or any change or development involving a prospective change

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## UNDERWRITING

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in the interpretation or application thereof by any court or other competent authority in or affecting Hong Kong, PRC, United States, United Kingdom, Cayman Islands, British Virgin Islands, European Union (or any member thereof) or Japan (collectively, the “Relevant Jurisdictions”); or

- (ii) any change or development involving a prospective change, or any event or series of events likely to result in any change or development involving a prospective change, in the local, national, regional or international financial, political, military, industrial, economic, currency, market, fiscal, exchange control or regulatory conditions or any monetary or trading settlement system (including but not limited to a change in the system under which the value of the Hong Kong currency is linked to that of the currency of United States or Renminbi is linked to any foreign currency or currencies) in or affecting any Relevant Jurisdiction; or
- (iii) a disruption or any general moratorium on commercial banking activities or securities settlement, or payment or clearance services or procedures in or affecting Hong Kong (imposed by the Financial Secretary and/or the Hong Kong Monetary Authority or otherwise), New York (imposed at Federal or New York State level or otherwise), London, Tokyo, PRC, the Cayman Islands, the British Virgin Islands, the European Union (or any member thereof), Japan or any other Relevant Jurisdiction; or
- (iv) any change or development in the conditions of local, national or international equity securities or other financial markets in or affecting any Relevant Jurisdictions; or
- (v) the imposition of any moratorium, suspension or restriction on trading in securities generally on or by the Stock Exchange, the New York Stock Exchange, the American Stock Exchange, the London Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange or the Tokyo Stock Exchange or minimum or maximum prices for trading having been fixed, or maximum ranges for prices having been required, by any of the said exchanges or by such system or by order of any regulatory or governmental authority; or
- (vi) any change or development involving a prospective change in taxation or exchange control (or the implementation of any exchange control or currency exchange rates) in any Relevant Jurisdictions; or
- (vii) any adverse change or prospective adverse change in the earnings, results of operations business, business prospects, financial or trading position, conditions or prospects (financial or otherwise) of our Company or any member of our Group; or
- (viii) any event or series of events in the nature of force majeure, including, without limitation, acts of government, labor disputes, strikes, lock-outs, riots, public disorder, fire, explosion, flooding, civil commotion, acts of war, acts of God, acts of terrorism, outbreak of diseases or epidemics including, but not limited to, SARS and H5N1 and any related or mutated

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## UNDERWRITING

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forms of infectious disease or systemic or prolonged interruption or delay in transportation, economic sanction and any local, national, regional or international outbreak or escalation of hostilities (whether or not war is or has been declared) or other state of emergency or calamity or crisis in or affecting any Relevant Jurisdiction; or

- (ix) any change or prospective change in, or a materialisation of, any of the risks set out in the section headed “Risk Factors” in this prospectus; or
- (x) the imposition of economic sanctions, in whatever form, directly or indirectly, by or for, any Relevant Jurisdiction; or
- (xi) any Director of our Company being charged with an indictable offence or prohibited by operation of law or otherwise disqualified from taking part in the management of a company; or
- (xii) the commencement by any governmental, regulatory or political body or organization of any action against a Director or any member of our Group or an announcement by any governmental, regulatory or political body that it intends to take any such action or litigation; or
- (xiii) the chairman or chief executive officer of our Company vacating his or her office in circumstances where the operations of our Group may be adversely affected; or
- (xiv) a valid demand by any creditor for repayment or payment of any indebtedness of our Company or any member of our Group or in respect of which our Company or any member of our Group is liable prior to its stated maturity; or
- (xv) a petition is presented for the winding-up or liquidation of our Company or any member of our Group or our Company or any member of our Group makes any compromise or arrangement with its creditors or enters into a scheme of arrangement or any resolution is passed for the winding-up of our Company or any member of our Group or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of our Company or any member of our Group or anything analogous thereto occurs in respect of our Company or any member of our Group; or

(xvi) any litigation or claim being threatened or instigated against any of member of our Group,

which, in the sole and absolute opinion of the Global Coordinator (for itself and on behalf of the Hong Kong Underwriters):

- (a) is or may or will be or is likely to be materially adverse to or prejudicially affect the business, financial, trading or other condition or prospects of our Company or our Group or, in the case of paragraph (vi) above, to any present or prospective shareholder of our Company in his/its capacity as such; or

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## UNDERWRITING

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- (b) has or may have or will have or is likely to have a material adverse effect on the success of the Public Offer or the Global Offering or the level of Offer Shares being applied for or accepted or the distribution of Offer Shares and/or make it impracticable or inadvisable for any material part of the Hong Kong Underwriting Agreement, the Public Offer or the Global Offering to be performed or implemented as envisaged; or
  - (c) makes it or will make it inadvisable, impracticable or inexpedient to proceed with the Public Offer or the Global Offering or the delivery of the Offer Shares on the terms and in the manner contemplated by this prospectus; or
- (2) there comes to the notice of the Global Coordinator or any of the Hong Kong Underwriters any matter or event showing any of the Warranties (as defined in the Hong Kong Underwriting Agreement) or undertakings given by any Warrantor (as defined in the Hong Kong Underwriting Agreement) under the Hong Kong Underwriting Agreement or the International Underwriting Agreement to be untrue, incorrect, inaccurate or misleading in any respect when given or repeated; or
- (3) there comes to the notice of the Global Coordinator or any of the Hong Kong Underwriters any breach on the part of our Company or the Controlling Shareholders of any of the provisions of the Hong Kong Underwriting Agreement or the International Underwriting Agreement as applicable, which, in the sole and absolute discretion of the Global Coordinator, has a material adverse effect on the Global Offering; or
- (4) there comes to the notice of the Global Coordinator or any of the Hong Kong Underwriters any matter which would, had it arisen or been discovered immediately before the date of this prospectus, have constituted a material omission therefrom if it had not been disclosed in this prospectus; or
- (5) there comes to the notice of the Global Coordinator or any of the Hong Kong Underwriters that any statement contained in this prospectus, the Application Forms, the WPIP (as defined in the Hong Kong Underwriting Agreement), the formal notice and any announcements issued by our Company in connection with the Public Offer and Global Offering (including any supplement or amendment thereto) has become or is discovered to be untrue, incorrect, inaccurate or misleading in any material respect or was not fair and honest and based on reasonable assumptions, when taken as a whole; or
- (6) there comes to the notice of the Global Coordinator or any of the Hong Kong Underwriters that any event, act or omission which gives or is likely to give rise to any liability of our Company pursuant to the indemnity provisions under the Hong Kong Underwriting Agreement, which, in the sole and absolute discretion of the Global Coordinator, has a material adverse effect on the Global Offering; or
- (7) approval by the Listing Committee of the Stock Exchange of the Listing of, and permission to deal in, the Shares to be issued or sold (including any additional existing Shares that may be sold pursuant to the exercise of the Over-allotment Option) under the Global Offering is refused or not granted, other than subject to customary conditions, on or before the date of approval of the Listing, or if granted, the approval is subsequently withdrawn, qualified (other than by customary conditions) or withheld; or

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## UNDERWRITING

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- (8) our Company withdraws this prospectus (and any other documents used in connection with the contemplated subscription of the Offer Shares) or the Global Offering; or
- (9) any of the experts referred to in the section headed “Qualification of experts” in Appendix VI of this prospectus has withdrawn its consent to the issue of this prospectus with the inclusion of its reports, letters, summaries of valuations and/or legal opinions (as the case may be) and references to its name included in the form and context in which it respectively appears,

then the Global Coordinator may, in its sole and absolute discretion (for itself and on behalf of the Hong Kong Underwriters) upon giving notice orally or in writing to our Company and the Hong Kong Underwriters, terminate the Hong Kong Underwriting Agreement with immediate effect.

### **(b) International Offer**

#### *International Underwriting Agreement*

In connection with the International Offer, it is expected that we will enter into the International Underwriting Agreement with our Controlling Shareholders, the Selling Shareholder, the International Underwriters and the Global Coordinator. Under the International Underwriting Agreement, the International Underwriters to be named therein, subject to certain conditions, will agree severally to underwrite or purchase, or procure underwriters or purchasers for, the International Offer Shares being offered pursuant to the International Offer.

CRF Enterprise is expected to grant the Over-allotment Option to the International Underwriters, exercisable by the Global Coordinator (on behalf of the International Underwriters) from the Listing Date up to 30 days after the last day for lodging Application Forms under the Public Offer, to require CRF Enterprise to sell up to an aggregate of 45,000,000 existing Shares, representing 15% of the Offer Shares initially available under the Global Offering at the Offer Price, among other things, to cover over-allocations, if any, in the International Offer.

### **(c) Undertakings in respect of the Global Offering**

#### *Undertakings by our Company*

##### *To the Stock Exchange*

Pursuant to Rule 10.08 of the Listing Rules, no further Shares or securities convertible into equity securities of our Company (whether or not of a class already listed) may be issued by us or form the subject of any agreement to such an issue within six months from the Listing Date (whether or not such issue of Shares or securities will be completed within six months from the Listing Date), except in certain prescribed circumstances.

##### *Pursuant to Hong Kong Underwriting Agreement*

Our Company has undertaken to each of the Global Coordinator and the Hong Kong Underwriters, that except pursuant to the Capitalization Issue, the Global Offering, and pursuant to exercise of any options which may be granted under the Share Option Scheme as disclosed in this prospectus, at any time from the

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## UNDERWRITING

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date of the Hong Kong Underwriting Agreement until the expiry of six months from the Listing Date (the “First Six-month Period”), our Company will not, without the prior written consent of the Global Coordinator and unless in compliance with the requirements of the Listing Rules:

- (1) offer, pledge, charge, allot, issue, sell, contract to allot, issue or sell, sell any option or contract to purchase, purchase any option or contract to sell, grant or agree to grant any option, right or warrant to purchase or subscribe for, lend or otherwise transfer or dispose of, either directly or indirectly, any of the share capital or other securities of our Company or any interest therein (including, but not limited to, any securities that are convertible into or exercisable or exchangeable for, or that represent the right to receive any such capital or securities or any interest therein);
- (2) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any such capital or securities or any interest therein; or
- (3) enter into any transaction with the same economic effect as any transaction described in paragraphs (1) or (2) above; or
- (4) publicly disclose that it will or may enter into any such transaction described in paragraphs (1), (2) or (3) above,

whether any such transaction described above is to be settled by delivery of Shares or other securities, in cash or otherwise.

In addition, our Company shall not enter into any of the foregoing transactions in paragraphs (1), (2) and (3) above, or agree or contract to or publicly announce any intention to enter into any such transaction, such that our Controlling Shareholders would cease to be a controlling shareholder of our Company during the six-month period immediately following the expiry of the First Six-Month Period (“Second Six-Month Period”).

### ***Undertakings by our Controlling Shareholders***

#### *To the Stock Exchange*

In accordance with Rule 10.07(1) of the Listing Rules, each of our Controlling Shareholders has undertaken to the Stock Exchange that except as disclosed in the section headed “History, Reorganization and Group Structure - Distribution in Specie and transfers and arrangements in relation to GBHL” of this prospectus and pursuant to the Capitalization Issue, the Global Offering, the Over-allotment Option and the Stock Borrowing Agreement:

- (i) it/he/she will not, at any time during the First Six-Month Period, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of our Shares in respect of which it/he/she is shown by this prospectus to be the beneficial owner; and



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## UNDERWRITING

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- (ii) it/he/she will not, at any time during the Second Six-Month Period, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of our Shares referred to in paragraph (i) above if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, it/he/she would cease to be a controlling shareholder of our Company.

Note (2) of Rule 10.07 of the Listing Rules provides that Rule 10.07 does not prevent a controlling shareholder from using the Shares owned by it/him/her as security (including a charge or a pledge) in favor of an authorized institution (as defined in the Banking Ordinance, Chapter 155 of the Laws of Hong Kong) for a bona fide commercial loan.

Pursuant to Note 3 to Rule 10.07(1) of the Listing Rules, each of our Controlling Shareholders has further undertaken to the Stock Exchange that it/he/she will, within the period commencing on the date by reference to which disclosure of its/his/her shareholding in our Company is made in this prospectus and ending on the date which is 12 months from the Listing Date:

- (i) when it/he/she pledges or charges any Shares or other securities or interests in any securities of our Company beneficially owned by it/him/her in favor of any authorized institution (as defined in the Banking Ordinance, Chapter 155 of the Laws of Hong Kong) for a bona fide commercial loan, immediately inform us of such pledge or charge together with the number of such Shares or securities of our Company so pledged or charged; and
- (ii) when it/he/she receives indications, either verbal or written, from any pledgee or chargee that any of the pledged or charged Shares or securities or interests in any securities of our Company will be disposed of, immediately inform us of such indications.

Our Company agrees and undertakes to the Stock Exchange that upon receiving such information in writing from any of our Controlling Shareholders, we shall, as soon as practicable, notify the Stock Exchange and make appropriate disclosures in relation to such information by way of an announcement.

### *Pursuant to the Hong Kong Underwriting Agreement*

Each of our Controlling Shareholders has undertaken to each of the Global Coordinator, the Hong Kong Underwriters and our Company that, except as disclosed in the section headed “History, Reorganization and Group Structure — Distribution in Specie and transfers and arrangements in relation to GBHL” of this prospectus and pursuant to the Capitalization Issue, the Global Offering, the Stock Borrowing Agreement and the exercise of the Over-allotment Option, it will not and will procure that none of its associates or companies controlled by it or any nominee or trustee holding in trust for it will, without the prior written consent of the Global Coordinator and unless in compliance with the requirements of the Listing Rules:

- (1) during the First Six-Month Period:
  - (i) it/he/she will not offer, pledge, charge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant or agree to grant any option, right or warrant to purchase or subscribe for, lend or otherwise transfer or dispose of, either

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## UNDERWRITING

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directly or indirectly, conditionally or unconditionally, any share capital or other securities of our Company or any interest therein (including, but not limited to any securities that are convertible into or exchangeable for, or that represent the right to receive, any such capital or securities or any interest therein); or

- (ii) it/he/she will not enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any such capital or securities or any interest therein; or
- (iii) it/he/she will not publicly disclose that it/he/she or our Company will or may enter into any transaction described in paragraphs (i) or (ii) above,

whether any such transaction described in paragraphs (i) or (ii) above is to be settled by delivery of such capital or securities, in cash or otherwise;

- (2) during the Second Six-Month Period, it/he/she will not enter into any of the foregoing transactions in paragraphs (1)(i) or (ii) above or agree or contract to or publicly announce any intention to enter into any such transactions if, immediately following such transfer or disposal, any Controlling Shareholder will cease to be a controlling shareholder of our Company; and
- (3) until the expiry of the Second Six-Month Period, in the event that it/he/she enters into any such transaction or agrees or contracts to or publicly announces an intention to enter into any such transaction, it/he/she will take all reasonable steps to ensure that it/he/she will not create a disorderly or false market in the securities of our Company.

Each of our Controlling Shareholders has further undertaken to each of the Global Coordinator, the Hong Kong Underwriters and our Company that, within the period commencing from the date of the Hong Kong Underwriting Agreement up to and including the date falling 12 months from the Listing Date:

- (1) if and when it/he/she pledges or charges any securities or interests in the securities of our Company beneficially owned by it/him/her, it/he/she will immediately inform our Company and the Global Coordinator in writing of such pledge or charge together with the number of securities so pledged or charged; and
- (2) if and when it/he/she receives indications, either verbal or written, from any pledgee or chargee that any of the pledged or charged securities or interests in the securities of our Company will be disposed of, it/he/she will immediately inform our Company and the Global Coordinator in writing of such indications.

Our Company has agreed and undertaken to each of the Global Coordinator and the Hong Kong Underwriters that upon receiving such information in writing from any of our Controlling Shareholders, our Company shall, as soon as practicable, notify the Stock Exchange and make appropriate disclosures in relation to such information by way of an announcement.

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## UNDERWRITING

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**(d) Underwriting Commission and Listing Expenses**

The Hong Kong Underwriters will receive a commission of 3.5% of the aggregate Offer Price of all the Hong Kong Offer Shares, out of which they will pay any sub-underwriting commission.

The aggregate commissions, together with Stock Exchange listing fees, SFC transaction levy and Stock Exchange trading fee together with any applicable fees relating to the Global Offering are payable and borne by us and the Selling Shareholder (and if the Over-Allotment Option is exercised, CRF Enterprise) in proportion to the number of new Shares to be issued by us and the number of Sale Shares to be sold by the Selling Shareholder and the additional existing Shares to be sold by CRF Enterprise.

In addition, we, the Selling Shareholder and CRF Enterprise may, at our sole discretion, pay the Global Coordinator an additional incentive fee for all the Shares offered and sold in the Global Offering respectively.

**(e) Underwriters' Interests in our Company**

Save for its obligations under the relevant Underwriting Agreement(s) or as otherwise disclosed in this prospectus, none of the Underwriters owns any Shares or securities in our Company or any other member of our Group or has any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for shares or securities in our Company or any member of our Group.

**(f) Sponsor's independence**

The Sponsor satisfies the independence criteria applicable to sponsors as set out in Rule 3A.07 of the Listing Rules.

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## STRUCTURE OF THE GLOBAL OFFERING

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### OFFER PRICE AND PRICE PAYABLE ON APPLICATION

The Offer Price will not be more than HK\$4.90 per Offer Share and is expected to be not less than HK\$3.70 per Offer Share. Applicants under the Public Offer should pay, on application, the maximum price of HK\$4.90 per Share plus 1.0% brokerage fee, 0.003% SFC transaction levy and 0.005% Stock Exchange trading fee amounting to a total of HK\$4,949.40 for one board lot of 1,000 Shares.

If the Offer Price, as finally determined in the manner described below, is lower than HK\$4.90, being the maximum price, we will refund the respective difference (including the brokerage fee, the SFC transaction levy and the Stock Exchange trading fee attributable to the surplus application monies) to successful applicants, without interest. Further details are set out in “How to Apply for Hong Kong Offer Shares.”

### DETERMINING THE OFFER PRICE

The Offer Price is expected to be determined by agreement between the Global Coordinator (for itself and on behalf of the Underwriters) and us (for ourselves and on behalf of the Selling Shareholder) on or before the Price Determination Date, when market demand for the Offer Shares will be determined. The Price Determination Date is expected to be on or around November 17, 2010 and in any event, no later than November 23, 2010.

The Offer Price will not be more than HK\$4.90 per Offer Share and is expected to be not less than HK\$3.70 per Offer Share. The Offer Price will be determined within the Offer Price range as stated in this prospectus unless otherwise announced, as further explained below, not later than the morning of the last day for lodging applications under the Public Offer. Prospective investors should be aware that the Offer Price to be determined on the Price Determination Date may be, but is not expected to be, lower than the indicative Offer Price range stated in this prospectus.

The Global Coordinator, on behalf of the Underwriters, may, where considered appropriate, based on the level of interest expressed by prospective professional, institutional, corporate and other investors during the book-building process, and with our consent and the consent of the Selling Shareholder, reduce the number of Offer Shares and/or the indicative Offer Price range below that stated in this prospectus at any time prior to the morning of the last day for lodging applications under the Public Offer. In such a case, we will, as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the last day for lodging applications under the Public Offer, cause to be published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) notices of the reduction in the number of Offer Shares and/or the indicative Offer Price range. Upon issue of such a notice, the revised number of Offer Shares and/or Offer Price range will be final and conclusive and the Offer Price, if agreed upon with us (for ourselves and on behalf of the Selling Shareholder), will be fixed within such revised Offer Price range. Such notice will also include confirmation or revision, as appropriate, of the working capital statement, the forecasts for the year ending December 31, 2010, the offer statistics as currently set out in “Summary,” and any other financial information which may change materially as a result of such reduction.

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## STRUCTURE OF THE GLOBAL OFFERING

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**If applications for Hong Kong Offer Shares have been submitted prior to the last day for lodging application under the Public Offer, then even if the number of Offer Shares and/or the Offer Price range is so reduced, such applications cannot be withdrawn subsequently.**

In the absence of any notice being published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) of a reduction in the number of Offer Shares and/or the indicative Offer Price range stated in this prospectus on or before the morning of the last day for lodging applications under the Public Offer, the number of Offer Shares and/or the Offer Price, if agreed by us (for ourselves and on behalf of the Selling Shareholder), will under no circumstances be fewer than the number of Offer Shares or be set outside the Offer Price range as stated in this prospectus.

**If we (for ourselves and on behalf of the Selling Shareholder) are unable to reach agreement with the Global Coordinator (for itself and on behalf of the Underwriters) on the Offer Price on or around November 17 2010, being the Price Determination Date, the Global Offering will not become unconditional and will lapse immediately.**

We expect to publish an announcement of the Offer Price, together with the level of interest in the International Offer and the results of application and basis of allotment of the Hong Kong Offer Shares, on November 23, 2010.

### THE GLOBAL OFFERING

This prospectus is published in connection with the Public Offer as part of the Global Offering. The Global Offering comprises the Public Offer and the International Offer. We and the Selling Shareholder intend to make available initially up to 300,000,000 Shares under the Global Offering (assuming the Over-allotment Option is not exercised), of which 270,000,000 Shares will initially be conditionally placed pursuant to the International Offer and the remaining 30,000,000 Shares will initially be offered to the public in Hong Kong at the Offer Price under the Public Offer (subject, in each case, to reallocation on the basis described below under “Structure of the Global Offering — The Public Offer”). We and the Selling Shareholder will conditionally place our Shares in the International Offer with professional, institutional, corporate and other investors whom we anticipate to have a sizeable demand for the Shares in Hong Kong and other jurisdictions outside the United States to non-U.S. persons, in reliance on Regulation S, and in the United States with QIBs in reliance on Rule 144A.

Investors may apply for our Offer Shares under the Public Offer or indicate an interest, if qualified to do so, for our Offer Shares under the International Offer, but may not do both. The Public Offer is open to members of the public in Hong Kong as well as to institutional and professional investors in Hong Kong. The International Offer will involve selective marketing of our Shares to professional, institutional, corporate and other investors anticipated to have a sizeable demand for such Shares. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities which regularly invest in shares and other securities. Prospective professional, institutional, corporate and other investors will be required to specify the number of our Shares under the International Offer they would be prepared to acquire either at different prices or at a particular price. This process, known as “book-building,” is expected to continue up to the Price Determination Date.

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## STRUCTURE OF THE GLOBAL OFFERING

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Allocation of our Shares pursuant to the International Offer will be determined by the Global Coordinator and will be based on a number of factors including the level and timing of demand, total size of the relevant investor's invested assets or equity assets in the relevant sector and whether or not it is expected that the relevant investor is likely to buy further, and/or hold or sell, Shares, after the Listing. Such allocation is intended to result in a distribution of Shares on a basis which would lead to the establishment of a solid professional and institutional shareholder base to the benefit of our Company and our shareholders as a whole.

Allocation of Hong Kong Offer Shares to investors under the Public Offer will be based solely on the level of valid applications received under the Public Offer. The basis of allocation may vary, depending on the number of Hong Kong Offer Shares validly applied for by applicants, although the allocation of Hong Kong Offer Shares could, where appropriate, consist of balloting, which would mean that some applicants may receive a higher allocation than others who have applied for the same number of Hong Kong Offer Shares, and those applicants who are not successful in the ballot may not receive any Hong Kong Offer Shares.

In connection with the Global Offering, CRF Enterprise intends to grant the Over-allotment Option to the International Underwriters pursuant to the International Underwriting Agreement, exercisable by the Global Coordinator on behalf of the International Underwriters. The Over-allotment Option gives the Global Coordinator the right exercisable at any time from the date of the International Underwriting Agreement up to the thirtieth day from the last day for the lodging of applications under the Public Offer to require CRF Enterprise to sell up to an aggregate of 45,000,000 existing Shares, representing 15% of the initial size of the Global Offering at the Offer Price solely to cover over-allocations in the International Offer, if any. The Global Coordinator may also cover such over-allocations by purchasing the Offer Shares in the secondary market or by a combination of purchases in the secondary market and a partial exercise of the Over-allotment Option. Any such secondary market purchase will be made in compliance with all applicable laws, rules and regulations. In the event that the Over-allotment Option is exercised, a press announcement will be made. Further details are set out in "Structure of the Global Offering — The Over-allotment Option."

The Public Offer is fully underwritten by the Hong Kong Underwriters and the International Offer is expected to be fully underwritten by the International Underwriters in each case on a several basis, each being subject to the conditions set out under "Structure of the Global Offering — Conditions of the Public Offer". We entered into the Hong Kong Underwriting Agreement on November 10, 2010 and, subject to an agreement on the Offer Price between us (for ourselves and on behalf of the Selling Shareholder) and the Global Coordinator (for itself and on behalf of the Underwriters), we expect to enter into the International Underwriting Agreement on November 17, 2010. The Hong Kong Underwriting Agreement and the International Underwriting Agreement are expected to be conditional upon each other.

### THE PUBLIC OFFER

The Public Offer is a fully underwritten public offer (subject to agreement as to pricing and satisfaction or waiver of the other conditions set out in the Hong Kong Underwriting Agreement) for the subscription in Hong Kong of, initially, 30,000,000 Shares at the Offer Price (representing 10% of the total number of Shares initially available under the Global Offering). Subject to the reallocation of Shares between the International Offer and the Public Offer, the Hong Kong Offer Shares will represent 3% of our Company's enlarged issued share capital immediately after completion of the Capitalization Issue and the Global Offering.

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## STRUCTURE OF THE GLOBAL OFFERING

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The total number of our Offer Shares available under the Public Offer (after taking into account any adjustment in the number of Offer Shares allocated between the Public Offer and the International Offer) is to be divided into two pools for allocation purposes (subject to adjustment of odd lot size): pool A and pool B. The Offer Shares in pool A will be allocated on an equitable basis to applicants who have applied for Hong Kong Offer Shares with an aggregate subscription price of HK\$5 million (excluding the brokerage, the SFC transaction levy and the Stock Exchange trading fee payable) or less. The Offer Shares in pool B will be allocated on an equitable basis to applicants who have applied for the Offer Shares with an aggregate subscription price of more than HK\$5 million (excluding the brokerage, the SFC transaction levy and the Stock Exchange trading fee payable) and up to the total value of pool B. Applicants should be aware that applications in pool A and in pool B may receive different allocation ratios. If the Offer Shares in one (but not both) of the pools are undersubscribed, the surplus Offer Shares will be transferred to the other pool to satisfy demand in that pool and be allocated accordingly. Applicants can only receive an allocation of the Offer Shares from either pool A or pool B but not from both pools. Multiple or suspected multiple applications within pool A or pool B, and between the two pools, and any application for more than 15,000,000 Offer Shares (being 50% of the 30,000,000 Hong Kong Offer Shares initially available under the Public Offer) will be rejected. Each applicant under the Public Offer will also be required to give an undertaking and confirmation in the Application Form submitted by him that he and any person(s) for whose benefit he is making the application have not indicated an interest for or taken up and will not indicate an interest for or take up any Offer Shares under the International Offer, and such applicant's application will be rejected if the said undertaking and/or confirmation is breached and/or untrue (as the case may be).

The Offer Shares to be offered in the Public Offer and the International Offer may, in certain circumstances, be reallocated as between these offerings at the sole discretion of the Global Coordinator.

The allocation of the Offer Shares between the Public Offer and the International Offer is subject to adjustment. If the number of Shares validly applied for under the Public Offer represents 15 times or more but less than 50 times the number of Shares initially available for subscription under the Public Offer, then Offer Shares will be reallocated to the Public Offer from the International Offer, so that the total number of Offer Shares available under the Public Offer will be 90,000,000 Offer Shares, representing 30% of the Offer Shares initially available under the Global Offering. If the number of Offer Shares validly applied for under the Public Offer represents 50 times or more but less than 100 times the number of Offer Shares initially available for subscription under the Public Offer, then the number of Offer Shares to be reallocated to the Public Offer from the International Offer will be increased so that the total number of Offer Shares available under the Public Offer will be 120,000,000 Shares, representing 40% of the Offer Shares initially available under the Global Offering. If the number of Shares validly applied for under the Public Offer represents 100 times or more the number of Shares initially available for subscription under the Public Offer, then the number of Offer Shares to be reallocated to the Public Offer from the International Offer will be increased, so that the total number of Offer Shares available under the Public Offer will be 150,000,000 Offer Shares, representing 50% of the Offer Shares initially available under the Global Offering. In each such case, the additional Shares reallocated to the Public Offer will be allocated equally (subject to adjustment of odd lot size) between pool A and pool B and the number of Offer Shares allocated to the International Offer will be correspondingly reduced, in such manner as the Global Coordinator deems appropriate.



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## STRUCTURE OF THE GLOBAL OFFERING

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In addition, if the Public Offer is not fully subscribed, the Global Coordinator will have the discretion (but shall not be under any obligation) to reallocate to the International Offer all or any unsubscribed Hong Kong Offer Shares in such proportion and amounts as they deem appropriate. Conversely, the Global Coordinator may at its discretion reallocate Offer Shares from the International Offer to the Public Offer to satisfy valid applications under the Public Offer.

References in this prospectus to applications, Application Forms, application or subscription monies or the procedure for application relate solely to the Public Offer.

### CONDITIONS OF THE PUBLIC OFFER

Acceptance of all applications for the Offer Shares pursuant to the Public Offer will be conditional on:

- (a) the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, our Shares to be issued pursuant to the Public Offer, including the additional existing Shares which may be issued under the Over-allotment Option, subject only to allotment, and such listing and permission not subsequently having been revoked prior to the commencement of dealings in our Shares on the Stock Exchange;
- (b) the Offer Price having been duly agreed between us (for ourselves and on behalf of the Selling Shareholder) and the Global Coordinator (for itself and on behalf of the Underwriters);
- (c) the execution and delivery of the International Underwriting Agreement on or around the Price Determination Date; and
- (d) the obligations of the Underwriters under each of the respective Underwriting Agreements becoming and remaining unconditional (including, if relevant, as a result of the waiver of any conditions by the Global Coordinator, on behalf of the Underwriters) and such obligations not being terminated in accordance with the terms of the respective Underwriting Agreements,

in each case, on or before the dates and times specified in the respective Underwriting Agreements (unless and to the extent such conditions are validly waived on or before such dates and times) and in any event not later than December 11, 2010, which is 30 days after the date of this prospectus.

The consummation of the Public Offer is conditional upon, among other things, the International Offer and the Public Offer becoming unconditional and not having been terminated in accordance with their respective terms.

If the above conditions are not fulfilled or waived prior to the times and dates specified, the Global Offering will lapse and we will notify the Stock Exchange immediately. We will publish or cause to be published a notice of the lapse of the Public Offer in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) on the next day following such lapse.



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## STRUCTURE OF THE GLOBAL OFFERING

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In case the Public Offer lapses, we will return all application monies to the applicants, without interest and on the terms set out under “How to Apply for Hong Kong Offer Shares.” In the meantime, we will hold all application monies in a separate bank account or separate bank accounts with the receiving banker(s) or other bank(s) licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) (as amended).

### THE INTERNATIONAL OFFER

The number of Offer Shares to be initially offered for subscription or purchase under the International Offer will be 171,000,000 Offer Shares to be offered by us and 99,000,000 Shares to be offered by the Selling Shareholder, together representing 90% of the Offer Shares initially available under the Global Offering. The International Offer is subject to the Public Offer being unconditional.

Pursuant to the International Offer, the International Offer Shares will be conditionally placed by the International Underwriters, or through selling agents appointed by them, with professional, institutional, corporate and other investors anticipated to have a sizeable demand for Shares in Hong Kong and other jurisdictions outside the United States in reliance on Regulation S and in the United States with QIBs in reliance on Rule 144A.

The Global Coordinator (on behalf of the Underwriters) may require any investor who has been offered Offer Shares under the International Offer, and who has made an application under the Public Offer to provide sufficient information to the Global Coordinator so as to allow it to identify the relevant applications under the Public Offer and to ensure that such investor is excluded from any application of the Offer Shares under the Public Offer.

### THE OVER-ALLOTMENT OPTION

In connection with the Global Offering, CRF Enterprise intends to grant the Over-allotment Option to the Global Coordinator on behalf of the International Underwriters. The Over-allotment Option gives the Global Coordinator the right exercisable at any time from the date of the International Underwriting Agreement until 30 days from the last day for the lodging of applications under the Public Offer to require CRF Enterprise to sell up to an aggregate of 45,000,000 existing Shares, representing in aggregate 15% of the initial size of the Global Offering at the Offer Price solely to cover over-allocations in the International Offer, if any. The Global Coordinator may also cover such over-allocations by purchasing Shares in the secondary market or by a combination of purchase in the secondary market and a partial exercise of the Over-allotment Option. Any such secondary market purchase will be made in compliance with all applicable laws, rules and regulations. If the Global Coordinator exercises the Over-allotment Option in full, the additional existing Shares will represent approximately 4.5% of our enlarged share capital following the completion of the Global Offering. In the event that the Over-allotment Option is exercised, a press announcement will be made.

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## STRUCTURE OF THE GLOBAL OFFERING

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In order to facilitate settlement of over-allocations in connection with the International Offer, CRF Enterprise and the Stabilizing Manager, have entered into or will enter into the Stock Borrowing Agreement. Under the Stock Borrowing Agreement, CRF Enterprise, one of our controlling shareholders, will agree with the Stabilizing Manager, that if requested by the Stabilizing Manager, it will subject to the terms of the Stock Borrowing Agreement, make available to the Stabilizing Manager up to 45,000,000 Shares held by CRF Enterprise, by way of stock lending, in order to cover over-allocations in connection with the International Offer.

The Stock Borrowing Agreement, in compliance with Rule 10.07(3) of the Listing Rules, provides that such stock borrowing arrangement will only be effected by the Stabilizing Manager for the purpose of settling over-allocations of Shares in connection with the International Offer and covering any short position prior to the exercise of the Over-allotment Option. The maximum number of shares to be borrowed from CRF Enterprise under the Stock Borrowing Agreement will be limited to the maximum number of Shares which may be issued upon exercise of the Over-allotment Option. The same number of Shares so borrowed is to be returned to CRF Enterprise or its nominees, as the case may be, not later than the third business day following the earlier of (i) the day on which the Over-allotment Option is exercised in full, or (ii) the last day on which the Over-allotment Option may be exercised by the Stabilizing Manager. The stock borrowing arrangement under the Stock Borrowing Agreement will be effected in compliance with all applicable laws, rules and regulatory requirements. No payments or other benefits will be made to CRF Enterprise by the Stabilizing Manager or any of the International Underwriters in relation to such stock borrowing arrangement.

### STABILIZING ACTION

Stabilization is a practice used by underwriters in some markets to facilitate the distribution of securities. To stabilize, the underwriters may bid for, or purchase, the newly issued securities in the secondary market, during a specified period of time, to minimize and, if possible, prevent a decline in the initial public offer prices. In Hong Kong and certain other jurisdictions, the price at which stabilization is effected is not permitted to exceed the Offer Price.

In connection with the Global Offering, the Stabilizing Manager, or any person acting for it, on behalf of the Underwriters, may over-allocate or any effect transactions with a view to stabilizing or maintaining the market price of our Shares at a level higher than that which might otherwise prevail in the open market for a limited period commencing after the last day of the lodging of applications under the Public Offer. Such transactions may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulatory requirements. However, there is no obligation on the Stabilizing Manager or any person acting for it to conduct any stabilizing activity. Such stabilization, if commenced, will be conducted at the absolute discretion of the Stabilizing Manager or any person acting for it and may be discontinued at any time, and must be brought to an end within 30 days of the last day for the lodging of applications under the Public Offer. The number of Shares that may be over-allocated will not be greater than the number of Shares which may be sold upon exercise of the Over-allotment Option, being 45,000,000 existing Shares, which is approximately 15% of the Shares initially available under the Global Offering.

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## STRUCTURE OF THE GLOBAL OFFERING

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The Stabilizing Manager or any person acting for it may take all or any of the following stabilizing actions in Hong Kong during the stabilization period:

- (i) purchase, or agree to purchase, any of our Shares or offer or attempt to do so for the sole purpose of preventing or minimizing any reduction in the market price of our Shares; and/or
- (ii) in connection with any action described in paragraph (i) above:
  - (A) (1) over-allocate our Shares; or
  - (2) sell or agree to sell our Shares so as to establish a short position in them, for the sole purpose of preventing or minimizing any reduction in the market price of our Shares;
  - (B) stock borrowing;
  - (C) exercise the Over-allotment Option and purchase or subscribe for or agree to purchase or subscribe for our Shares in order to close out any position established under paragraph (A) above;
  - (D) sell or agree to sell any of our Shares acquired by it in the course of the stabilizing action referred to in paragraph (i) above in order to liquidate any position that has been established by such action; and/or
  - (E) offer or attempt to do anything as described in paragraph (ii)(A)(2), (ii)(B), (ii)(C) or (ii)(D) above.

The Stabilizing Manager, or any person acting for it, may, in connection with the stabilizing action, maintain a long position in the Shares, and there is no certainty as to the extent to which and the time period for which it will maintain such a position. Investors should be warned of the possible impact of any liquidation of the long position by the Stabilizing Manager or any person acting for it, which may include a decline in the market price of our Shares.

Stabilization cannot be used to support the price of our Shares for longer than the stabilization period, which begins on the day on which dealings in our Shares commence on the Stock Exchange and ends on the thirtieth day after the last day for the lodging of applications under the Public Offer. The stabilization period is expected to expire on December 16, 2010. After this date, when no further stabilizing action may be taken, demand for our Shares, and therefore their market price, could fall. A public announcement will be made within seven days after the end of the stabilizing period in accordance with the Securities and Futures (Price Stabilizing) Rules of the SFO.

Any stabilizing action taken by the Stabilizing Manager, or any person acting for it, may not necessarily result in the market price of our Shares staying at or above the Offer Price either during or after the stabilization period. Stabilization bids or market purchases effected in the course of the stabilizing action may be made at any price at or below the Offer Price and can therefore be done at a price below the price investors have paid in acquiring our Shares.

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## **STRUCTURE OF THE GLOBAL OFFERING**

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### **DEALING**

Assuming that the Public Offer becomes unconditional at or before 8:00 a.m. in Hong Kong on Wednesday, November 24, 2010, it is expected that dealings in the Shares on the Stock Exchange will commence at 9:30 a.m. on Wednesday, November 24, 2010. The Shares will be traded on the Main Board in board lots size of 1,000 Shares each.

### **UNDERWRITING ARRANGEMENTS**

The Public Offer is fully underwritten by the Hong Kong Underwriters under the terms of the Hong Kong Underwriting Agreement, subject to agreement on the Offer Price between the Global Coordinator (on behalf of the Hong Kong Underwriters) and us (for ourselves and on behalf of the Selling Shareholder) on the Price Determination Date and subject to the other conditions set out in the paragraph headed “Conditions of the Public Offer” above.

We expect shortly after determination of the Offer Price on the Price Determination Date, to enter into the International Underwriting Agreement relating to the International Offer.

**UNDERWRITING ARRANGEMENTS, THE HONG KONG UNDERWRITING AGREEMENT AND THE INTERNATIONAL UNDERWRITING AGREEMENT ARE SUMMARIZED IN THE SECTION HEADED “UNDERWRITING” IN THIS PROSPECTUS.**

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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There are three channels to make an application for the Hong Kong Offer Shares. You may:

- (i) use a **white** or **yellow** Application Form;
- (ii) give **electronic application instruction** to HKSCC to cause HKSCC Nominees to apply for the Hong Kong Offer Shares on your behalf;
- (iii) apply online through the designated website of the White Form eIPO Service Provider, referred to in this prospectus as the **White Form eIPO** service ([www.eipo.com.hk](http://www.eipo.com.hk)).

Except where you are a nominee and provide the required information in your application, you or your joint applicant(s) may not make more than one application (whether individually or jointly) by applying on a **white** or **yellow** Application Form or applying online through **White Form eIPO** service or by giving **electronic application instructions** to HKSCC.

### HOW TO APPLY FOR HONG KONG OFFER SHARES

#### WHO CAN APPLY FOR HONG KONG OFFER SHARES

You can apply for the Hong Kong Offer Shares available for subscription by the public on a **white** or **yellow** Application Form if you, and any person(s) for whose benefit you are applying, if any, are an individual, and:

- are 18 years of age or older;
- have a Hong Kong address;
- are not within the United States (within the meaning of Regulation S) or are a person described in paragraph h(3) of Rule 902 of Regulation S; and
- are not a legal or natural person of the PRC (except qualified domestic institutional investors).

If you wish to apply for Hong Kong Offer Shares online through the **White Form eIPO** service, in addition to the above you must also:

- have a valid Hong Kong identity card number; and
- be willing to provide a valid e-mail address and a contact telephone number.

If the applicant is a firm, the application must be in the names of the individual members, not the firm's name. If the applicant is a body corporate, the application form must be signed by a duly authorized officer, who must state his or her representative capacity.

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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If an application is made by a person duly authorized under a valid power of attorney, the Company and the Global Coordinator, as the Company's agents, may accept it at their discretion, and subject to any conditions they think fit, including production of evidence of the authority of the attorney. The Company and the Global Coordinator, as the Company's agents, will have full discretion to reject or accept any application, in full or in part, without giving any reason.

The number of joint applicants may not exceed four.

You may only apply by means of the **White Form eIPO service if you are an individual applicant. Corporations or joint applicants may not apply by means of White Form eIPO.**

The Company, the Global Coordinator, the White Form eIPO Service Provider (where applicable) and their respective agents have full discretion to reject or accept any application, in full or in part, without giving any reason.

The Hong Kong Offer Shares are not available to the existing beneficial owner of Shares, the Directors or chief executive or their respective associates or any other connected persons of the Company or persons who will become the Company's connected persons immediately upon completion of the Global Offering or are within the United States (within the meaning of Regulation S) (other than a person described in paragraph h(3) of Rule 902 of Regulation S) or persons who do not have a Hong Kong address or legal or natural persons of the PRC (except qualified domestic institutional investors).

### 1. Applying By Using An Application Form

#### Which Application Form to Use

Use a **white** Application Form if you want the Hong Kong Offer Shares issued in your own name.

Use a **yellow** Application Form if you want the Hong Kong Offer Shares issued in the name of HKSCC Nominees and deposited directly into CCASS for credit to your CCASS Investor Participant stock account or your designated CCASS Participant's stock account.

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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### WHERE TO COLLECT APPLICATION FORMS

You can collect a **white** Application Form and a prospectus during normal business hours from 9:00 a.m. on Thursday, November 11, 2010 until 12:00 noon on Tuesday, November 16, 2010 from:

any of the Hong Kong Underwriters located at the following addresses:

Morgan Stanley Asia Limited  
Level 46  
International Commerce Centre  
1 Austin Road West  
Kowloon  
Hong Kong

Fubon Capital (HK) Limited  
17/F Central Tower  
28 Queen's Road Central  
Hong Kong

First Shanghai Securities Limited  
19th Floor, Wing On House  
71 Des Voeux Road Central  
Hong Kong

Haitong International Securities Company Limited  
25th Floor, New World Tower  
16-18 Queen's Road Central  
Hong Kong

or any of the following branches of the following receiving bankers for the Public Offer:

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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(i) Standard Chartered Bank (Hong Kong) Limited

	<b>Branch Name</b>	<b>Address</b>
Hong Kong Island:	Des Voeux Road Branch	Standard Chartered Bank Building, 4-4A, Des Voeux Road Central, Central
	Quarry Bay Branch	G/F, Westlands Gardens, 1027 King's Road, Quarry Bay
	Causeway Bay Branch	G/F, Yee Wah Mansion, 38-40A Yee Wo Street, Causeway Bay
Kowloon:	Kwun Tong Branch	1A Yue Man Square, Kwun Tong
	Tsimshatsui Branch	G/F, 10 Granville Road, Tsimshatsui
New Territories:	Metroplaza Branch	Shop No. 175 - 176, Level 1, Metroplaza, 223 Hing Fong Road, Kwai Chung
	Tai Po Branch	23 & 25 Kwong Fuk Road, Tai Po Market, Tai Po

(ii) Wing Lung Bank Limited

	<b>Branch Name</b>	<b>Address</b>
Hong Kong Island:	Head Office	45 Des Voeux Road Central
	North Point Branch	361 King's Road
Kowloon:	Mongkok Branch	B/F Bank Centre, 636 Nathan Road
New Territories:	Shatin Plaza Branch	21 Shatin Centre Street

(iii) Hang Seng Bank Limited

	<b>Branch Name</b>	<b>Address</b>
Hong Kong Island:	Head Office	83 Des Voeux Road Central
	Quarry Bay Branch	989 King's Road
	Causeway Bay Branch	28 Yee Wo Street
Kowloon:	Tsimshatsui Branch	18 Carnarvon Road
	Kowloon Main Branch	618 Nathan Road
New Territories:	Shatin Branch	Shop 18 Lucky Plaza, Wang Pok Street, Shatin
	Tsuen Wan Branch	289 Sha Tsui Road, Tsuen Wan



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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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This prospectus and **white** Application Forms will be available for collection at the above places mentioned locations during the following times:

**Thursday, November 11, 2010 — 9:00 a.m. to 5:00 p.m.**

**Friday, November 12, 2010 — 9:00 a.m. to 5:00 p.m.**

**Saturday, November 13, 2010 — 9:00 a.m. to 1:00 p.m.**

**Monday, November 15, 2010 — 9:00 a.m. to 5:00 p.m.**

**Tuesday, November 16, 2010 — 9:00 a.m. to 12:00 noon**

You can collect a **yellow** Application Form and a prospectus during normal business hours from 9:00 a.m. on Thursday, November 11, 2010 until 12:00 noon on Tuesday, November 16, 2010 from:

- the Depository Counter of the HKSCC located at 2nd Floor, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong; or
- your stockbroker, who may have such Application Forms and this prospectus available.

### HOW TO COMPLETE APPLICATION FORMS

There are detailed instructions on each Application Form. You should read these instructions carefully. If you do not follow the instructions, your application may be rejected and returned to you by ordinary post together with the accompanying check or banker's cashier order (or the first-named applicant in the case of joint applicants) at your own risk to the address stated on the Application Form.

If your application is made through a duly authorized attorney, we and the Global Coordinator will have discretion to accept it, subject to any conditions we think fit, including evidence of authority of your attorney. We and the Global Coordinator in the capacity as our agent, will have full discretion to reject or accept any application, in full or in parts without assigning any reason.

### MINIMUM SUBSCRIPTION AMOUNT AND PERMITTED NUMBERS

You may use the Application Forms to subscribe for a minimum of 1,000 Hong Kong Offer Shares or for one of the numbers set forth in the table on the Application Forms. You may give, if you are a CCASS Investor Participant, or cause your broker or custodian, who is a CCASS Clearing Participant or a CCASS Custodian Participant, to give **electronic application instructions** for a minimum of 1,000 Hong Kong Offer Shares. Such instructions in respect of more than 1,000 Hong Kong Offer Shares must be in one of the numbers set forth in the table in the Application Forms.

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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### HOW MANY APPLICATIONS YOU MAY MAKE

You may make one application for our Hong Kong Offer Shares. You may, however, make more than one application for Hong Kong Offer Shares only if you are a nominee, in which case you may give **electronic application instructions** to HKSCC (if you are a CCASS Participant) and lodge more than one Application Form in your own name on behalf of different beneficial owners. In the box on the Application Form marked “For nominees” you must include:

- an account number, or
- some other identification code,

for each beneficial owner (or in the case of joint beneficial owners, for each such beneficial owner).

If the above mentioned information is not provided, the application will be treated as being made for your benefit. In such case, multiple applications are not permitted.

**Otherwise, multiple applications are not allowed and will be rejected.**

### 2. Applying by giving electronic application instructions to HKSCC

If you have made an application by giving **electronic application instructions** to HKSCC and you are suspected of having made multiple applications or if more than one application is made for your benefit, the number of Hong Kong Offer Shares applied for by HKSCC Nominees will be automatically reduced by the number of Hong Kong Offer Shares in respect of which you have given such instructions and/or in respect of which such instructions have been given for your benefit. Any **electronic application instructions** to make an application for the Hong Kong Offer Shares given by you or for your benefit to HKSCC shall be deemed to be an actual application for the purposes of considering whether multiple applications have been made. No application for any other number of Hong Kong Offer Shares will be considered and any such application is liable to be rejected.

### 3. Applying through White Form eIPO

If you apply by means of the **White Form eIPO**, once you complete payment in respect of any electronic application instruction given by you or for your benefit to the White Form eIPO Service Provider to make an application for Hong Kong Offer Shares, an actual application shall be deemed to have been made. For the avoidance of doubt, giving an electronic application instruction under the **White Form eIPO** more than once and obtaining different application reference numbers without effecting full payment in respect of a particular reference number will not constitute an actual application.

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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If you are suspected of submitting more than one application through the **White Form eIPO** service by giving electronic application instructions through the designated website at [www.eipo.com.hk](http://www.eipo.com.hk) and completing payment in respect of such electronic application instructions, or of submitting one application through the **White Form eIPO** service and one or more applications by any other means, all of your applications are liable to be rejected.

It will be a term and condition of all applications that by completing and delivering a **white** or **yellow** Application Form or submitting an **electronic application instruction**, you:

- (if the application is made for your own benefit) warrant that the application made pursuant to a **white** or **yellow** Application Form or by **electronic application instructions** is the only application which will be made for your benefit on a **white** or **yellow** Application Form or by giving **electronic application instructions** to HKSCC or to the White Form eIPO Service Provider through **White Form eIPO** service;
- (if you are an agent for another person) warrant that reasonable enquiries have been made of that other person that this is the only application which will be made for the benefit of that other person on a **white** or **yellow** Application Form or by giving **electronic application instructions** to HKSCC or to the White Form eIPO Service Provider through **White Form eIPO** service, and that you are duly authorized to sign the Application Form or give **electronic application instructions** as that other person's agent.

Save as referred to above, all of your applications will be rejected as multiple applications if you, or you and your joint applicant(s) together:

- make more than one application (whether individually or jointly) on a **white** or **yellow** Application Form or by giving **electronic application instructions** to HKSCC or to the White Form eIPO Service Provider through **White Form eIPO** service; or
- both apply (whether individually or jointly) on one **white** Application Form and one **yellow** Application Form or on one **white** or **yellow** Application Form and give **electronic application instructions** to HKSCC or to the White Form eIPO Service Provider through **White Form eIPO** service; or
- apply on one **white** or **yellow** Application Form (whether individually or jointly) or by giving **electronic application instructions** to HKSCC or to the White Form eIPO Service Provider through **White Form eIPO** service for more than 15,000,000 Hong Kong Offer Shares (being 50% of the 30,000,000 Hong Kong Offer Shares initially available under the Public Offer; or
- have indicated an interest for or have been or will be placed any of the International Offer Shares under the International Offer.

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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All of your applications will also be rejected as multiple applications if more than one application is made for **your benefit** (including the part of an application made by HKSCC Nominees acting on **electronic application instructions**). If an application is made by an unlisted company and

- the principal business of that company is dealing in securities; and
- you exercise statutory control over that company,

then the application will be treated as being made for your benefit.

“**Unlisted company**” means a company with no equity securities listed on the Stock Exchange.

“**Statutory control**” means you:

- control the composition of the board of directors of the company; or
- control more than half of the voting power of the company; or
- hold more than half of the issued share capital of the company (not counting any part of it which carries no right to participate beyond a specified amount in a distribution of either profits or capital).

### TIME FOR THE PUBLIC TO APPLY FOR THE HONG KONG OFFER SHARES

Your completed **white** or **yellow** Application Forms, together with payment attached, must be lodged by 12:00 noon on Tuesday, November 16, 2010, or, if the application lists are not open on that day due to bad weather, then by 12:00 noon on the next business day when such lists are open as described in “Effect of Bad Weather on the Opening of the Application Lists” below.

Your completed Application Form, with payment attached, should be deposited in the special collection boxes provided at any of the branches of the receiving bankers listed above in “How to Apply for Hong Kong Offer Shares — Where to Collect Application Forms” at the following times:

**Thursday, November, 11, 2010 — 9:00 a.m. to 5:00 p.m.**

**Friday, November, 12, 2010 — 9:00 a.m. to 5:00 p.m.**

**Saturday, November, 13, 2010 — 9:00 a.m. to 1:00 p.m.**

**Monday, November, 15, 2010 — 9:00 a.m. to 5:00 p.m.**

**Tuesday, November, 16, 2010 — 9:00 a.m. to 12:00 noon**

The application lists will open between 11:45 a.m. and 12:00 noon on Tuesday, November 16, 2010.

No proceedings will be taken on applications for our Shares and no allotment of any such Shares will be made until the closing of the application lists.

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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### EFFECT OF BAD WEATHER ON THE OPENING OF THE APPLICATION LISTS

The application lists will not open if there is:

- a tropical cyclone warning signal number 8 or above, or
- a “black” rainstorm warning signal,

in force in Hong Kong at anytime between 9:00 a.m. and 12:00 noon on Tuesday, November 16, 2010. Instead, they will open between 11:45 a.m. and 12:00 noon on the next Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon.

In the event of the above-mentioned tropical cyclone or rainstorm on Tuesday, November 16, 2010, the latest time for lodging your Application Forms and for inputting your electronic application instructions will be postponed accordingly to the next Business Day which does not have either of those warning signals in force in Hong Kong at anytime between 9:00 a.m. and 12:00 noon on such day.

### PUBLICATION OF RESULTS

We expect to publish the Offer Price, the level of indication of interest in the International Offer, the basis of allotment and the results of applications under the Public Offer in the South China Morning Post (in English), the Hong Kong Economic Times (in Chinese), on our website at [www.gbinternational.com.hk](http://www.gbinternational.com.hk) and the website of the Stock Exchange at [www.hkex.com.hk](http://www.hkex.com.hk) on Tuesday, November 23, 2010.

The results of allocations under the Public Offer will be available at the times, dates and the methods specified below by publishing the Hong Kong identity card/passport/Hong Kong business registration numbers of successful applicants:

- results of allocations for the Public Offer will be available from our website at [www.gbinternational.com.hk](http://www.gbinternational.com.hk) and the website of the Stock Exchange at [www.hkex.com.hk](http://www.hkex.com.hk) from 8:00 a.m. on Tuesday, November 23, 2010, and our designated results of allocations website at [www.iporesults.com.hk](http://www.iporesults.com.hk) on a 24-hour basis from 8:00 a.m. on Tuesday, November 23, 2010 to 12:00 midnight on Monday, November 29, 2010. Users of this website will be required to key in the Hong Kong identity card/passport/Hong Kong business registration number provided in his/her/its Application Form to search for his/her/ its own allocation results;
- results of allocations will be available from our Public Offer allocation results telephone enquiry line. Applicants may find out whether or not their applications have been successful and the number of Hong Kong Offer Shares allocated to them, if any, by calling 2862 8669 between 9:00 a.m. and 10:00 p.m. from Tuesday, November 23, 2010 to Friday, November 26, 2010; and
- special allocation results booklets setting out the results of allocations will be available for inspection during opening hours from Tuesday, November 23, 2010 to Thursday, November 25, 2010 at the branches of the receiving bankers whose addresses are set out in the section entitled “How to Apply for Hong Kong Offer Shares — Where to Collect Application Forms” above.

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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### THE PRICE OF THE HONG KONG OFFER SHARES

You must pay the maximum indicative Offer Price of HK\$4.90 per Share, plus 1.0% brokerage fee, 0.005% Stock Exchange trading fee and 0.003% SFC transaction levy, in full when you apply for the Hong Kong Offer Shares. The Application Forms contain tables showing the exact amount payable for certain numbers of Shares up to 15,000,000 Offer Shares. You must pay the amount payable upon application for the Shares by check or banker's cashier order in accordance with the terms contained in the Application Form.

If your application is successful, the brokerage fee will be paid to the participants of the Stock Exchange or the Stock Exchange (as the case may be); the Stock Exchange trading fee will be paid to the Stock Exchange; and the SFC transaction levy will be collected by the Stock Exchange on behalf of the SFC.

### REFUND OF APPLICATION MONIES

If:

- the Offer Price, as finally determined, is less than HK\$4.90 per Share (excluding brokerage fee, SFC transaction levy and Stock Exchange trading fee) that you initially paid upon application;
- if your application is partially unsuccessful;
- if your application is wholly unsuccessful;
- the conditions of the Global Offering are not fulfilled in accordance with the section entitled "Structure of the Global Offering — Conditions of the Public Offer" in this prospectus;
- any application is revoked or any allocation pursuant thereto has become void, we will, in each case, refund the difference per Offer Share and/or your surplus application monies or your application monies, including the 1.0% brokerage fee, 0.005% Stock Exchange trading fee and 0.003% SFC transaction levy that you paid to the extent attributable to the surplus application monies; or
- We will not pay interest on any refunded amount. It is intended that special efforts will be made to avoid any undue delay in refunding application monies where appropriate.

Refund cheques will be crossed "Account Payee Only" made out to you, or if you are joint applicants, to the first-named applicant on your application. Part of your Hong Kong identity card number/passport number, or, if you are joint applicants, part of the Hong Kong identity card number/passport number of the first-named applicant, provided by you may be printed on your refund check, if any. Such data would also be transferred to a third party for refund purposes. Your banker may require verification of your Hong Kong identity card number/passport number before encashment of your refund check. Inaccurate completion of your Hong Kong identity card number/passport number may lead to delay in encashment of or may invalidate your refund check.

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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### DESPATCH/COLLECTION OF SHARE CERTIFICATES/e-REFUND PAYMENT INSTRUCTIONS/ REFUND CHECKS

No temporary documents of title will be issued in respect of our Shares. No receipt will be issued for sums paid on application. Subject to the provisions below relating to personal collection, share certificates and refund checks will be sent to you in due course by ordinary post, at your own risk, to the address specified on your application:

- for applications on **white** Application Forms or through the **White Form eIPO** service ([www.eipo.com.hk](http://www.eipo.com.hk)): (i) share certificate(s) for the Hong Kong Offer Shares you have applied for, if the application is wholly successful; or (ii) share certificate(s) for the number of Hong Kong Offer Shares you have successfully applied for, if the application is partially successful, and/or
- for applications on **white** or **yellow** Application Forms, a refund check or refund checks crossed “Account Payee Only” in favor of the applicant (or, in the case of joint applicants, the first-named applicant) for: (i) the surplus application monies for the Hong Kong Offer Shares unsuccessfully applied for, if the application is partially unsuccessful; or (ii) all the application monies, if the application is wholly unsuccessful; and/or (iii) the difference between the Offer Price and the initial price per Share paid on application in the event that the Offer Price is less than the initial price per Share paid on application, in each case including the related 1.0% brokerage fee, 0.005% Stock Exchange trading fee and 0.003% SFC transaction levy, but without interest.

For wholly successful and partially successful applications on **yellow** Application Forms, share certificates that the applicants have successfully applied for will be deposited into CCASS as described in “How to Apply for Hong Kong Offer Shares — Personal collection for yellow Application Forms” below.

Subject to personal collection mentioned below, refund checks for surplus application monies (if any) in respect of wholly and partially unsuccessful applications under **white** or **yellow** Application Forms or the difference between the Offer Price and the initial price per Share paid on application, in each case including 1.0% brokerage fee, 0.005% Stock Exchange trading fee and 0.003% SFC transaction levy, as well as share certificates for wholly and partially successful applications under **white** Application Forms or through the **White Form eIPO** service ([www.eipo.com.hk](http://www.eipo.com.hk)) are expected to be posted on or around Tuesday, November 23, 2010 or, for applicants who apply by giving **electronic application instructions** to HKSCC, are expected to be credited to your designated bank account or the designated bank account of your broker or custodian on Tuesday, November 23, 2010. No interest will be paid thereon. We reserve the right to retain any share certificates and any surplus application monies pending clearance of your check(s).

Our share certificates for the Offer Shares will only become valid certificates of title at 8:00 a.m. on Listing Date provided that:

- the Global Offering has become unconditional in all respects; and
- neither the Hong Kong Underwriting Agreement nor the International Underwriting Agreement has been terminated in accordance with its terms.



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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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**Personal collection for white Application Forms.** If you have (i) applied for 1,000,000 Hong Kong Offer Shares or more on a **white** Application Form, (ii) indicated your intention in your Application Form to collect your refund check(s) (if applicable) and/or share certificate(s) (if applicable) for Hong Kong Offer Shares from our Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, and (iii) provided all the information required in the Application Form, you may collect (if applicable) refund check(s) and (if applicable) share certificate(s) for Hong Kong Offer Shares from our Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Tuesday, November 23, 2010 or any other date as notified by us in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) as of the date of collection/despatch of share certificates/e-Refund payment instructions/refund checks. If you are an individual and have elected for personal collection, you may not authorize any other person to make the collection on your behalf. If you are a corporate applicant and have elected for personal collection, your authorized representative, bearing a letter of authorization from your corporation stamped with your corporation's chop, must make collection. Both individuals and authorized representatives (if applicable) must produce, at the time of collection, evidence of identity acceptable to our Hong Kong Share Registrar. If you do not collect your refund check(s) and share certificate(s) personally within the time specified for collection, they will be promptly sent by ordinary post to the address on your Application Form and at your own risk.

If you have applied for less than 1,000,000 Hong Kong Offer Shares or if you have applied for 1,000,000 Hong Kong Offer Shares or more, using a **white** Application Form, but have not indicated in your Application Form that you wish to collect your share certificate(s) (if applicable) and/or refund check(s) (if applicable) in person, your share certificate(s) (if applicable) and/or refund check(s) (if applicable) will be sent to the address stated on your Application Form on Tuesday, November 23, 2010 by ordinary post and at your own risk.

**Personal collection for yellow Application Forms.** If you have (i) applied for 1,000,000 Hong Kong Offer Shares or more on a **yellow** Application Form, (ii) indicated your intention in your Application Form to collect your refund check(s) from our Hong Kong Share Registrar, and (iii) provided all information required in your Application Form, you may collect (if applicable) refund check(s) from our Hong Kong Share Registrar in the same way as applicants using white Application Forms as described above.

If you have (i) applied for less than 1,000,000 Hong Kong Offer Shares on a **yellow** Application Form or (ii) applied for 1,000,000 Hong Kong Offer Shares or more but have not indicated in your application that you will collect your refund check(s) (if applicable) in person, it is expected that your refund check(s) (if applicable) will be sent to the address in your Application Form on Tuesday, November 23, 2010 by ordinary post and at your own risk.

If you have applied for Hong Kong Offer Shares using a **yellow** Application Form and your application is wholly or partially successful, your share certificate(s) for Hong Kong Offer Shares you have successfully applied for will be issued in the name of the HKSCC Nominees and deposited directly into CCASS for credit to your CCASS Investor Participant stock account or the stock account of your designated CCASS Participant as instructed by you in your Application Form, on Tuesday, November 23, 2010, or, under contingent situations, on any other date as will be determined by the HKSCC or the HKSCC Nominees.



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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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### **If You Have Applied Through a Designated CCASS Participant under YELLOW Application Form (Other Than a CCASS Investor Participant):**

For Offer Shares credited to the stock account of your designated CCASS Participant (other than CCASS Investor Participant), you can check the number of Offer Shares allotted to you with that CCASS Participant.

### **If You Have Applied as a CCASS Investor Participant under YELLOW Application Form:**

The results of CCASS Investor Participants' applications together with the results of the Public Offer is expected to be made available in the manner described in the subsection above entitled "Publication of Results" on Tuesday, November 23, 2010. You should check the announcement published by us and report any discrepancies to the HKSCC before 5:00 p.m. on Tuesday, November 23, 2010 or any other date the HKSCC or the HKSCC Nominees chooses. Immediately after the credit of the Offer Shares to your stock account, you can check your new account balance via the CCASS Phone System and CCASS Internet System (under the procedures contained in the HKSCC's "An Operating Guide for Investor Participants" in effect from time to time). The HKSCC will also make available to you an activity statement showing the number of Offer Shares credited to your stock account.

**Electronic applications.** If your electronic application is wholly or partially successful, your share certificate(s) will be issued in the name of the HKSCC Nominees and deposited directly into CCASS for the credit of your CCASS Investor Participant stock account or the stock account of the CCASS Participant that you have instructed to give the **electronic application instruction** on your behalf, on Tuesday, November 23, 2010 or, in the event of a contingency, on any other date as shall be determined by the HKSCC or the HKSCC Nominees.

The application results of CCASS Participants (and where the CCASS Participant is a broker or custodian, we will include information relating to the beneficial owner, if supplied), your Hong Kong Identity Card/passport number or other identification code (Hong Kong Business Registration number for corporations) and the basis of allotment of the Public Offer is expected to be made available in the manner described in the subsection above entitled "Publication of Results" on Tuesday, November 23, 2010. You should check the announcement published by us and report any discrepancies to HKSCC before 5:00 p.m. on Tuesday, November 23, 2010 or any other date the HKSCC or the HKSCC Nominees chooses.

If you have applied through a designated CCASS Participant (other than a CCASS Investor Participant) for Hong Kong Offer Shares to be credited to the stock account of your designated CCASS Participant (other than a CCASS Investor Participant), you can check the number of Hong Kong Offer Shares allotted to you and the amount of refund (if any) payable to you with that CCASS Participant.

If you have applied as a CCASS Investor Participant, you can also check the number of Offer Shares allotted to you and the amount of refund (if any) payable to you via the CCASS Phone System and CCASS Internet System on Tuesday, November 23, 2010. Immediately following the credit of the Offer Shares to your stock account and the credit of the refund monies to your bank account, the HKSCC will make available to you an activity statement showing the number of Offer Shares credited to your stock account and the amount of refund money credited to your designated bank account (if any).

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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### **If You Have Applied Through White Form eIPO Service**

If you have applied for 1,000,000 Hong Kong Offer Shares or more through the **White Form eIPO** Service by submitting an electronic application to the designated White Form eIPO Service Provider through the designated website at [www.eipo.com.hk](http://www.eipo.com.hk) and your application is wholly or partially successful, you may collect your share certificate(s) in person from Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Tuesday, November 23, 2010, or such other date as notified by our company in the newspapers as the date of despatch/collection of share certificates/e-Refund payment instructions/refund checks.

If you do not collect your share certificate(s) personally within the time specified for collection, they will be sent to the address specified in your application instructions to the designated White Form eIPO Service Provider promptly thereafter by ordinary post and at your own risk.

If you have applied for less than 1,000,000 Hong Kong Offer Shares, your share certificate(s) will be sent to the address specified in your application instructions to the designated White Form eIPO Service Provider through the designated website at [www.eipo.com.hk](http://www.eipo.com.hk) on Tuesday, November 23, 2010 by ordinary post and at your own risk.

If you have applied through the **White Form eIPO** service by paying the application monies through a single bank account and your application is wholly or partially unsuccessful and/or the Final Offer Price being less than the Offer Price initially paid on your application, e-Refund payment instructions (if any) will be despatched to the application payment account on or around Tuesday, November 23, 2010.

If you have applied through the **White Form eIPO** service by paying the application monies through multiple bank accounts and your application is wholly or partially unsuccessful and/or the Final Offer Price being less than the Offer Price initially paid on your application, refund cheque(s) will be sent to the address specified in your application instructions to the designated White Form eIPO Service Provider on or around Tuesday, November 23, 2010 by ordinary post and at your own risk.

Please also note the additional information relating to the refund of application monies overpaid, application money underpaid or applications rejected by the designated White Form eIPO Service Provider set out in "How to Apply for Hong Kong Offer Shares — How to Apply Using White Form eIPO — Additional Information for Applicants Applying Through White Form eIPO" below.

### **HOW TO APPLY USING WHITE FORM eIPO**

You may apply through **White Form eIPO** by submitting an application through the designated website at [www.eipo.com.hk](http://www.eipo.com.hk). If you apply through **White Form eIPO** the Shares will be issued in your own name. Detailed instructions for application through the **White Form eIPO** Service are set out on the designated website at [www.eipo.com.hk](http://www.eipo.com.hk). You should read these instructions carefully. If you do not follow the instructions, your application may be rejected by the designated White Form eIPO Service Provider and may not be submitted to us.

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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The designated White Form eIPO Service Provider may impose additional terms and conditions upon you for the use of the **White Form eIPO** service. Such terms and conditions are set out on the designated website at [www.eipo.com.hk](http://www.eipo.com.hk). You will be required to read, understand and agree to such terms and conditions, in full, prior to making any application.

By submitting an application to the designated White Form eIPO Service Provider through the **White Form eIPO** Service, you are deemed to have authorized the designated White Form eIPO Service Provider to transfer the details of your application to our Company and our Hong Kong Share Registrar.

You may submit an application through the **White Form eIPO** Service in respect of a minimum of a board lot of 1,000 Hong Kong Offer Shares. Each **electronic application instruction** in respect of more than a board lot of 1,000 Hong Kong Offer Shares must be in one of the numbers set out in the table in the Application Forms, or as otherwise specified on the designated website at [www.eipo.com.hk](http://www.eipo.com.hk).

You should give **electronic application instructions** through **White Form eIPO** at the times set out under this section entitled “Time for Inputting Electronic Application Instructions” below.

You should make payment for your application made by **White Form eIPO** Service in accordance with the methods and instructions set out in the designated website at [www.eipo.com.hk](http://www.eipo.com.hk). If you do not make complete payment of the application monies (including any related fees) on or before 12:00 noon on Tuesday, November 16, 2010, or at such later time as described under this section entitled “Effect of Bad Weather on the Opening of the Application Lists” below, the designated White Form eIPO Service Provider will reject your application and your application monies will be returned to you in the manner described in the designated website at [www.eipo.com.hk](http://www.eipo.com.hk).

**Warning:** The application for Hong Kong Offer Shares through the **White Form eIPO** Service is only a facility provided by the designated White Form eIPO Service Provider to public investors. Our company, our Directors, the Global Coordinator, the Bookrunner, the Sponsor and the Hong Kong Underwriters take no responsibility for such applications, and provide no assurance that applications through the **White Form eIPO** Service will be submitted to us or that you will be allotted any Hong Kong Offer Shares.

### Environmental Protection

The obvious advantage of **White Form eIPO** is to save the use of papers via the self-serviced and electronic application process. Computershare Hong Kong Investor Services Limited, being the designated White Form eIPO Service Provider, will contribute HK\$2 for each “Goodbaby International Holdings Limited **White Form eIPO** application submitted via [www.eipo.com.hk](http://www.eipo.com.hk) to support the funding of “Source of DongJiang — Hong Kong Forest” project initiated by Friends of the Earth (HK).

Please note that Internet services may have capacity limitations and/or be subject to service interruptions from time to time. To ensure that you can submit your applications through the **White Form eIPO** Service, you are advised not to wait until the last day for submitting applications in the Public Offer to submit your **electronic application instructions**. In the event that you have problems connecting to the designated website for the **White Form eIPO** service, you should submit a white Application Form.

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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However, once you have submitted **electronic application instructions** and completed payment in full using the application reference number provided to you on the designated website, you will be deemed to have made an actual application and should not submit a **white** Application Form. Please see “How Many Applications You May Make” for more details.

### **Time for Applying Through White Form eIPO Service**

You may submit your application to the designated White Form eIPO Service Provider through the designated website at [www.eipo.com.hk](http://www.eipo.com.hk) from 9:00 a.m. on Thursday, November 11, 2010 until 11:30 a.m. on Tuesday, November 16, 2010 or such later time as described under the paragraph entitled “Effect of Bad Weather on the Opening of the Application Lists” above (24 hours daily, except on the last application day). The latest time for completing full payment of application monies in respect of such applications will be 12:00 noon on Tuesday, November 16, 2010, the last application day, or, if the application lists are not open on that day, then by the time and date stated in “Effect of Bad Weather on the Opening of the Application Lists” above.

**You will not be permitted to submit your application to the designated White Form eIPO Service Provider through the designated website at [www.eipo.com.hk](http://www.eipo.com.hk) after 11:30 a.m. on the last day for submitting applications. If you have already submitted your application and obtained an application reference number from the website prior to 11:30 a.m., you will be permitted to continue the application process (by completing payment of application monies) until 12:00 noon on the last day for submitting applications, when the application lists close.**

### **Additional Information for Applicants Applying Through White Form eIPO**

For the purposes of allocating Hong Kong Offer Shares, each applicant giving **electronic application instructions** through the **White Form eIPO** service to the White Form eIPO Service Provider through the designated website at [www.eipo.com.hk](http://www.eipo.com.hk) will be treated as an applicant.

If your payment of application monies is insufficient, or in excess of the required amount, having regard to the number of Hong Kong Offer Shares for which you have applied, or if your application is otherwise rejected by the designated White Form eIPO Service Provider, the designated White Form eIPO Service Provider may adopt alternative arrangements for the refund of monies to you. Please refer to the additional information provided by the designated White Form eIPO Service Provider on the designated website at [www.eipo.com.hk](http://www.eipo.com.hk).

### **HOW TO APPLY ELECTRONICALLY TO HKSCC VIA CCASS**

CCASS Participants may give **electronic application instructions** to HKSCC to apply for the Hong Kong Offer Shares and to arrange payment of the money due on application and payment of refunds in accordance with their participant agreements with the HKSCC and the General Rules of CCASS and the CCASS Operational Procedures in effect from time to time.

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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If you are a CCASS Investor Participant, you may give **electronic application instructions** through the CCASS Phone System by calling 2979-7888 or through the CCASS Internet System (<https://ip.ccass.com>) in accordance with the procedures contained in HKSCC's "Operating Guide for Investor Participants" in effect from time to time.

### **HKSCC can also input electronic application instructions for you if you go to:**

Hong Kong Securities Clearing Company Limited  
Customer Service Centre  
2nd Floor, Vicwood Plaza  
199 Des Voeux Road Central  
Hong Kong

and complete an input request form. Our prospectus is available for collection at the above address.

If you are not a CCASS Investor Participant, you may instruct your broker or custodian who is a CCASS Clearing Participant or a CCASS Custodian Participant to give **electronic application instructions** via CCASS terminals to apply for Hong Kong Offer Shares on your behalf.

You are deemed to have authorized the HKSCC and/or the HKSCC Nominees to transfer the details of your application, whether submitted by you or through your broker or custodian, to us and our Hong Kong Share Registrar.

### **Application for Hong Kong Offer Shares by the HKSCC Nominees on Your Behalf**

When you give **electronic application instructions** to HKSCC to cause the HKSCC Nominees to apply for Hong Kong Offer Shares on your behalf via CCASS, the HKSCC Nominees will sign and submit a **white** Application Form on your behalf. In so doing,

- (i) the HKSCC Nominees is only acting as a nominee for you and will not be, and you will be, however, liable for any breach of the terms and conditions of the **white** Application Form or this prospectus;
- (ii) the HKSCC Nominees does the following things on your behalf:
- (iii) agrees that the Hong Kong Offer Shares to be allotted shall be issued in the name of the HKSCC Nominees and deposited directly into CCASS for credit to your CCASS Investor Participant stock account or the stock account of the CCASS Participant who made the **electronic application instruction** on your behalf;
- (iv) undertakes and agrees to accept the Hong Kong Offer Shares in respect of which you have given the **electronic application instruction** or any lesser number of such Offer Shares;
- (v) undertakes and confirms that you have not applied for or taken up any International Offer Shares under the International Offer nor otherwise participated in the International Offer;

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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- (vi) (if the **electronic application instruction** is given for your own benefit) declares that only one set of **electronic application instruction** has been given for that person's benefit;
- (vii) (if you are an agent for another person) declares that you have only given one set of **electronic application instruction** for the benefit of such other person and that you are duly authorized to give the instruction as such other person's agent;
- (viii) understands that the above declaration and representations will be relied upon by us, our Directors and the Global Coordinator in deciding whether or not to make any allotment of Hong Kong Offer Shares in respect of the **electronic application instruction** given by you and that you are subject to prosecution for making any false declaration;
- (ix) authorizes us to place the name(s) of the HKSCC Nominees in our register of members as the holder(s) of the Hong Kong Offer Shares allotted in respect of your **electronic application instruction** and to send share certificate(s) and/or refund money in accordance with the arrangements separately agreed between us and the HKSCC;
- (x) confirms that you have read the terms and conditions and application procedures described in this prospectus and agrees to be bound by them;
- (xi) confirms that you have only relied on the information and representations contained in this prospectus in giving your **electronic application instruction** or instructing your broker or custodian to give the **electronic application instruction** on your behalf;
- (xii) agrees that we, the Hong Kong Underwriters and any other parties involved in the Public Offer are liable only for the information and representations contained in this prospectus;
- (xiii) agrees to disclose your personal data to us and our Hong Kong Share Registrar, the Bookrunner, the Global Coordinator, receiving bankers, advisors and agents and any additional information which we or they may require about you;
- (xiv) agrees (without prejudice to any other rights which you may have) that once the application of the HKSCC Nominees has been accepted, the application cannot be rescinded for innocent misrepresentations;
- (xv) agrees that any application made by the HKSCC Nominees on your behalf pursuant to electronic application instructions given by you is irrevocable before the expiration of the fifth day after the closing of the application lists (excluding for this purpose any day which is Saturday, Sunday or public holiday in Hong Kong), such agreement to take effect as a collateral contract with us and to become binding when you give such instruction. This collateral contract will be in consideration of our agreement not to offer any Hong Kong Offer Shares to any person before the expiration of the fifth day after the closing of the application lists (excluding for this purpose any day which is Saturday, Sunday or public holiday in Hong Kong) and our agreement to offer Hong Kong Offer Shares by means of one of the procedures described in this prospectus. However, your application made by the HKSCC Nominees on your behalf may be revoked before the expiration



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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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of the fifth day after the opening of the application lists (excluding for this purpose any day which is Saturday, Sunday or public holiday in Hong Kong) if a person responsible for this prospectus under Section 40 of the Companies Ordinance gives a public notice under that section to exclude or limit the responsibility of that person for this prospectus;

- (xvi) agrees that once the application of the HKSCC Nominees has been accepted, neither such application nor your **electronic application instruction** can be revoked, and that acceptance of such application will be evidenced by the announcement of the results of the Public Offer published by us;
- (xvii) agrees to the arrangements, undertakings and warranties specified in the participant agreement between you and the HKSCC, read together with the General Rules of CCASS and the CCASS Operational Procedures, in respect of the giving of **electronic application instructions** relating to Hong Kong Offer Shares;
- (xviii) agrees with our Company, for itself and for the benefit of each of its shareholders (and so that our Company will be deemed by its acceptance in whole or in part of the application by HKSCC Nominees to have agreed, for our Company and on behalf of each of its shareholders, with each CCASS Participant giving **electronic application instructions**) to observe and comply with the Companies Ordinance, the Memorandum of Association and the Articles of Association;
- (xix) agrees with our Company (for itself and for the benefit of each of its shareholders) that Shares in our Company are freely transferable by the holders thereof;
- (xx) authorizes our Company to enter into a contract on your behalf with each Directors and officers of our Company whereby each such Director and officer undertakes to observe and comply with their obligations to shareholders stipulated in the Articles of Association; and
- (xxi) agrees that your application, any acceptance of it and the resulting contract will be governed by and construed in accordance with the laws of Hong Kong.

### Effect of Your Electronic Application Instruction to the HKSCC

By giving **electronic application instructions** to HKSCC or instructing your broker or custodian, who is a CCASS Clearing Participant or a CCASS Custodian Participant, to give such instructions to the HKSCC, you (and if you are joint applicants, each of you jointly and severally) are deemed to have taken the following actions listed below. Neither the HKSCC nor the HKSCC Nominees shall be liable to us or to any other person in connection with the following actions:

- you have instructed and authorized the HKSCC to cause the HKSCC Nominees (acting as nominee for the relevant CCASS Participants) to apply for the Hong Kong Offer Shares on your behalf;

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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- you have instructed and authorized HKSCC to arrange payment of the maximum indicative offer price, with brokerage fee, transaction levy and trading fee, by debiting your designated bank account and, in the case of a wholly or partially unsuccessful application and/or if the Offer Price is less than the maximum indicative offer price per Offer Share you initially paid on application, refund of the application money or the relevant portion of it by crediting your designated bank account; and
- you have instructed and authorized HKSCC to cause HKSCC Nominees to take on your behalf the actions it is stated to take on your behalf in the **white** Application Form.

### Time for Inputting Electronic Application Instructions

CCASS Clearing/Custodian Participants can input **electronic application instructions** at the following times on the following dates:

**Thursday, November 11, 2010 — 9:00 a.m. to 8:30 p.m.<sup>(1)</sup>**  
**Friday, November 12, 2010 — 8:00 a.m. to 8:30 p.m.<sup>(1)</sup>**  
**Saturday, November 13, 2010 — 8:00 a.m. to 1:00 p.m.<sup>(1)</sup>**  
**Monday, November 15, 2010 — 8:00 a.m. to 8:30 p.m.<sup>(1)</sup>**  
**Tuesday, November 16, 2010 — 8:00 a.m.<sup>(1)</sup> to 12:00 noon**

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*Note:*

- (1) These times are subject to change as the HKSCC may determine from time to time with prior notification to CCASS Clearing/Custodian Participants.

CCASS Investor Participants can input **electronic application instructions** from 9:00 a.m. on Thursday, November 11, 2010 until 12:00 noon on Tuesday, November 16, 2010 (24 hours daily, except the last application day).

### Allocation of Hong Kong Offer Shares

For the purposes of allocating Hong Kong Offer Shares, the HKSCC Nominees will not be treated as an applicant. Instead, each CCASS Participant who gives **electronic application instructions** or each person for whose benefit such instruction is given will be treated as an applicant.

### Section 40 of the Companies Ordinance

For the avoidance of doubt, we and all other parties involved in the preparation of this prospectus acknowledge that each CCASS Participant who gives or causes to give **electronic application instructions** is a person who may be entitled to compensation under Section 40 of the Companies Ordinance.

### Personal Data

The section of the Application Form captioned “Personal Data” applies to any personal data held by us and our Hong Kong Share Registrar about you in the same way as it applies to personal data about applicants other than the HKSCC Nominees.



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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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### Warning

The subscription of the Hong Kong Offer Shares by giving **electronic application instructions** to the HKSCC is only a facility provided to CCASS Participants. We, the Global Coordinator, the Bookrunner and the Hong Kong Underwriters take no responsibility for the application, including the procedures and processes of the application, and provide no assurance that any CCASS Participant will be allotted any Hong Kong Offer Shares.

To ensure that CCASS Investor Participants can give their **electronic application instructions** to the HKSCC through the CCASS Phone System or the CCASS Internet System, CCASS Investor Participants are advised to allow ample time, and not to wait until the last minute, to input their **electronic application instructions** into the systems. In the event that CCASS Investor Participants have problems connecting to the CCASS Phone System or the CCASS Internet System to submit their **electronic application instructions**, they should either: (i) submit a **white** or **yellow** Application Form; or (ii) visit the HKSCC's Customer Service Centre to complete an input request form for **electronic application instruction** before 12:00 noon on Tuesday, November 16, 2010.

### CIRCUMSTANCES IN WHICH YOU WILL NOT BE ALLOTTED HONG KONG OFFER SHARES

Full details of the circumstances in which you will not be allotted Hong Kong Offer Shares are set out in notes attached to the application and, whether you are making your application by an Application Form or by **electronic application instruction** to the HKSCC or to the designated White Form eIPO Service Provider, you should read them carefully. In particular, you should note, in particular, the following situations in which Hong Kong Offer Shares will not be allotted to you.

### You May Only Revoke Your Application under Limited Circumstances

By completing and submitting an Application Form or **electronic application instructions** to the HKSCC or to the designated White Form eIPO Service Provider, your application or the application made by the HKSCC Nominees on your behalf may not be revoked on or before the expiration of the fifth day after the closing of the application lists (excluding for this purpose any day which is Saturday, Sunday or public holiday in Hong Kong). This agreement will take effect as a collateral contract with us, and will become binding when you lodge your Application Form or submit your electronic application instructions to the HKSCC or to the designated White Form eIPO Service Provider and an application has been made by the HKSCC Nominees on your behalf accordingly. This collateral contract will be in consideration of our agreement not to offer any Hong Kong Offer Shares to any person before the expiration of the fifth day after the opening of the application lists (excluding for this purpose any day which is Saturday, Sunday or public holiday in Hong Kong) except by means of one of the procedures referred to in this prospectus.

Your application or the application made by the HKSCC Nominees on your behalf may only be revoked on or before the expiration of the fifth day after the closing of the application lists (excluding for this purpose any day which is Saturday, Sunday or public holiday in Hong Kong) if a person responsible for this prospectus under Section 40 of the Companies Ordinance gives a public notice under such section to exclude or limit the responsibility of that person for this prospectus.

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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If any supplement to this prospectus is issued, applicant(s) who have already submitted an application may or may not (depending on the information contained in the supplement) be notified that they can withdraw their applications. If an applicant(s) have not been so notified, or if applicant(s) have been notified but have not withdrawn their applications in accordance with the procedures provided, all applications that have been submitted will remain valid and may be accepted. Subject to the above, an application, once made, is irrevocable and applicants shall be deemed to have applied on the basis of this prospectus as supplemented.

If your application or the application made by the HKSCC Nominees on your behalf has been accepted, it cannot be revoked. For this purpose, acceptance of applications that are not rejected will be contacted by notification in the press of the results of allotment, and where such basis of allotment is subject to certain conditions or provides for allocation by ballot, such acceptance will be subject to the satisfaction of such conditions or results of the ballot, respectively.

### **Your Application May Be Accepted or Rejected at Our Discretion or Our Agent's Discretion**

We and our agents (including the Global Coordinator and Bookrunner) have full discretion to reject or accept any application, or to accept only part of an application. We, the Global Coordinator, the Bookrunner, the Hong Kong Underwriters and the designated White Form eIPO Service Provider (where applicable), in their capacity as our agents, and our and their respective agents and nominees, do not have to provide any reason for any rejection or acceptance.

### **Your Application Will Be Rejected if You Do Not Comply with Certain Conditions**

Your application will be rejected if:

- (i) you have made multiple applications or are suspected of having made multiple applications, including having indicated an interest for, or being placed (including conditionally and/or provisionally), any Offer Shares under the International Offer;
- (ii) your Application Form is not completed in accordance with the instructions as stated on such form;
- (iii) your **electronic application instructions** through the **White Form eIPO** service are not completed in accordance with the instructions, terms and conditions set out in the designated website at [www.eipo.com.hk](http://www.eipo.com.hk);
- (iv) your payment is not made correctly;
- (v) you pay by check or banker's cashier order and such check or banker's cashier order is dishonored on its first presentation;
- (vi) you or the person for whose benefit you apply for have applied for or taken up, or indicated an interest in, or have been or will be placed or allocated (including conditionally and/or provisionally) International Offer Shares. By filling in any of the Application Forms or applying by giving **electronic application instructions** to HKSCC or to the designated White Form eIPO Service Provider through the **White Form eIPO** service or by applying through the **White Form eIPO** service, you agree not to apply for Hong Kong Offer Shares as well as Offer Shares in the

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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International Offer. Reasonable steps will be taken to identify and reject applications in the Public Offer from investors who have received International Offer Shares, and to identify and reject indications of interest in the International Offer from investors who have received Hong Kong Offer Shares in the Public Offer;

- (vii) you apply for more than 15,000,000 Hong Kong Offer Shares, being 50% of the 30,000,000 Hong Kong Offer Shares initially available under the Public Offer;
- (viii) your application for Hong Kong Offer Shares is not in one of the numbers set out in the table in the Application Form.

### **Your Application Will Not Be Accepted under Certain Circumstances**

Your application or the HKSCC Nominee's application made on your behalf will not be accepted if any of the following occur:

- (i) any of the Underwriting Agreement does not become unconditional; or
- (ii) any Underwriting Agreement is terminated in accordance with its terms.

### **Your Allotment of Hong Kong Offer Shares Will Be Void under Certain Circumstances**

Your allotment of Hong Kong Offer Shares or the allotment of Hong Kong Offer Shares to HKSCC Nominees (if you give **electronic application instructions** to HKSCC or apply by a **yellow** Application Form) will be void if the Listing Committee does not grant permission to list our Shares either:

- (i) within three weeks from the closing of the applications lists; or
- (ii) within a longer period of up to six weeks if the Listing Committee notifies us of such longer period within three weeks of the closing of the application lists in respect of the Public Offer.

## **DEALINGS AND SETTLEMENT**

### **Commencement of Dealings in Our Shares on the Stock Exchange**

Dealings in our Shares on the Stock Exchange are expected to commence at 9:30 a.m. on Wednesday, November 24, 2010. Our Shares will be traded on the Stock Exchange in board lots of 1,000 Shares. The stock code of our Shares is 1086.

### **OUR SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS**

If the Stock Exchange grants the listing of, and permission to deal in, our Shares on the Stock Exchange and we comply with the stock admission requirements of the HKSCC, our Shares will be accepted as eligible securities by the HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or any other date the HKSCC chooses. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second business day after any trading day.

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## HOW TO APPLY FOR HONG KONG OFFER SHARES

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All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

All necessary arrangements have been made for our Shares to be admitted into CCASS.

**YOU SHOULD SEEK ADVICE OF YOUR STOCKBROKER OR OTHER PROFESSIONAL ADVISOR FOR DETAILS OF THE SETTLEMENT ARRANGEMENTS AS SUCH ARRANGEMENTS WILL AFFECT YOUR RIGHTS AND INTERESTS.**

*The following is the text of a report, prepared for the purpose of incorporation in this prospectus, received from the reporting accountants of the Company, Ernst & Young, Certified Public Accountants, Hong Kong.*



18<sup>th</sup> Floor  
Two International Finance Centre  
8 Finance Street, Central  
Hong Kong

11 November 2010

The Directors  
Goodbaby International Holdings Limited  
Morgan Stanley Asia Limited

Dear Sirs,

We set out below our report on the financial information of Goodbaby International Holdings Limited (the “Company”) and its subsidiaries (hereinafter collectively referred to as the “Group”), prepared on the basis set out in note 2 of Section II below, for each of the three years ended 31 December 2007, 2008, 2009 and the seven months ended 31 July 2010 (the “Track Record Periods”) (the “Financial Information”) and the seven months ended 31 July 2009 (the “31 July 2009 Financial Information”), for inclusion in the prospectus of the Company dated 11 November 2010 (the “Prospectus”) in connection with the initial listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Company was incorporated in the Cayman Islands on 14 July 2000 as an exempted company with limited liability. The Company and its subsidiaries have adopted 31 December as their financial year end date.

For the purpose of this report, the directors of the Company have prepared the consolidated financial statements of the Group for the Track Record Periods and for the seven months ended 31 July 2009 in accordance with International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Board (the “IASB”) (the “IFRS Consolidated Financial Statements”).

#### ***Respective Responsibilities of Directors and Reporting Accountants***

The directors of the Company are responsible for the preparation and the true and fair presentation of the IFRS Consolidated Financial Statements, the Financial Information and the 31 July 2009 Financial Information in accordance with IFRSs. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of the Financial Information that is free from material misstatement, as to whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

It is our responsibility to form an independent opinion and a review conclusion, based on our audit and review, on the Financial Information and the 31 July 2009 Financial Information, respectively, and to report our opinion and review conclusion thereon to you.

***Procedures performed in respect of the Financial Information***

The Financial Information set out in this report, including the consolidated statements of comprehensive income, consolidated statements of cash flows and consolidated statements of changes in equity of the Group for the Track Record Periods, the consolidated statements of financial position of the Group and the statements of financial position of the Company as at 31 December 2007, 2008, 2009 and 31 July 2010, together with the notes thereon, has been prepared from the IFRS Consolidated Financial Statements and in accordance with the basis set out in note 2 of Section II.

For the purpose of this report, we have carried out an independent audit on the Financial Information in accordance with Hong Kong Standards on Auditing (“HKSA”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), and have also carried out such additional procedures as we considered necessary in accordance with Auditing Guideline 3.340 “Prospectuses and the Reporting Accountant” issued by the HKICPA. No adjustments were considered necessary to adjust the IFRS Consolidated Financial Statements to conform to the accounting policies referred to in note 3.2 of Section II below for the Track Record Periods.

***Procedures performed in respect of the 31 July 2009 Financial Information***

For the purpose of this report, we have also performed a review of the 31 July 2009 Financial Information in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information performed by the Independent Auditor of the Entity” issued by the HKICPA. A review consists of making enquiries of management and applying analytical procedures to the financial information and, based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of any significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the 31 July 2009 Financial Information.

***Opinion in respect of the Financial Information***

In our opinion, for the purpose of this report and on the basis of preparation set out in note 2 of Section II below, the Financial Information gives a true and fair view of the state of affairs of the Group as at 31 December 2007, 2008, 2009 and 31 July 2010 and of the consolidated results and cash flows of the Group for each of the Track Record Periods.

***Review conclusion in respect of the 31 July 2009 Financial Information***

Based on our review, which does not constitute an audit, nothing has come to our attention that causes us to believe that the 31 July 2009 Financial Information, for the purpose of this report and on the basis set out in note 2 of Section II below, does not give a true and fair view of the consolidated results and cash flows of the Group for the seven months period ended 31 July 2009.

## I. FINANCIAL INFORMATION

## Consolidated statements of comprehensive income

	Notes	Year ended 31 December			Seven months ended 31 July	
		2007 (HK\$'000)	2008 (HK\$'000)	2009 (HK\$'000)	2009 (HK\$'000) (unaudited)	2010 (HK\$'000)
<b>Continuing operations</b>						
Revenue . . . . .	6	2,586,476	3,266,191	3,032,235	1,693,984	2,198,517
Cost of sales . . . . .		(2,159,362)	(2,668,916)	(2,463,360)	(1,362,070)	(1,742,519)
<b>Gross profit</b> . . . . .		427,114	597,275	568,875	331,914	455,998
Other income . . . . .	6	42,797	37,313	25,105	11,318	21,483
Selling and distribution costs . . . . .		(147,689)	(188,873)	(180,115)	(101,328)	(148,291)
Administrative expenses . . . . .		(129,635)	(155,837)	(175,994)	(95,234)	(136,953)
Other expenses . . . . .		(9,896)	(54,521)	(20,046)	(14,449)	(6,406)
<b>Operating profit</b> . . . . .		182,691	235,357	217,825	132,221	185,831
Finance income . . . . .	7	1,493	1,268	1,373	346	400
Finance costs . . . . .	8	(12,112)	(18,950)	(14,415)	(6,984)	(9,616)
<b>Profit before tax</b> . . . . .	9	172,072	217,675	204,783	125,583	176,615
Income tax expense . . . . .	13	(9,873)	(44,141)	(40,421)	(26,189)	(35,094)
<b>Profit for the year/period from continuing operations</b> . . . . .		162,199	173,534	164,362	99,394	141,521
<b>Discontinued operations</b>						
Loss after tax for the year/period from discontinued operations . . . . .	14	(51,428)	(173,729)	(104,654)	(57,191)	(52,237)
<b>Profit/(loss) for the year/period</b> . . . . .		110,771	(195)	59,708	42,203	89,284
<b>Other comprehensive income</b>						
Exchange differences on translation . . . . .		50,652	41,694	1,401	25	7,206
Total comprehensive income for the year/period net of tax . . . . .		161,423	41,499	61,109	42,228	96,490
Profit/(loss) for the year/period attributable to:						
Owners of the parent . . . . .		109,378	2,480	62,745	42,229	90,088
Non-controlling interests . . . . .		1,393	(2,675)	(3,037)	(26)	(804)
		110,771	(195)	59,708	42,203	89,284
Total comprehensive income attributable to:						
Owners of the parent . . . . .		158,747	41,872	64,123	42,547	97,006
Non-controlling interests . . . . .		2,676	(373)	(3,014)	(319)	(516)
		161,423	41,499	61,109	42,228	96,490

Details of the dividends proposed for the year are disclosed in the note 15 to the Financial Information.

## Consolidated statements of financial position

	Notes	As at 31 December			As at
		2007	2008	2009	31 July
		(HK\$'000)	(HK\$'000)	(HK\$'000)	2010
					(HK\$'000)
<b>NON-CURRENT ASSETS</b>					
Property, plant and equipment . . . . .	17	565,948	633,102	611,005	519,020
Investment property . . . . .	18	23,432	11,529	10,580	—
Prepaid land lease payments . . . . .	19	64,397	65,581	65,694	65,977
Intangible assets . . . . .	20	35,468	39,087	36,533	27,938
Available-for-sale investments . . . . .	21	—	—	—	—
Held-to-maturity investments . . . . .	22	—	—	—	—
Deferred tax assets . . . . .	32	19,424	9,273	18,334	17,686
Total non-current assets . . . . .		<u>708,669</u>	<u>758,572</u>	<u>742,146</u>	<u>630,621</u>
<b>CURRENT ASSETS</b>					
Inventories . . . . .	24	637,366	845,213	811,131	490,784
Trade and notes receivables . . . . .	25	500,512	433,304	585,987	617,208
Prepayments and other receivables . . . . .	26	128,006	112,655	156,244	182,105
Income tax receivable . . . . .		6,490	—	—	—
Derivative financial instruments . . . . .	23	—	—	—	1,683
Due from related parties . . . . .	39	98,623	482,420	395,759	248,015
Cash and cash equivalents . . . . .	27	122,626	190,030	218,585	139,326
Total current assets . . . . .		<u>1,493,623</u>	<u>2,063,622</u>	<u>2,167,706</u>	<u>1,679,121</u>
<b>CURRENT LIABILITIES</b>					
Trade and notes payables . . . . .	28	576,019	630,637	772,437	823,344
Other payables, advances from customers and accruals . . . . .	29	366,115	341,642	412,255	250,293
Interest-bearing bank borrowings . . . . .	31	340,392	655,577	127,687	175,307
Derivative financial instruments . . . . .	23	—	11,184	—	—
Due to related parties . . . . .	39	76,630	408,608	353,870	98,360
Income tax payable . . . . .		—	2,172	9,174	27,458
Provision . . . . .	30	8,227	8,880	20,690	28,588
Total current liabilities . . . . .		<u>1,367,383</u>	<u>2,058,700</u>	<u>1,696,113</u>	<u>1,403,350</u>
<b>NET CURRENT ASSETS</b> . . . . .		<u>126,240</u>	<u>4,922</u>	<u>471,593</u>	<u>275,771</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> . . . . .		<u>834,909</u>	<u>763,494</u>	<u>1,213,739</u>	<u>906,392</u>
<b>NON-CURRENT LIABILITIES</b>					
Interest-bearing bank borrowings . . . . .	31	117,474	—	374,787	355,342
Deferred tax liabilities . . . . .	32	—	4,560	14,539	7,120
Total non-current liabilities . . . . .		<u>117,474</u>	<u>4,560</u>	<u>389,326</u>	<u>362,462</u>
<b>Net assets</b> . . . . .		<u>717,435</u>	<u>758,934</u>	<u>824,413</u>	<u>543,930</u>
<b>EQUITY</b>					
<b>Equity attributable to owners of the parent</b>					
Share capital . . . . .	35	273	273	273	273
Reserves . . . . .	36	687,126	728,998	793,121	519,321
		<u>687,399</u>	<u>729,271</u>	<u>793,394</u>	<u>519,594</u>
<b>Non-controlling interests</b> . . . . .		<u>30,036</u>	<u>29,663</u>	<u>31,019</u>	<u>24,336</u>
<b>Total equity</b> . . . . .		<u>717,435</u>	<u>758,934</u>	<u>824,413</u>	<u>543,930</u>



## Consolidated statements of changes in equity

	Attributable to owners of the Parent								Total equity (HK\$'000)
	Share capital	Share premium	Statutory reserve funds	Cumulative translation adjustments	Merger reserve	Retained earnings	Total	Non-controlling interests	
	(HK\$'000) (note 35)	(HK\$'000) (note 36)	(HK\$'000) (note 36)	(HK\$'000)	(HK\$'000) (note 36)	(HK\$'000)	(HK\$'000)	(HK\$'000)	
As at 1 January 2007 . . . . .	273	255,668	59,777	34,764	108,281	333,208	791,971	15,659	807,630
Profit for the year . . . . .	—	—	—	—	—	109,378	109,378	1,393	110,771
Other comprehensive income . . . . .	—	—	—	49,369	—	—	49,369	1,283	50,652
Total comprehensive income . . . . .	—	—	—	49,369	—	109,378	158,747	2,676	161,423
Dividend declared (note 15) . . . . .	—	—	—	—	—	(261,957)	(261,957)	—	(261,957)
Deemed distribution to an equity holder (note 34) . . . . .	—	—	—	—	(1,362)	—	(1,362)	—	(1,362)
Profit appropriation . . . . .	—	—	11,910	—	—	(11,910)	—	—	—
Capital contributions by a non-controlling shareholder (note (a)) . . . . .	—	—	—	—	—	—	—	11,701	11,701
As at 31 December 2007 and 1 January 2008 . . . . .	273	255,668*	71,687*	84,133*	106,919*	168,719*	687,399	30,036	717,435
Capitalization of retained earnings (note 36) . . . . .	—	—	—	—	11,357	(11,357)	—	—	—
Profit/(loss) for the year . . . . .	—	—	—	—	—	2,480	2,480	(2,675)	(195)
Other comprehensive income . . . . .	—	—	—	39,392	—	—	39,392	2,302	41,694
Total comprehensive income . . . . .	—	—	—	39,392	—	2,480	41,872	(373)	41,499
Profit appropriation . . . . .	—	—	9,202	—	—	(9,202)	—	—	—
As at 31 December 2008 and 1 January 2009 . . . . .	273	255,668*	80,889*	123,525*	118,276*	150,640*	729,271	29,663	758,934
Profit/(loss) for the year . . . . .	—	—	—	—	—	62,745	62,745	(3,037)	59,708
Other comprehensive income . . . . .	—	—	—	1,378	—	—	1,378	23	1,401
Total comprehensive income . . . . .	—	—	—	1,378	—	62,745	64,123	(3,014)	61,109
Profit appropriation . . . . .	—	—	7,034	—	—	(7,034)	—	—	—
Capital contributions by a non-controlling shareholder (note (a)) . . . . .	—	—	—	—	—	—	—	4,370	4,370
As at 31 December 2009 and 1 January 2010 . . . . .	273	255,668*	87,923*	124,903*	118,276*	206,351*	793,394	31,019	824,413
Profit/(loss) for the period . . . . .	—	—	—	—	—	90,088	90,088	(804)	89,284
Other comprehensive income . . . . .	—	—	—	6,918	—	—	6,918	288	7,206
Total comprehensive income . . . . .	—	—	—	6,918	—	90,088	97,006	(516)	96,490
Dividends declared (note 15) . . . . .	—	(255,668)	—	—	—	(150,837)	(406,505)	—	(406,505)
Deemed contribution from an equity holder (note 34) . . . . .	—	—	—	—	35,699	—	35,699	—	35,699
Disposal of discontinued operations . . . . .	—	—	—	—	—	—	—	(6,167)	(6,167)
As at 31 July 2010 . . . . .	273	—*	87,923*	131,821*	153,975*	145,602*	519,594	24,336	543,930

	Attributable to owners of the Parent						Total	Non-controlling interests	Total equity
	Share capital	Share premium	Statutory reserve funds	Cumulative translation adjustments	Merger reserve	Retained earnings			
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	
	(note 35)	(note 36)	(note 36)		(note 36)				
As at 31 December 2008 and									
1 January 2009 . . . . .	273	255,668*	80,889*	123,525*	118,276*	150,640*	729,271	29,663	758,934
Profit/(loss) for the period . . . . .	—	—	—	—	—	42,229	42,229	(26)	42,203
Other comprehensive income . . . . .	—	—	—	318	—	—	318	(293)	25
Total comprehensive income . . . . .	—	—	—	318	—	42,229	42,547	(319)	42,228
As at 31 July 2009 (unaudited). . . . .	<u>273</u>	<u>255,668</u>	<u>80,889</u>	<u>123,843</u>	<u>118,276</u>	<u>192,869</u>	<u>771,818</u>	<u>29,344</u>	<u>801,162</u>

\* These reserve accounts comprise the consolidated reserves of HK\$687,126,000, HK\$728,998,000, HK\$793,121,000 and HK\$519,321,000, as at 31 December 2007, 2008, 2009 and 31 July 2010 respectively in the consolidated statements of financial position.

Note (a): This arises from the capital injection to Mothercare-Goodbaby China Retail Limited ("MGCR") made by Mothercare International (Hong Kong) Limited ("MIHKL"), which holds a 30% equity interest of MGCR.

## Consolidated statements of cash flows

	Year ended 31 December			Seven months ended 31 July	
	2007	2008	2009	2009	2010
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
				(unaudited)	
<b>Cash flows from operating activities:</b>					
Profit/(loss) for the year/period: . . . . .	110,771	(195)	59,708	42,203	89,284
Adjustments for: . . . . .					
Income tax expense . . . . .	5,100	28,773	25,538	18,695	28,036
Depreciation and amortization . . . . .	75,454	101,975	108,335	55,874	63,140
Loss on disposal of items of property, plant and equipment . . . . .	359	4	3,334	1,492	666
Fair value (gain)/loss on derivative financial instruments . . . . .	(8,452)	27,076	175	607	(1,683)
Write-down/(reversal write-down) of inventories . . .	3,607	(8,195)	10,235	11,369	5,554
(Reversal of)/provision for impairment of receivables . . . . .	(102)	—	3,392	3,814	79
Interest expense . . . . .	26,830	42,733	31,352	17,752	15,757
Interest income . . . . .	(1,607)	(1,816)	(1,462)	(396)	(872)
(Increase)/decrease in inventories . . . . .	(188,734)	(224,333)	23,847	82,806	(97,219)
(Increase)/decrease in trade and notes receivables . .	(127,474)	45,142	(167,911)	(50,998)	(129,010)
(Increase)/decrease in prepayments and other receivables . . . . .	(87,290)	5,778	(43,589)	(21,032)	(69,093)
(Increase)/decrease in amounts due from related parties . . . . .	(34,429)	(161,728)	122,989	102,694	(9,828)
Increase/(decrease) in amounts due to related parties.	12,988	107,297	23,956	16,084	(9,388)
Increase in trade and notes payables . . . . .	213,326	87,665	141,800	42,481	189,999
Increase in other payables, advances from customers and accruals . . . . .	89,283	46,181	58,358	23,284	6,243
Increase in provision . . . . .	1,980	653	11,810	10,191	7,898
Income tax paid . . . . .	(15,390)	(5,400)	(17,618)	(11,752)	(16,325)
Net cash flows generated from operating activities . .	<u>76,220</u>	<u>91,610</u>	<u>394,249</u>	<u>345,168</u>	<u>73,238</u>
<b>Cash flows from investing activities:</b>					
Proceeds from disposal of property, plant and equipment . . . . .	3,266	9,040	4,250	2,355	3,558
Repayment of due from related parties . . . . .	1,325	—	1,135	1,135	—
Advance to related parties . . . . .	(2,640)	(117,786)	(127,505)	(99,614)	(43,997)
Net cash outflow in respect of disposal of discontinued operations . . . . .	(1,143)	(1,492)	—	—	(37,262)
Interest received . . . . .	1,607	1,816	1,462	396	872
Purchase of property, plant and equipment . . . . .	(112,460)	(151,730)	(71,428)	(38,849)	(69,747)
Purchase of intangible assets . . . . .	(3,168)	(8,220)	(3,053)	(1,818)	(3,374)
Purchase of land use rights . . . . .	(2,424)	—	(1,818)	(1,673)	(8,823)
Net cash flows used in investing activities . . . . .	<u>(115,637)</u>	<u>(268,372)</u>	<u>(196,957)</u>	<u>(138,068)</u>	<u>(158,773)</u>

	Year ended 31 December			Seven months ended 31 July	
	2007	2008	2009	2009	2010
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
				(unaudited)	
<b>Cash flows from financing activities:</b>					
Proceeds from borrowings . . . . .	1,011,095	1,587,672	1,248,384	871,264	362,835
Repayment of borrowings . . . . .	(922,780)	(1,389,961)	(1,401,487)	(1,016,088)	(338,423)
Advance from related parties . . . . .	—	102,406	11,348	11,348	—
Interest paid . . . . .	(26,830)	(42,733)	(31,352)	(17,752)	(15,757)
Dividend paid . . . . .	—	(13,218)	—	—	—
Payment of share offering cost . . . . .	—	—	—	—	(2,379)
Capital contributions by a non-controlling shareholder . . . . .	11,701	—	4,370	—	—
Net cash flows generated from/(used in) financing activities . . . . .	<u>73,186</u>	<u>244,166</u>	<u>(168,737)</u>	<u>(151,228)</u>	<u>6,276</u>
<b>Net increase/(decrease) in cash and cash equivalents . . . . .</b>	<b>33,769</b>	<b>67,404</b>	<b>28,555</b>	<b>55,872</b>	<b>(79,259)</b>
Cash and cash equivalents at 1 January . . . . .	<u>88,857</u>	<u>122,626</u>	<u>190,030</u>	<u>190,030</u>	<u>218,585</u>
Cash and cash equivalents at 31 December/ 31 July . . . . .	<u><u>122,626</u></u>	<u><u>190,030</u></u>	<u><u>218,585</u></u>	<u><u>245,902</u></u>	<u><u>139,326</u></u>

Details of major non-cash transactions are included in note 43.

## Statements of financial position of the Company

	Notes	As at 31 December			As at 31 July
		2007 (HK\$'000)	2008 (HK\$'000)	2009 (HK\$'000)	2010 (HK\$'000)
<b>NON-CURRENT ASSETS</b>					
Investments in subsidiaries . . . . .	33	<u>172,477</u>	<u>32,193</u>	<u>37,661</u>	<u>10,367</u>
<b>CURRENT ASSETS</b>					
Prepayments and other receivables . . . . .	26	1,336	95	95	95
Due from related parties . . . . .	39	372,231	476,109	448,063	437,463
Cash and cash equivalents. . . . .	27	<u>3,396</u>	<u>1,274</u>	<u>80</u>	<u>150</u>
Total current assets . . . . .		<u>376,963</u>	<u>477,478</u>	<u>448,238</u>	<u>437,708</u>
<b>CURRENT LIABILITIES</b>					
Trade and notes payables . . . . .	28	19,703	19,581	—	—
Other payables, advances from customers and accruals. . . . .	29	19,770	16,021	25,381	20,736
Due to related parties . . . . .	39	<u>59,458</u>	<u>33,125</u>	<u>32,743</u>	<u>273,989</u>
Total current liabilities . . . . .		<u>98,931</u>	<u>68,727</u>	<u>58,124</u>	<u>294,725</u>
<b>NET CURRENT ASSETS</b> . . . . .		<u>278,032</u>	<u>408,751</u>	<u>390,114</u>	<u>142,983</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> . . . . .		<u>450,509</u>	<u>440,944</u>	<u>427,775</u>	<u>153,350</u>
<b>Net assets</b> . . . . .		<u>450,509</u>	<u>440,944</u>	<u>427,775</u>	<u>153,350</u>
<b>EQUITY</b>					
<b>Equity attributable to owners of the parent</b>					
Share capital . . . . .	35	273	273	273	273
Reserves . . . . .	36	<u>450,236</u>	<u>440,671</u>	<u>427,502</u>	<u>153,077</u>
<b>Total equity</b> . . . . .		<u>450,509</u>	<u>440,944</u>	<u>427,775</u>	<u>153,350</u>

## II. NOTES TO THE FINANCIAL INFORMATION

## 1. CORPORATE INFORMATION

The Company was incorporated in the Cayman Islands on 14 July 2000 as an exempted company with limited liability. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, George Town, Grand Cayman, KY1-1111, Cayman Islands.

The Group is principally engaged in the manufacturing and distribution of child related products.

In the opinion of the directors, as of the date of this report, the ultimate controlling shareholder is G-Baby Holdings Limited ("GBHL").

The Company had direct or indirect interests in its subsidiaries or jointly-controlled entity, all of which are private limited liability companies (or, if incorporated outside Hong Kong, have substantially similar characteristics to a private company incorporated in Hong Kong), the particulars of which are set out below:

Name	Place and date of incorporation/ registration	Percentage of equity interest attributable to the Company		Nominal value of issued/registered paid-up capital	Principal activities
		Direct	Indirect		
Goodbaby (Hong Kong) Limited ("GBHK") (note (a)) . . . . .	Hong Kong 23 July 1999	100%	—	HK\$1,000	Investment holding
CRF Holdings Limited ("CRFH")# (note (b)) . . . . .	BVI 17 May 2000	100%	—	US\$2	Investment holding
Richy Bright Limited ("RCBL")^ (note (b)) . . . . .	BVI 20 August 2007	100%	—	US\$1	Investment holding
Etechnology Holdings Limited ("ETHL")# (note (b)) . . . . .	BVI 11 April 2000	100%	—	US\$1	Investment holding
First Shanghai Child Products Limited ("FSCP")* (note (b)) . . . . .	BVI 2 September 1996	100%	—	US\$200	Investment holding
Beyond Holdings Limited ("BEHL") * (note (b)) . . . . .	BVI 2 August 2002	100%	—	US\$2	Investment holding
Chi Shung Assets Limited ("CSAL") * (note (b)) . . . . .	BVI 22 August 1997	100%	—	US\$200	Investment holding
Turn Key Design Cooperative U.A. ("GBNE") (note (b)). . . . .	Netherlands 21 January 2008	—	100%	EURO100	Investment holding
Mothercare Goodbaby China Retail Limited ("MGCR")^ (note (c)) . . . . .	Hong Kong 18 May 2007	—	70%	HK\$5,000,000	Investment holding

Name	Place and date of incorporation/ registration	Percentage of equity interest attributable to the Company		Nominal value of issued/registered paid-up capital	Principal activities
		Direct	Indirect		
Goodbaby Children's Products, Inc. ("GCPI") (note (d)) . . . . .	The United States of America ("US") 16 May 2002	—	100%	US\$200,000	Distribution and sale of safety belts, cloth sets, car safety seats, car components for children and infant strollers
Goodbaby Child Products Co., Ltd. ("GCPC") (note (e)) . . . . .	The People's Republic of China ("PRC") 18 November 1994	—	100%	US\$52,000,000	Manufacturing, distribution and sale of safety belts, cloth sets, car safety seats, car components for children, infant strollers and bicycles
Shanghai Goodbaby Fashion Co., Ltd. ("SHFS")^ (note (f)) . . . . .	PRC 20 January 1998	—	100%	RMB10,000,000	Manufacturing, distribution and sale of children's clothing
Goodbaby Japan Co., Ltd. ("GBJP") (note (b)) . . . . .	Japan 5 February 2008	—	100%	JPY3,000,000	Research and development ("R&D") services, preliminary product design
Ningbo Goodbaby Child Products Co., Ltd. ("GCPN") (note (g)) . . . . .	PRC 9 September 1996	—	85%	RMB10,000,000	Manufacturing, distribution and sale of child cloth beds, infant strollers, bath chairs for children and stadium chairs
Turn Key Design B.V. ("GBNH") (note (h)) . . . . .	Netherlands 24 January 2008	—	100%	EURO18,000	R&D services, preliminary product design
Shanghai Goodbaby Online Services Co., Ltd. ("SGOL")^ (note (i)) . . . . .	PRC 8 June 2000	—	100%	US\$1,670,000	Provision of internet and information technology support and maintenance services, primarily to other group companies
Mothercare Goodbaby Retailing Co., Ltd. ("MGRL") ^ (note (e)) . . . . .	PRC 13 September 2007	—	70%	US\$5,000,000	Operation of maternity and parenting products retail outlets

Name	Place and date of incorporation/ registration	Percentage of equity interest attributable to the Company		Nominal value of issued/registered paid-up capital	Principal activities
		Direct	Indirect		
Geoby Electric Vehicle Co., Ltd. ("GPCL") * (note (j)) . . . . .	PRC 13 September 2007	—	100%	US\$18,920,000	Manufacturing, assembly and sale of non-juvenile's products
Shanghai Goodbaby Child Products Co., Ltd. ("SGCP")# (note (k)) . . . . .	PRC 7 March 2001	—	100%	RMB2,000,000	Distribution and sale of children's clothing and infant nursing products
Kunshan Goodbaby Retailing Technology Co., Ltd. ("GRTC")# (note (l)) . . . . .	PRC 14 September 2007	—	100%	US\$7,500,000	Provision of information system support and management consultancy service to other group companies
Kunshan Paragon Child Products Co., Ltd. ("PCPC") (note (m)) . . . . .	PRC 5 November 2008	—	100%	RMB10,000,000	Manufacturing, distribution and sale of dining chairs, cribs and tricycles for children

**Jointly-controlled entity**

Kunshan Goodbaby Tommee Tippee Child Products Co., Ltd. ("GCTP") (note (e)) . . . . .	PRC 26 June 2003	—	51%	US\$300,000	Distribution and sale of baby bottles, tableware and toys
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\*: those entities were disposed of in 2007; and

#: those entities were disposed of in 2008; and

^: those entities were disposed of in 2010.

Note (a) : The statutory financial statements for the year ended 31 December 2007 prepared under Hong Kong Financial Reporting Standards ("HKFRSs") were audited by Albert Wong & Co., the statutory financial statements for the year ended 31 December 2008 prepared under International Financial Reporting Standards ("IFRSs") were audited by Ernst & Young Hua Ming, and the statutory financial statements for the year ended 31 December 2009 prepared under HKFRSs were audited by Ernst & Young Hua Ming.

Note (b): No audited financial statements have been prepared for those entities for the years ended 31 December 2007, 2008 and 2009, as those entities were not subject to any statutory audit requirements under the relevant rules and regulations in their jurisdictions of incorporation.

Note (c): The statutory financial statements for the years ended 31 December 2007, 2008 and 2009 prepared under HKFRSs were audited by Albert Wong & Co.

Note (d): No audited financial statements have been prepared for GCPI for the year ended 31 December 2007, as GCPI is not subject to any statutory audit requirements under the relevant rules and regulations in their jurisdictions of incorporation. The financial statements for the years ended 31 December 2008 and 2009 prepared under IFRSs were audited by Ernst & Young Hua Ming.



- Note (e): The statutory financial statements for the year ended 31 December 2007 prepared under PRC Generally Accepted Accounting Principles ("PRC GAAP") were audited by Kunshan Gongxin Certified Public Accountants Co., Ltd. and the statutory financial statements for the years ended 31 December 2008 and 2009 prepared under PRC GAAP were audited by Ernst & Young Hua Ming.
- Note (f): The statutory financial statements for the year ended 31 December 2007 prepared under PRC GAAP were audited by Shanghai Hugangjinmao Certified Public Accountants Co., Ltd. and the statutory financial statements for the years ended 31 December 2008 and 2009 prepared under PRC GAAP were audited by Ernst & Young Hua Ming.
- Note (g): The statutory financial statements for the year ended 31 December 2007 prepared under PRC GAAP were audited by Ningbo Shiming Certified Public Accountants Co., Ltd. and the statutory financial statements for the years ended 31 December 2008 and 2009 prepared under PRC GAAP were audited by Ernst & Young Hua Ming.
- Note (h): The statutory financial statements for the years ended 31 December 2008 and 2009 prepared under Part 9 of Book 2 of the Netherlands Civil Code were audited by Etolwijk Kelderman.
- Note (i): The statutory financial statements for the years ended 31 December 2007, 2008 and 2009 prepared under PRC GAAP were audited by Shanghai Hugangjinmao Certified Public Accountants Co., Ltd.
- Note (j): The statutory financial statements for the year ended 31 December 2007 prepared under PRC GAAP were audited by Suzhou Xindahua Certified Public Accountants Co., Ltd. and the statutory financial statements for the years ended 31 December 2008 and 2009 prepared under PRC GAAP were audited by Ernst & Young Hua Ming.
- Note (k): The statutory financial statements for the years ended 31 December 2007 and 2009 prepared under PRC GAAP were audited by Shanghai Hugangjinmao Certified Public Accountants Co., Ltd. and the statutory financial statements for the year ended 31 December 2008 prepared under PRC GAAP were audited by Ernst & Young Hua Ming.
- Note (l): The statutory financial statements for the years ended 31 December 2007, 2008 and 2009 prepared under PRC GAAP were audited by Kunshan Gongxin Certified Public Accountants Co., Ltd.
- Note (m): The statutory financial statements for the period from date of establishment to 31 December 2008 prepared under PRC GAAP were audited by Kunshan Gongxin Certified Public Accountants Co., Ltd. and the statutory financial statements for the year ended 31 December 2009 prepared under PRC GAAP were audited by Ernst & Young Hua Ming.

## 2. BASIS OF PREPARATION

The Financial Information has been prepared in accordance with IFRSs, which comprise all standards and interpretations approved by the IASB, and the disclosure requirements of the Hong Kong Companies Ordinance. All IFRSs effective for the accounting periods commencing from 1 January 2007, 2008, 2009 and 2010, together with the relevant transactional provisions, have been early adopted by the Group in the preparation of the Financial Information throughout the Track Record Periods. The Financial Information has been prepared on a historical cost basis, except for available-for-sale financial assets and derivative financial instruments which have been measured at fair value. The Financial Information is presented in Hong Kong dollars ("HK\$") and all values are rounded to the nearest thousands, except when otherwise indicated.

During the Track Record Periods, the business of manufacture and sales of wooden products and electronic-car ("Wooden Products and E-car Businesses") were conducted in PCPC and its predecessor GPCL. Before 1 November 2007, the business of PCPC was included in the Group under GCPC. As part of the Reorganisation, in June 2010, the Group acquired 100% equity interest in PCPC from a fellow subsidiary, Geoby Paragon Holdings Limited ("GPHL"). As the Group, PCPC, GPCL and GPHL were under the common control of GBHL before and after the acquisition and the control were not transitory, the acquisition of Wooden Products and E-car Businesses were accounted for using the principle of pooling of interest method as if the Wooden Products and E-car Businesses were always conducted by the Group before and after the acquisition. Accordingly, the assets, liabilities and results of operations of the Wooden Products and E-car Businesses were included in the preparation of the Financial Information during the entire Track Record Periods.

### 3.1 ISSUED BUT NOT YET EFFECTIVE IFRSs

The Group has not applied the following new and revised IFRSs, which have been issued but are not yet effective, in these financial statements.

Improvements to IFRSs issued in May 2010	Amendments to a number of IFRSs <sup>1</sup>
IAS 24 (Revised)	Related Party Disclosures <sup>4</sup>
Amendment to IAS 32	Financial Instruments: Presentation —Classification of Rights Issues <sup>2</sup>
Amendment to IFRS 1	First-time Adoption of IFRSs - Limited Exemption from Comparatives IFRS 7 Disclosures for First-Time Adopters <sup>3</sup>
IFRS 9	Financial Instruments <sup>5</sup>
Amendments to IFRIC-Int 14	Prepayments of a Minimum Funding Requirement <sup>3</sup>
IFRIC 19	Extinguishing Financial Liabilities with Equity Instrument <sup>3</sup>

1 Effective for annual periods beginning on or after 1 July 2010 and 1 January 2011, as appropriate

2 Effective for annual periods beginning on or after 1 February 2010

3 Effective for annual periods beginning on or after 1 July 2010

4 Effective for annual periods beginning on or after 1 January 2011

5 Effective for annual periods beginning on or after 1 January 2013

The Group has not early adopted these new and revised standards, amendments and interpretations in the preparation of the Financial Information.

The directors of the Company anticipate that the application of these new and revised standards, amendments or interpretations will have no material impact on the consolidated financial statements.

### 3.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted by the Group in arriving at the Financial Information set out in this report, are set out below:

#### Basis of consolidation

The Financial Information comprises the financial statements of the Company and its subsidiaries for the Track Record Periods.

The results of subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Non-controlling interests represent the interests of outside shareholders not held by the Group in the results and net assets of the Company's subsidiaries. An acquisition of non-controlling interests is accounted for using the entity concept method whereby the difference between the consideration and the book value of the share of the net assets acquired is recognised as an equity transaction.

**Subsidiaries**

A subsidiary is an entity, whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities.

The results of subsidiaries are included in the Company's statements of comprehensive income to the extent of dividends received and receivable. The Company's investments in subsidiaries are stated at cost less any impairment losses.

**Joint ventures**

A joint venture is an entity set up by contractual arrangement, whereby the Group and other parties undertake an economic activity. The joint venture operates as a separate entity in which the Group and the other parties have interests.

The joint venture agreement between the ventures stipulates the capital contributions of the joint venture parties, the duration of the joint venture entity and the basis on which the assets are to be realized upon its dissolution. The profits and losses from the joint venture's operations and any distribution of surplus assets are shared by the ventures, either in proportion to their respective capital contribution, or in accordance with the terms of the joint venture agreement.

A joint venture is treated as:

- (a) a subsidiary, if the Group has unilateral control, directly or indirectly, over the joint venture;
- (b) a jointly-controlled entity, if the Group does not have unilateral control, but has joint control, directly or indirectly, over the joint venture;
- (c) an associate, if the Group does not have unilateral or joint control, but holds, directly or indirectly, generally not less than 20% of the joint venture's registered capital and is in a position to exercise significant influence over the joint venture; or
- (d) an equity investment accounted for in accordance with IAS 39, if the Group holds, directly or indirectly, less than 20% of the joint venture's registered capital and has neither joint control of, nor is in a position to exercise significant influence over, the joint venture.

**Jointly-controlled entities**

A jointly-controlled entity is a joint venture that is subject to joint control, resulting in none of the participating parties having unilateral control over the economic activity of the jointly-controlled entity.

The Group's investment in its jointly-controlled entity is accounted for by the proportionate consolidation method, which involves recognising its share of the jointly-controlled entity's assets, liabilities, income and expenses with similar items in the consolidated financial statements on a line-by-line basis. Unrealised gains and losses resulting from transactions between the Group and its jointly-controlled entities are eliminated to the extent of the Group's interests in the jointly-controlled entities, except where unrealised losses provide evidence of an impairment of the asset transferred.

### **Goodwill**

Goodwill arising on the acquisition of subsidiaries represents the excess of the cost of the business combination over the Group's interest in the net fair value of the acquirees' identifiable assets acquired, and liabilities and contingent liabilities assumed as at the date of acquisition.

Goodwill arising on acquisition is recognised in the consolidated statements of financial position as an asset, initially measured at cost and subsequently at cost less any accumulated impairment losses.

The carrying amount of goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill forms part of a cash-generating unit (group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

### **Impairment of non-financial assets other than goodwill**

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, financial assets and deferred tax assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises.

An assessment is made at the end of each of the Track Record Periods as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

**Related parties**

A party is considered to be related to the Group if:

- (a) the party, directly or indirectly through one or more intermediaries, (i) controls, is controlled by, or is under common control with, the Group; (ii) has an interest in the Group that gives it significant influence over the Group; or (iii) has joint control over the Group;
- (b) the party is a member of the key management personnel of the Group or its parent;
- (c) the party is a jointly-controlled entity;
- (d) the party is a close member of the family of any individual referred to in (a) or (b);
- (e) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (b) or (d); or
- (f) the party is a post-employment benefit plan for the benefit of the employees of the Group, or of any entity that is a related party of the Group.

**Property, plant and equipment and depreciation**

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation.

Depreciation is calculated on a straight-line basis over the estimated useful life of each item of property, plant and equipment, after taking into account the residual value as follows:

	<u>Estimated useful lives</u>	<u>Estimated residual value</u>
Buildings . . . . .	20 years	10%
Plant and machinery . . . . .	10 years	10%
Motor vehicles. . . . .	5 years	10%
Furniture and fixtures . . . . .	5 years	—
Leasehold improvements . . . . .	lesser of lease term or useful life	—

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income in the year the asset is derecognised.

The asset’s residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

**Construction in progress**

Construction in progress represents a building under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment or investment properties when completed and ready for use.

**Investment properties**

Investment properties are properties which are owned or held under a leasehold interest either to earn rental income or for capital appreciation or for both.

Investment properties are stated in the statement of financial position at cost less accumulated depreciation and any impairment losses. Depreciation is provided over their estimated useful lives on a straight-line basis, after taking into account their estimated residual values. The estimated useful life of the investment property is 20 years.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the profit or loss in the period of derecognition. Transfers are made to or from investment property only when there is a change in use.

**Intangible assets (other than goodwill)**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value as at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

*Trademarks and computer software*

Expenditure on acquired trademarks and computer software is capitalised and amortized using the straight-line method over its estimated useful lives of five to thirty years.

*Research and development costs*

All research costs are charged to profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Deferred development costs are stated at cost less any impairment losses and are amortized using the straight-line basis over the commercial lives of the underlying products, commencing from the date when the products are put into commercial production.

**Leases**

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to profit or loss so as to provide a constant periodic rate of charge over the lease terms.

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets and rentals receivable under the operating leases are credited to the statements of comprehensive income on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases are recognised as expenses on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

## **Financial assets**

### *Initial recognition and measurement*

Financial assets within the scope of IAS 39 of the Group are classified as financial assets at fair value through profit or loss, loans and receivables, available-for-sale investments and held-to-maturity investments, as appropriate. The Group determines the classification of its financial assets at initial recognition. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

The Group's financial assets include cash and cash equivalents, trade and notes receivables, other receivables, amounts due from related parties, available-for-sale investments, held-to-maturity investments and derivative financial instruments.

### *Subsequent measurement*

The subsequent measurement of financial assets depends on their classification as follows:

### *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IAS 39. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognised in the income statement. These net fair value changes do not include any dividends on these financial assets, which are recognised in accordance with the policies set out for "Revenue recognition" below.

### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortized cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance income in the statements of comprehensive income. The loss arising from impairment is recognised in the statements of comprehensive income in other expenses.



*Available-for-sale investments*

Available-for-sale investments of the Group are unlisted equity securities. Equity investments classified as available for sale are those which are neither classified as held for trading nor designated at fair value through profit or loss.

After initial recognition, available-for-sale investments are subsequently measured at fair value, with unrealised gains or losses recognised as other comprehensive income in the available-for-sale investments valuation reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in the statements of comprehensive income in other income, or until the investment is determined to be impaired, at which time the cumulative gain or loss is recognised in profit or loss and removed from the available-for-sale investments valuation reserve. Dividends earned are reported as dividend income, and are recognised in the statements of comprehensive income as other income in accordance with the policies set out for "Revenue recognition" below.

When the fair value of unlisted equity securities cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such securities are stated at cost less any impairment losses.

*Held-to-maturity investments*

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held to maturity when the Group has the positive intention and ability to hold to maturity. Held-to-maturity investments are subsequently measured at amortised cost less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance income in the statements of comprehensive income. The loss arising from impairment is recognised in the statements of comprehensive income in other expenses.

*Impairment of financial assets*

The Group assesses at the end of each of the Track Record Periods whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

*Financial assets carried at amortised cost*

For financial assets carried at amortised cost, the Group first assesses individually whether objective evidence of impairment exists for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to other expenses in the statements of comprehensive income.

*Available-for-sale investments*

For available-for-sale investments, the Group assesses at the end of each of the Track Record Periods whether there is objective evidence that an investment or a group of investments is impaired.

If an available-for-sale investment is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is removed from other comprehensive income and recognised in profit or loss.

In the case of equity investments classified as available for sale, objective evidence would include significant or prolonged decline in the fair value of an investment below its cost. The determination of what is "significant" or "prolonged" requires judgement. "Significant" is evaluated against the original cost of the investment and "prolonged" against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss — measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in profit or loss — is removed from other comprehensive income and recognised in profit or loss. Impairment losses on equity instruments classified as available for sale are not reversed through profit or loss. Increases in their fair value after impairment are recognised directly in other comprehensive income.

*Derecognition of financial assets*

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group’s continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

**Financial liabilities***Initial recognition and measurement*

Financial liabilities within the scope of IAS 39 of the Group are classified as loans and borrowings, or as derivatives not designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

The Group’s financial liabilities include trade and notes payables, other payables, amounts due to related parties, interest-bearing bank borrowings and derivative financial instruments.

*Subsequent measurement*

The subsequent measurement of financial liabilities depends on their classification as follows:

*Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IAS 39. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss. The net fair value gain or loss recognised in profit or loss does not include any interest charged on these financial liabilities.

#### *Loans and borrowings*

After initial recognition, trade and notes payables, other payables, amounts due to related parties and interest-bearing bank borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statements of comprehensive income.

#### *Derecognition of financial liabilities*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

#### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if, and only if, there is currently an enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

#### **Fair value of financial instruments**

The fair value of financial instruments that are traded in active markets is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. For financial instruments where there is no active market, the fair value is determined using appropriate valuation techniques. These techniques include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same and a discounted cash flow analysis.

**Derivative financial instruments***Initial recognition and subsequent measurement*

The Group uses derivative financial instruments such as forward currency contracts to hedge its foreign currency risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value of derivatives are taken directly to profit or loss.

*Current versus non-current classification*

Derivative instruments that are not designated and effective hedging instruments are classified as current or non-current or separated into a current or non-current portion based on an assessment of the facts and circumstances (i.e., the underlying contracted cash flows).

- Where the Group will hold a derivative as an economic hedge (and does not apply hedge accounting) for a period beyond 12 months after the end of each of the Track Record Periods, the derivative is classified as non-current (or separated into current and non-current portions) consistently with the classification of the underlying item.
- Embedded derivatives that are not closely related to the host contract are classified consistently with the cash flows of the host contract.
- Derivative instruments that are designated as and are effective hedging instruments, are classified consistent with the classification of the underlying hedged item. The derivative instruments are separated into current portions and non-current portions only if a reliable allocation can be made.

**Inventories**

Inventories are stated at the lower of cost and net realisable value after making due allowances for obsolete or slow-moving items. Cost is determined on the weighted average basis, and in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

**Contracts for services**

Contract revenue on the rendering of services comprises the agreed contract amount. Costs of rendering services comprise labour and other costs of personnel directly engaged in providing the services and attributable overheads.

Revenue from the rendering of services is recognised based on the percentage of completion of the transaction, provided that the revenue, the costs incurred and the estimated costs to completion can be measured reliably. The percentage of completion is established by reference to the costs incurred to date as compared to the total costs to be incurred under the transaction. Where the outcome of a contract cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

Provision is made for foreseeable losses as soon as they are anticipated by management.

Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is treated as an amount due from contract customers. Where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is treated as an amount due to contract customers.

### **Cash and cash equivalents**

For the purpose of the consolidated statements of cash flows, cash and cash equivalents comprise cash on hand, demand deposits and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value and have a short maturity of generally within three months when acquired.

For the purpose of the statements of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

### **Provisions**

A provision is recognised when there is a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of each of the Track Record Periods of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statements of comprehensive income.

### **Income tax**

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each of the Track Record Periods, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of each of the Track Record Periods between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries and interests in joint ventures where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carryforward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each of the Track Record Periods and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each of the Track Record Periods and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the each of the Track Record Periods.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### **Government grants**

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

### **Revenue recognition**

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) from the sale of goods, when the significant risks and rewards of ownership and title have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;

- (b) from the rendering of services, on the percentage of completion basis, as further explained in the accounting policy for “Contracts for services” above;
- (c) rental income, on a time proportion basis over the lease terms; and
- (d) interest income, on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

**Retirement benefits**

Pursuant to the relevant regulations, the Group has participated in a local municipal government retirement benefit scheme (the “Scheme”), whereby the Group is required to contribute a certain percentage of the basic salaries of its employees to the Scheme to fund the retirement benefits. The local municipal government undertakes to assume the retirement benefit obligations of all existing and future retired employees of the Group. The only obligation of the Group with respect to the Scheme is to pay the ongoing required contributions under the Scheme mentioned above. Contributions under the Scheme are charged to profit or loss as incurred. There are no provisions under the Scheme whereby forfeited contributions may be used to reduce future contributions.

**Borrowing costs**

Borrowings costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**Dividends**

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the equity section of the statements of financial position, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared because the Company’s memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.



**Foreign currency**

The Financial Information is presented in Hong Kong dollars (“HK\$”), which is the Company’s functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the end of each of the Track Record Periods. All differences are taken to profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The functional currencies of certain subsidiaries and a jointly-controlled entity are currencies other than HK\$. As at the end of each of the Track Record Periods, the assets and liabilities of these entities are translated into the presentation currency of the Group at the exchange rates ruling at the end of each of the Track Record Periods and their profit or loss are translated into HK\$ at the weighted average exchange rates for the year. The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

**Discontinued operations**

A discontinued operation is a component of the Group’s business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative statement of comprehensive income is restated as if the operation had been discontinued from the beginning of the comparative period.

**4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS**

The preparation of the Financial Information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

**Judgements**

In the process of applying the Group’s accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the Financial Information.

*Operating lease commitments - Group as lessor*

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties, which are leased out on operating leases.

*Consolidation of a special purpose entity*

To comply with PRC laws and regulations that restrict foreign ownership of company that operates internet information services and other restricted businesses, the Group operates its websites and provides such restricted services in the PRC through SGCP, a domestic company with limited liability under PRC Law, whose equity interests are held by Mr. Song Zhenghuan (“Mr. Song”) and Ms. Fu Jingqiu (“Ms. Fu”), who both are directors and ultimate shareholders of the Company, as to 90% and 10% respectively. The paid-in capital of SGCP was funded by the Group, through loans extended to Mr. Song and Ms. Fu. SGCP have entered into certain business cooperation and technical service agreements with the Group, which make it obligatory for the Group to absorb a substantial majority of the risk of losses from the activities of SGCP and entitle the Group to receive a substantial majority of their residual returns. In addition, the Group has entered into certain agreements with Mr. Song and Ms. Fu, including loan agreements for them to contribute paid-in capital to SGCP and authorize individuals designated by the Group to exercise the equity owners’ rights over SGCP, whichever is applicable, option agreements for the Group to acquire the equity in SGCP subject to compliance with PRC laws and pledge agreements over the equity interests of SGCP held by Mr. Song and Ms. Fu. Based on these contractual agreements, the Group believes that, notwithstanding the lack of equity ownership, the contractual arrangements described above give the Group control over SGCP in substance. Accordingly, the financial position and operating results of SGCP are included in the Group’s consolidated financial statements as if SGCP is the Group’s subsidiary as defined in IAS 27. SGCP was disposed at the end of 2008.

*Classification between investment properties and owner-occupied properties*

The Group determines whether a property qualifies as an investment property and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately, the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each of the Track Record Periods that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial years are discussed below.

*Impairment of goodwill*

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the

cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amounts of goodwill as at 31 December 2007, 2008, 2009 and 31 July 2010 were approximately HK\$14,569,000, HK\$15,157,000, HK\$15,181,000 and HK\$15,298,000, respectively. Further details are given in note 20.

*Impairment of non-financial assets (other than goodwill)*

The Group assesses whether there are any indicators of impairment for all non-financial assets as at 31 December 2007, 2008, 2009 and 31 July 2010. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The calculation of the fair value less costs to sell is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

*Deferred tax assets*

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Details of unrecognized tax losses as at each financial position date are contained in Note 32.

*Provision for impairment of trade and notes receivables*

The provision policy for impairment of trade and notes receivables is based on ongoing evaluation of the collectability and ageing analysis of the outstanding receivables and on management's judgment. A considerable amount of judgment is required in assessing the ultimate realization of those receivables, including the credit worthiness and the past collection history of each customer. If the financial conditions of the customers of the Group and the Company were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances might be required. Further details are contained in Note 25.

## 5. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has four reportable operating segments as follows:

- (a) Overseas — Strollers and accessories segment, which engages in the business of research, design, manufacturing and selling strollers and accessories under the Group's own brands and third parties' brands;
- (b) Overseas — Other durable juvenile products segment, which engages in the business of research, design, manufacturing and selling car seats and accessories, cribs and accessories and other durable juvenile's products under the Group's own brands and third parties' brands;

- (c) Domestic — Strollers and accessories segment, which engages in the business of sourcing and distributing strollers; and
- (d) Domestic — Other durable juvenile products segment, which engages in the business of sourcing and distributing car seats and accessories, cribs and accessories and other durable juvenile products.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment revenue.

Intersegment sales are transacted with reference to the cost of the overseas — Strollers and accessories and overseas — other durable juvenile products segments.

The segment results and other segment items included in the profit before tax for the years ended 31 December 2007, 2008, 2009 and seven months ended 31 July 2009 and 2010 are as follows:

**Year ended 31 December 2007**

	Overseas			Domestic			Consolidated
	HK\$'000			HK\$'000			HK\$'000
	Strollers and accessories	Other durable juvenile products	Subtotal	Strollers and accessories	Other durable juvenile products	Subtotal	
<b>Segment revenue:</b>							
Sales to external customers . . . . .	1,031,216	933,355	1,964,571	205,179	416,726	621,905	2,586,476
Intersegment sales . . . . .	130,814	169,098	299,912	—	—	—	299,912
			2,264,483			621,905	2,886,388
<b>Reconciliation:</b>							
Elimination of intersegment sales . . . . .							(299,912)
Revenue from continuing operations . . . . .							2,586,476
Cost of sales . . . . .							(2,159,362)
Other income . . . . .							42,797
Operating costs . . . . .							(277,324)
Other expenses . . . . .							(9,896)
Finance income/costs - net . . . . .							(10,619)
<b>Profit before tax from continuing operations . . . . .</b>							<u>172,072</u>

## Year ended 31 December 2008

	Overseas			Domestic			Consolidated
	HK\$'000			HK\$'000			HK\$'000
	Strollers and accessories	Other durable juvenile products	Subtotal	Strollers and accessories	Other durable juvenile products	Subtotal	
<b>Segment revenue:</b>							
Sales to external customers . . .	1,421,347	1,095,772	2,517,119	245,638	503,434	749,072	3,266,191
Intersegment sales . . . . .	145,578	174,696	320,274	—	—	—	320,274
			2,837,393			749,072	3,586,465
<b>Reconciliation:</b>							
Elimination of intersegment sales . . . . .							(320,274)
Revenue from continuing operations . . . . .							3,266,191
Cost of sales . . . . .							(2,668,916)
Other income . . . . .							37,313
Operating costs . . . . .							(344,710)
Other expenses . . . . .							(54,521)
Finance income/costs - net . . .							(17,682)
<b>Profit before tax from continuing operations . . .</b>							<u>217,675</u>

## Year ended 31 December 2009

	Overseas			Domestic			Consolidated
	HK\$'000			HK\$'000			HK\$'000
	Strollers and accessories	Other durable juvenile products	Subtotal	Strollers and accessories	Other durable juvenile products	Subtotal	
<b>Segment revenue:</b>							
Sales to external customers . . .	1,345,884	956,222	2,302,106	263,388	466,741	730,129	3,032,235
Intersegment sales . . . . .	169,719	145,149	314,868	—	—	—	314,868
			2,616,974			730,129	3,347,103
<b>Reconciliation:</b>							
Elimination of intersegment sales . . . . .							(314,868)
Revenue from continuing operations . . . . .							3,032,235
Cost of sales . . . . .							(2,463,360)
Other income . . . . .							25,105
Operating costs . . . . .							(356,109)
Other expenses . . . . .							(20,046)
Finance income/costs - net . . .							(13,042)
<b>Profit before tax from continuing operations . . .</b>							<u>204,783</u>

## Seven months ended 31 July 2009 (Unaudited)

	Overseas			Domestic			Consolidated
	HK\$'000			HK\$'000			HK\$'000
	Strollers and accessories	Other durable juvenile products	Subtotal	Strollers and accessories	Other durable juvenile products	Subtotal	
<b>Segment revenue:</b>							
Sales to external customers . . . . .	731,984	512,243	1,244,227	170,559	279,198	449,757	1,693,984
Intersegment sales . . . . .	102,050	79,440	181,490	—	—	—	181,490
			1,425,717			449,757	1,875,474
<b>Reconciliation:</b>							
Elimination of intersegment sales . . . . .							(181,490)
Revenue from continuing operations . . . . .							1,693,984
Cost of sales . . . . .							(1,362,070)
Other income . . . . .							11,318
Operating costs . . . . .							(196,562)
Other expenses . . . . .							(14,449)
Finance income/costs - net . . . . .							(6,638)
<b>Profit before tax from continuing operations . . . . .</b>							<u>125,583</u>

## Seven months ended 31 July 2010

	Overseas			Domestic			Consolidated
	HK\$'000			HK\$'000			HK\$'000
	Strollers and accessories	Other durable juvenile products	Subtotal	Strollers and accessories	Other durable juvenile products	Subtotal	
<b>Segment revenue:</b>							
Sales to external customers . . . . .	916,340	756,026	1,672,366	198,062	328,089	526,151	2,198,517
Intersegment sales . . . . .	92,789	93,581	186,370	—	—	—	186,370
			1,858,736			526,151	2,384,887
<b>Reconciliation:</b>							
Elimination of intersegment sales . . . . .							(186,370)
Revenue from continuing operations . . . . .							2,198,517
Cost of sales . . . . .							(1,742,519)
Other income . . . . .							21,483
Operating costs . . . . .							(285,244)
Other expenses . . . . .							(6,406)
Finance income/costs - net . . . . .							(9,216)
<b>Profit before tax from continuing operations . . . . .</b>							<u>176,615</u>

## Geographical information

## (a) Revenue from external customers

	European Union	North America	Mainland China	Others	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Year ended 31 December 2007</b>					
<b>Segment revenue:</b>					
Sales to external customers. . . . .	724,080	891,206	621,905	349,285	2,586,476
<b>Year ended 31 December 2008</b>					
<b>Segment revenue:</b>					
Sales to external customers. . . . .	1,070,238	1,010,421	749,072	436,460	3,266,191
<b>Year ended 31 December 2009</b>					
<b>Segment revenue:</b>					
Sales to external customers. . . . .	928,419	1,000,194	730,129	373,493	3,032,235
<b>Seven months ended 31 July 2009 (unaudited)</b>					
<b>Segment revenue:</b>					
Sales to external customers. . . . .	461,209	599,857	449,757	183,161	1,693,984
<b>Seven months ended 31 July 2010</b>					
<b>Segment revenue:</b>					
Sales to external customers. . . . .	636,055	765,015	526,151	271,296	2,198,517

The revenue information from continuing operations above is based on the location of the customers.

## (b) Non-current assets

Since all non-current assets, other than deferred tax assets, from continuing operations are located in the Mainland China, no geographical information for non-current assets is presented.

## Information about a major customer

Details of sales to a major customer accounting for 10% or more of total net sales of the Group are as follows:

	Year ended 31 December			Seven months ended 31 July	
	2007	2008	2009	2009	2010
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
<b>Continuing operations:</b> . . . . .	1,343,053	1,610,154	1,524,322	827,529	981,904

The above sales to a customer was derived from sales by the overseas — strollers and accessories and overseas — other durable juvenile products segments, including sales to a group of entities which are known to be under common control with that customer.

## 6. REVENUE AND OTHER INCOME

An analysis of revenue and other income is as follows:

	Year ended 31 December			Seven months ended 31 July	
	2007	2008	2009	2009	2010
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
<b>Revenue:</b>					
Sales of goods . . . . .	<u>2,586,476</u>	<u>3,266,191</u>	<u>3,032,235</u>	<u>1,693,984</u>	<u>2,198,517</u>
<b>Other income from continuing operations:</b>					
Government grants (note (a)) . . . . .	1,013	6,219	5,706	4,598	3,416
Re-investment tax refund income (note (b)) . . . . .	17,490	2,021	—	—	—
Gain on sales of raw materials . . . . .	6,221	11,063	6,051	717	7,672
Gain on sales of scrap materials . . . . .	5,885	7,705	7,534	3,588	4,141
Compensation income (note (c)) . . . . .	7,566	2,950	2,757	789	3,328
Service fee income (note (d)) . . . . .	1,744	5,180	1,924	1,482	902
Others . . . . .	<u>2,878</u>	<u>2,175</u>	<u>1,133</u>	<u>144</u>	<u>2,024</u>
Total . . . . .	<u>42,797</u>	<u>37,313</u>	<u>25,105</u>	<u>11,318</u>	<u>21,483</u>

Note (a): The amount represents subsidies received from local PRC government authorities in connection with certain financial support to local business enterprises for the purpose of encouraging the development of the export sector. These government subsidies mainly comprised of subsidies for export activities, encouragement of development, and other miscellaneous subsidies and incentives for various purposes. The amount of such government grants is determined solely at the discretion of the relevant government authorities and there is no assurance that the Group will continue to receive these government grants in the future. There were no unfulfilled conditions or contingencies attaching to these grants and they were recognised in the year of receipt.

Note (b): The amount represents re-investment tax refund income arising from the direct re-investment of the Group's share in the distributed profit of the Group's subsidiary. Re-investment tax refund income is calculated based on the amount of the PRC enterprise income tax previously paid by the relevant subsidiary on the re-invested portion of the distributed profit.

Note (c): The amount represents compensation received from customers as a result of cancellation of orders and suppliers as a result of defective products or shipment delay in the normal course of business.

Note (d): The amount represents service fee income for factory administrative service provided to a related party

## 7. FINANCE INCOME

	Year ended 31 December			Seven months ended 31 July	
	2007	2008	2009	2009	2010
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
Continuing operations:					
- Interest income on bank deposits . . . . .	<u>1,493</u>	<u>1,268</u>	<u>1,373</u>	<u>346</u>	<u>400</u>



## 8. FINANCE COSTS

	Year ended 31 December			Seven months ended 31 July	
	2007	2008	2009	2009	2010
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
				(Unaudited)	
<b>Continuing operations:</b>					
- Interest expense on bank loans and borrowings . . . . .	12,112	18,950	14,415	6,984	9,616

## 9. PROFIT BEFORE TAX

The Group's profit before tax from continuing operations is arrived at after charging/(crediting):

	Year ended 31 December			Seven months ended 31 July	
	2007	2008	2009	2009	2010
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
				(Unaudited)	
Cost of inventories recognised as expenses . . . . .	2,411,171	2,994,901	2,573,906	1,394,992	1,789,812
Depreciation of property, plant and equipment . . . . .	34,127	50,464	60,766	35,294	41,085
Amortization of intangible assets . . . . .	1,788	2,785	3,300	1,546	1,719
Amortization of prepaid land lease payments . . . . .	635	869	876	511	977
Research and development ("R&D") costs (note (a)). . . . .	34,100	51,180	55,336	35,530	47,270
Lease payments under operating leases in respect of properties . . . . .	9,437	20,426	24,997	14,953	16,047
Auditor's remuneration . . . . .	1,258	2,448	1,873	1,096	884
Net foreign exchange losses/(gain) . . . . .	15,166	18,941	192	(97)	6,538
(Reversal of)/provision for impairment of receivables . . . . .	(102)	—	3,392	1,858	63
Write-down of inventories . . . . .	2,206	471	8,092	9,347	1,006
Product warranty . . . . .	8,449	8,728	19,449	11,759	10,756
Fair value (gain)/loss on derivative financial instruments . . . . .	(8,452)	27,076	175	607	(1,683)
Loss/(gain) on disposal of items of property, plant and equipment . . . . .	351	(547)	1,427	(193)	323
Bank interest income. . . . .	1,493	1,268	1,373	346	400

Note (a): During the Track Record Periods, no development expenditure met the criteria for capitalization.

**10. EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTOR'S REMUNERATION)**

	Year ended 31 December			Seven months ended 31 July	
	2007	2008	2009	2009	2010
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
				(Unaudited)	
<b>Continuing operations:</b>					
Wages and salaries . . . . .	441,310	466,765	448,957	180,628	256,362
Pension scheme contributions (note (a)) . . . . .	4,319	7,835	13,295	7,492	10,203
Housing benefit contributions (note (b)) . . . . .	4,329	6,069	9,120	3,435	4,950
Welfare and other benefits . . . . .	2,947	12,289	29,132	13,798	16,412
	<u>452,905</u>	<u>492,958</u>	<u>500,504</u>	<u>205,353</u>	<u>287,927</u>

Note (a): The employees of the Group's PRC subsidiaries (excluding expatriates and employees employed through contracts with labor servicing companies) participate in various defined contribution retirement benefit schemes organized by the relevant PRC municipal and provincial governments under which the Group is required to make monthly contributions to these schemes at rates ranging from 12% to 22%, dependent on applicable local regulations, of the minimum wages set by the relevant municipal and provincial governments. The total retirement benefit contributions from continuing operations and discontinued operations amounted to HK\$15,500,000, HK\$29,400,000, HK\$32,748,000, HK\$20,818,000 and HK\$24,319,000 for the years ended 31 December 2007, 2008, 2009 and seven months ended 31 July 2009 and 2010, respectively.

Note (b): The amounts represent contributions to the PRC government administered housing funds (at rates ranging from 5% to 8% of the employees' total wages and salaries) for full-time employees in Mainland China during the year.

**11. DIRECTORS' REMUNERATION**

Directors' remuneration for the Track Record Periods, disclosed pursuant to the Listing Rules and Section 161 of the Hong Kong Companies Ordinance, is as follows:

	Year ended 31 December			Seven months ended 31 July	
	2007	2008	2009	2009	2010
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
				(Unaudited)	
Fees . . . . .	2,463	2,693	1,586	1,586	—
Other emoluments:					
Salaries, allowances and benefits in kind . . . . .	4,539	4,990	6,624	2,954	5,164
Performance related bonuses . . . . .	467	—	1,702	—	—
Pension scheme contributions . . . . .	—	—	—	—	—
	<u>5,006</u>	<u>4,990</u>	<u>8,326</u>	<u>2,954</u>	<u>5,164</u>
	<u>7,469</u>	<u>7,683</u>	<u>9,912</u>	<u>4,540</u>	<u>5,164</u>

**(a) Independent non-executive directors**

The fees paid to independent non-executive directors during the Track Record Periods were as follows:

	Year ended 31 December			Seven months ended 31 July	
	2007	2008	2009	2009	2010
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000) (Unaudited)	(HK\$'000)
LONG Yongtu . . . . .	—	—	—	—	—
BRUCE, Iain Ferguson . . . . .	—	—	—	—	—
SHI Xiaoguang . . . . .	—	—	—	—	—
	—	—	—	—	—

There were no other emoluments payable to the independent non-executive directors during the Track Record Periods.

**(b) Executive directors and non-executive directors**

	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Total remuneration
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
<b>Year ended 31 December 2007</b>					
Executive directors:					
SONG Zhenghuan . . . . .	1,677	2,048	467	—	4,192
FU Jingqiu . . . . .	786	2,491	—	—	3,277
	2,463	4,539	467	—	7,469
Non-executive directors:					
GRADEL, Christopher Marcus . . . . .	—	—	—	—	—
CHIANG Yun . . . . .	—	—	—	—	—
	—	—	—	—	—

## (b) Executive directors and non-executive directors

	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Total remuneration
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
<b>Year ended 31 December 2008</b>					
Executive directors:					
SONG Zhenghuan . . . . .	1,834	2,239	—	—	4,073
FU Jingqiu . . . . .	859	2,751	—	—	3,610
	<u>2,693</u>	<u>4,990</u>	<u>—</u>	<u>—</u>	<u>7,683</u>
Non-executive directors:					
GRADEL, Christopher Marcus . . . . .	—	—	—	—	—
CHIANG Yun . . . . .	—	—	—	—	—
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Total remuneration
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
<b>Year ended 31 December 2009</b>					
Executive directors:					
SONG Zhenghuan . . . . .	1,080	3,307	—	—	4,387
FU Jingqiu . . . . .	506	3,317	1,702	—	5,525
	<u>1,586</u>	<u>6,624</u>	<u>1,702</u>	<u>—</u>	<u>9,912</u>
Non-executive directors					
GRADEL, Christopher Marcus . . . . .	—	—	—	—	—
CHIANG Yun . . . . .	—	—	—	—	—
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Total remuneration
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
<b>Seven months ended 31 July 2009</b>					
<b>(unaudited)</b>					
Executive directors:					
SONG Zhenghuan . . . . .	1,080	1,326	—	—	2,406
FU Jingqiu . . . . .	506	1,628	—	—	2,134
	<u>1,586</u>	<u>2,954</u>	<u>—</u>	<u>—</u>	<u>4,540</u>
Non-executive directors					
GRADEL, Christopher Marcus . . . . .	—	—	—	—	—
CHIANG Yun . . . . .	—	—	—	—	—
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
	Fees	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Total remuneration
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
<b>Seven months ended 31 July 2010</b>					
Executive directors:					
SONG Zhenghuan . . . . .	—	2,787	—	—	2,787
FU Jingqiu . . . . .	—	2,377	—	—	2,377
	<u>—</u>	<u>5,164</u>	<u>—</u>	<u>—</u>	<u>5,164</u>
Non-executive directors					
GRADEL, Christopher Marcus . . . . .	—	—	—	—	—
CHIANG Yun . . . . .	—	—	—	—	—
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

There was no arrangement under which a director waived or agreed to waive any remuneration during the Track Record Periods.

**12. FIVE HIGHEST PAID EMPLOYEES**

The five highest paid employees during the Track Record Periods included 2 directors, details of whose remuneration are set out in note 11 above. Details of the remuneration of the remaining 3 non-director, highest paid employees for the Track Record Periods are as follows:

	Year ended 31 December			Seven months ended 31 July	
	2007	2008	2009	2009	2010
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
				(Unaudited)	
Salaries, allowances and benefits in kind . . . . .	5,191	6,493	7,303	4,441	4,768
Performance related bonuses . . . . .	3,120	4,303	5,578	—	—
Pension scheme contributions . . . . .	36	5	5	33	42
	<u>8,347</u>	<u>10,801</u>	<u>12,886</u>	<u>4,474</u>	<u>4,810</u>

The number of non-director, highest paid employees whose remuneration fell within the following bands is as follows:

	Year ended 31 December			Seven months ended 31 July	
	2007	2008	2009	2009	2010
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
				(Unaudited)	
HK\$1,000,001 to 2,000,000 . . . . .	1	—	—	3	3
HK\$2,000,001 to 3,000,000 . . . . .	1	2	—	—	—
HK\$3,000,001 to 4,000,000 . . . . .	—	—	1	—	—
HK\$4,000,001 to 5,000,000 . . . . .	1	—	1	—	—
HK\$5,000,001 to 6,000,000 . . . . .	—	1	1	—	—
	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>

During the Track Record Periods, no directors, or any of the non-director, highest paid employees waived or agreed to waive any remuneration.

### 13. INCOME TAX

The Company and its subsidiaries incorporated in the the Cayman Islands and BVI are exempted from taxation.

No Hong Kong profits tax has been provided as there was no assessable profit earned in or derived from Hong Kong during the Track Record Periods.

Taxation on profits of the Group's subsidiary in the United States had been provided for at the rates of state income tax and federal income tax on the estimated assessable profits of the subsidiary during the Track Record Periods. The state income tax rates are 8.5% and 9.5% in the respective states that the subsidiary operates, and the federal income tax rate ranges from 15% to 39% on a progressive basis.

No provision has been made for income tax in Japan as the Group's subsidiary in Japan did not earn any taxable profit for Japan income tax purpose.

No provision has been made for income tax in Netherland as the Group's subsidiaries in Netherland did not earn any taxable profit for Netherland income tax purpose.

All of the Group's subsidiaries registered in the PRC and only have operations in Mainland China are subject to PRC enterprise income tax ("EIT") on the taxable income as reported in their PRC statutory accounts adjusted in accordance with relevant PRC income tax laws. On 16 March 2007, the PRC government promulgated Law of the PRC on Enterprise Income Tax (the "EIT Law"), which was effective from 1 January 2008. On 6 December 2007, the State Council issued Implementation Regulation of the EIT Law. The EIT Law and Implementation Regulation changed the tax rate of the PRC enterprise from 33% to 25% from 1 January 2008 onwards.

Pursuant to the relevant tax rules in the PRC, GCPC was qualified as an export orientated enterprise and is entitled to a preferential rate of 12% in 2007. In addition, pursuant to relevant tax rules under the EIT Law and with approval from tax authorities in charge, GCPC is qualified as "High & New Technology Enterprise" and is subject to a preferential tax rate of 15% from 2008 to 2010.

Pursuant to the relevant tax rules in the PRC, GCPN is a foreign investment enterprise established in the PRC and entitled to first two years tax exemption and subsequent 3 years 50% tax deduction on EIT from the first profit making year of 2003. As GCPN is located in the Economic Development Zone where the applicable tax rate is 24%, EIT rate for GCPN in 2007 is 12%, which is 50% of the applicable tax rate of 24%.

The major components of income tax expense of the Group are as follows:

	Year ended 31 December			Seven months ended 31 July	
	2007	2008	2009	2009	2010
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
				(Unaudited)	
Current income tax					
- Income tax for the year . . . . .	17,401	28,166	40,193	32,676	27,064
- (Over)/under provision in prior years/periods . . . . .	(25)	(88)	(769)	(769)	113
Deferred income tax (note 32). . . . .	(7,503)	16,063	997	(5,718)	7,917
Income tax expense reported in the statements of comprehensive income . . . . .	<u>9,873</u>	<u>44,141</u>	<u>40,421</u>	<u>26,189</u>	<u>35,094</u>

A reconciliation of the tax expense applicable to profit before tax at the statutory rate to the tax expense at the effective tax rate for each of the Track Record Periods is as follows:

	Year ended 31 December			Seven months ended 31 July	
	2007	2008	2009	2009	2010
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
				(Unaudited)	
Profit before tax from continuing operations . . . . .	172,072	217,675	204,783	125,583	176,615
Expected income tax on profit before tax, calculated at the applicable tax rate concerned* . . . . .	56,784	54,419	51,196	31,396	44,154
Lower tax rate for specific provision . . . . .	(39,703)	(19,147)	(19,863)	(12,597)	(15,090)
Effect of changes in tax rate on deferred tax asset balance. . . . .	(11,705)	8,574	—	—	—
Tax losses not recognised for deferred tax assets . . . . .	—	—	1,307	2,006	—
Deferred tax liability on withholding tax . . . . .	—	4,560	9,979	8,463	7,120
Tax credit arising from additional deduction of R&D expenditures of a PRC subsidiary. . . . .	(2,890)	(4,140)	(3,542)	(3,542)	(4,807)
Non-taxable income . . . . .	(5,772)	(505)	—	—	—
(Over)/under provision in prior years/periods . . . . .	(25)	(88)	(769)	(769)	113
Non-deductible expenses . . . . .	13,184	468	2,113	1,232	3,604
Income tax expense . . . . .	<u>9,873</u>	<u>44,141</u>	<u>40,421</u>	<u>26,189</u>	<u>35,094</u>

\* The income tax rate of 33% was applied for the year ended 31 December 2007 and 25% was applied for the years ended 31 December 2008 and 2009 and seven months ended 31 July 2009 and 2010.



#### 14. DISCONTINUED OPERATIONS

With effect from 1 November 2007, the Group disposed of an operation which engaged in the manufacturing, assembly and sale of non-juvenile's products, whose operations and cash flows can be clearly distinguished operationally and for financial reporting purposes, from the rest of the Group to the Group's shareholder, GBHL (note 39). The disposed operation has been accounted for as a discontinued operation.

On 31 December 2008, the Group disposed of an operation to Majestic Sino Limited ("Majestic Sino"), a company owned by certain of the Group's ultimate shareholders (note 39). The disposed operation engages in the retail sales business through online store, catalogue and mega stores (collectively referred to as the "3-in-1" business), whose operations and cash flows can be clearly distinguished operationally and for financial reporting purposes, from the rest of the Group. The disposal of the 3-in-1 business has been accounted for as a discontinued operation.

During the seven months ended 31 July 2010, one of the Group's subsidiary, GCPC, underwent a demerge exercise and a new entity, namely Goodbaby China Commercial Co., Ltd. ("GCCL"), was established to take over the domestic retail business from GCPC. During the seven months ended 31 July 2010, the Group disposed of its equity interest in GCCL, SHFS, SGOL, RCBL, MGCR and MGRL to GBHL (note 39) at a consideration of HK\$287,936,000 in aggregation, resulting in a gain of HK\$35,699,000 (note 34). GCCL, SHFS, SGOL, RCBL, MGCR and MGRL are mainly engaged in the domestic retail business. The disposal of the domestic retail business has been accounted for as a discontinued operation.

The results of the aforesaid discontinued operations during the Track Record Periods are presented below:

	Year ended 31 December			Seven months ended 31 July	
	2007	2008	2009	2009	2010
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
				(Unaudited)	
Revenue . . . . .	1,015,916	1,092,102	1,062,517	600,905	677,065
Cost of sales . . . . .	(756,611)	(789,684)	(748,252)	(414,692)	(470,461)
<b>Gross profit</b> . . . . .	259,305	302,418	314,265	186,213	206,604
Other income . . . . .	4,518	10,406	3,181	3,883	4,546
Selling and distribution costs . . . . .	(216,454)	(358,278)	(304,816)	(178,602)	(196,485)
Administrative expenses . . . . .	(79,636)	(116,505)	(110,415)	(60,221)	(68,499)
Other expenses . . . . .	(9,330)	(3,903)	(4,904)	(5,240)	208
<b>Operating loss</b> . . . . .	(41,597)	(165,862)	(102,689)	(53,967)	(53,626)
Finance income . . . . .	114	548	89	50	472
Finance costs . . . . .	(14,718)	(23,783)	(16,937)	(10,768)	(6,141)
<b>Loss before tax</b> . . . . .	(56,201)	(189,097)	(119,537)	(64,685)	(59,295)
Income tax credit . . . . .	4,773	15,368	14,883	7,494	7,058
<b>Loss for the year/period</b> . . . . .	<u>(51,428)</u>	<u>(173,729)</u>	<u>(104,654)</u>	<u>(57,191)</u>	<u>(52,237)</u>

The net cash inflow/(outflow) incurred by the discontinued operations are as follows:

	Year ended 31 December			Seven months ended 31 July	
	2007	2008	2009	2009	2010
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
				(Unaudited)	
Operating activities . . . . .	98,858	52,119	21,819	34,872	40,075
Investing activities . . . . .	(39,886)	(57,259)	(16,039)	(19,627)	(9,841)
Financing activities . . . . .	(14,718)	(23,783)	(16,937)	(10,768)	(4,942)
Net . . . . .	<u>44,254</u>	<u>(28,923)</u>	<u>(11,157)</u>	<u>4,477</u>	<u>25,292</u>

## 15. DIVIDENDS

	Year ended 31 December			Seven months ended 31 July	
	2007	2008	2009	2009	2010
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
				(Unaudited)	
Dividend declared to the then equity holder . . . . .	<u>261,957</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>406,505</u>

- (a) On 21 March 2007, the Company declared a special dividend to the then equity holders of the Company amounting to HK\$40,111,000 (HK\$1.47 per share). The special dividend was settled through reduction of amounts due from related parties.
- (b) On 31 October 2007, the Company declared a special dividend to the then equity holders of the Company amounting to HK\$221,846,000 (HK\$8.13 per share). Of which, HK\$208,628,000 was settled through reduction of amounts due from related parties.
- (c) On 31 July 2010, the Company declared a special dividend to the then equity holders of the Company amounting to HK\$406,505,000 (HK\$14.89 per share). Of which, HK\$395,135,000 was settled through reduction of amounts due from a related party.

## 16. EARNINGS PER SHARE

Earnings per share information is not presented as its inclusion, for the purpose of this report, is not considered meaningful due to the number of shares as at each financial position date of the Track Record Periods is different from the number of shares immediately after the completion of global offering as more fully explained in the Section of Share Capital of the Prospectus.

## 17. PROPERTY, PLANT AND EQUIPMENT

	<u>Buildings</u>	<u>Plant and machinery</u>	<u>Motor vehicles</u>	<u>Furniture and fixtures</u>	<u>Leasehold improvements</u>	<u>Construction in process</u>	<u>Total</u>
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
Cost							
As at 1 January 2007 . . . . .	389,194	416,058	13,340	44,877	43,170	1,825	908,464
Additions . . . . .	7,888	40,577	1,878	19,065	21,437	21,055	111,900
Transfers . . . . .	7,260	1,571	—	141	—	(8,972)	—
Transfer to investment property . . . . .	(29,636)	—	—	—	—	—	(29,636)
Disposals . . . . .	(35,780)	(23,803)	(328)	(16,938)	—	—	(76,849)
Disposals of a discontinued operation . . . . .	(5,067)	(79,501)	(2,394)	(4,089)	—	—	(91,051)
Translation adjustments . . . . .	<u>26,607</u>	<u>22,564</u>	<u>694</u>	<u>6,021</u>	<u>3,562</u>	<u>602</u>	<u>60,050</u>
As at 31 December 2007 and 1 January 2008 . . . . .	360,466	377,466	13,190	49,077	68,169	14,510	882,878
Additions . . . . .	3,498	28,577	1,431	12,824	68,796	36,604	151,730
Transfers . . . . .	2,317	10,116	—	1,398	18,875	(32,706)	—
Transfer from investment property . . . . .	13,008	—	—	—	—	—	13,008
Disposals . . . . .	(2,038)	(18,477)	(678)	(5,508)	(300)	—	(27,001)
Disposals of a discontinued operation . . . . .	—	—	(310)	(8,001)	(31,251)	—	(39,562)
Translation adjustments . . . . .	<u>24,434</u>	<u>21,716</u>	<u>580</u>	<u>5,853</u>	<u>5,090</u>	<u>931</u>	<u>58,604</u>
As at 31 December 2008 and 1 January 2009 . . . . .	401,685	419,398	14,213	55,643	129,379	19,339	1,039,657
Additions . . . . .	2,979	18,866	447	10,548	36,190	15,486	84,516
Transfers . . . . .	6,477	1,155	—	1,011	4,799	(13,442)	—
Disposals . . . . .	(2,534)	(7,581)	(2,609)	(3,180)	(24,699)	—	(40,603)
Translation adjustments . . . . .	<u>444</u>	<u>672</u>	<u>20</u>	<u>111</u>	<u>217</u>	<u>32</u>	<u>1,496</u>
As at 31 December 2009 and 1 January 2010 . . . . .	409,051	432,510	12,071	64,133	145,886	21,415	1,085,066
Additions . . . . .	9,130	20,937	419	7,125	23,019	9,117	69,747
Transfers . . . . .	4,961	—	—	96	453	(5,510)	—
Disposals . . . . .	(2,658)	(6,085)	(665)	(970)	(1,907)	—	(12,285)
Disposal of discontinued operations . . . . .	(40,628)	(3,210)	(8,725)	(34,609)	(127,698)	(16,976)	(231,846)
Translation adjustments . . . . .	<u>3,798</u>	<u>4,015</u>	<u>110</u>	<u>547</u>	<u>846</u>	<u>199</u>	<u>9,515</u>
As at 31 July 2010 . . . . .	<u>383,654</u>	<u>448,167</u>	<u>3,210</u>	<u>36,322</u>	<u>40,599</u>	<u>8,245</u>	<u>920,197</u>
Accumulated depreciation							
As at 1 January 2007 . . . . .	86,120	182,157	8,432	26,932	20,083	—	323,724
Transfer to investment property . . . . .	(6,454)	—	—	—	—	—	(6,454)
Depreciation charge . . . . .	17,809	30,908	1,248	8,517	12,349	—	70,831
Disposals . . . . .	(16,457)	(10,051)	(92)	(10,654)	—	—	(37,254)
Disposals of a discontinued operation . . . . .	(1,676)	(48,906)	(1,889)	(2,610)	—	—	(55,081)
Translation adjustments . . . . .	<u>6,058</u>	<u>11,382</u>	<u>587</u>	<u>1,611</u>	<u>1,526</u>	<u>—</u>	<u>21,164</u>

	<b>Buildings</b>	<b>Plant and machinery</b>	<b>Motor vehicles</b>	<b>Furniture and fixtures</b>	<b>Leasehold improvements</b>	<b>Construction in process</b>	<b>Total</b>
	<b>(HK\$'000)</b>	<b>(HK\$'000)</b>	<b>(HK\$'000)</b>	<b>(HK\$'000)</b>	<b>(HK\$'000)</b>	<b>(HK\$'000)</b>	<b>(HK\$'000)</b>
As at 31 December 2007 and							
1 January 2008 . . . . .	85,400	165,490	8,286	23,796	33,958	—	316,930
Transfer from investment							
property . . . . .	1,862	—	—	—	—	—	1,862
Depreciation charge . . . . .	16,600	32,744	1,234	3,064	38,738	—	92,380
Disposals . . . . .	(742)	(11,680)	(610)	(4,746)	(179)	—	(17,957)
Disposals of a discontinued							
operation . . . . .	—	—	(41)	(1,298)	(4,486)	—	(5,825)
Translation adjustments . . . . .	<u>5,433</u>	<u>10,112</u>	<u>517</u>	<u>1,261</u>	<u>1,842</u>	<u>—</u>	<u>19,165</u>
As at 31 December 2008 and							
1 January 2009 . . . . .	108,553	196,666	9,386	22,077	69,873	—	406,555
Depreciation charge . . . . .	17,552	24,964	1,215	8,545	47,518	—	99,794
Disposals . . . . .	(437)	(5,937)	(2,348)	(2,124)	(22,141)	—	(32,987)
Translation adjustments . . . . .	<u>185</u>	<u>324</u>	<u>14</u>	<u>45</u>	<u>131</u>	<u>—</u>	<u>699</u>
As at 31 December 2009 and							
1 January 2010 . . . . .	125,853	216,017	8,267	28,543	95,381	—	474,061
Depreciation charge . . . . .	10,954	19,807	660	9,359	17,159	—	57,939
Disposals . . . . .	(399)	(4,429)	(598)	(819)	(1,816)	—	(8,061)
Disposal of discontinued							
operations . . . . .	(14,823)	(1,829)	(6,178)	(20,569)	(83,341)	—	(126,740)
Translation adjustments . . . . .	<u>1,248</u>	<u>2,006</u>	<u>75</u>	<u>252</u>	<u>397</u>	<u>—</u>	<u>3,978</u>
As at 31 July 2010 . . . . .	<u>122,833</u>	<u>231,572</u>	<u>2,226</u>	<u>16,766</u>	<u>27,780</u>	<u>—</u>	<u>401,177</u>
Net book value							
As at 31 December 2007 . . . . .	<u>275,066</u>	<u>211,976</u>	<u>4,904</u>	<u>25,281</u>	<u>34,211</u>	<u>14,510</u>	<u>565,948</u>
As at 31 December 2008 . . . . .	<u>293,132</u>	<u>222,732</u>	<u>4,827</u>	<u>33,566</u>	<u>59,506</u>	<u>19,339</u>	<u>633,102</u>
As at 31 December 2009 . . . . .	<u>283,198</u>	<u>216,493</u>	<u>3,804</u>	<u>35,590</u>	<u>50,505</u>	<u>21,415</u>	<u>611,005</u>
As at 31 July 2010 . . . . .	<u>260,821</u>	<u>216,595</u>	<u>984</u>	<u>19,556</u>	<u>12,819</u>	<u>8,245</u>	<u>519,020</u>

Included in the property, plant and equipment as at 31 December 2007, 2008, 2009 and 31 July 2010 were certain buildings with net book values of HK\$8,374,000, HK\$8,405,000, HK\$7,933,000 and HK\$1,979,000 respectively of which the property certificates have not been obtained.

## 18. INVESTMENT PROPERTY

Cost:	HK\$'000
As at 1 January 2007 . . . . .	—
Transfer from property, plant and equipment . . . . .	29,636
Translation adjustments . . . . .	<u>761</u>
As at 31 December 2007 and 1 January 2008 . . . . .	30,397
Transfer to property, plant and equipment . . . . .	(13,008)
Translation adjustments . . . . .	<u>1,764</u>
As at 31 December 2008 and 1 January 2009 . . . . .	19,153
Translation adjustments . . . . .	<u>29</u>
As at 31 December 2009 and 1 January 2010 . . . . .	19,182
Disposals of discontinued operations . . . . .	(19,360)
Translation adjustments . . . . .	<u>178</u>
As at 31 July 2010 . . . . .	<u>—</u>
Accumulated depreciation:	
As at 1 January 2007 . . . . .	—
Transfer from property, plant and equipment . . . . .	(6,454)
Depreciation charge . . . . .	(303)
Translation adjustments . . . . .	<u>(208)</u>
As at 31 December 2007 and 1 January 2008 . . . . .	(6,965)
Transfer to property, plant and equipment . . . . .	1,862
Depreciation charge . . . . .	(2,088)
Translation adjustments . . . . .	<u>(433)</u>
As at 31 December 2008 and 1 January 2009 . . . . .	(7,624)
Depreciation charge . . . . .	(965)
Translation adjustments . . . . .	<u>(13)</u>
As at 31 December 2009 and 1 January 2010 . . . . .	(8,602)
Depreciation charge . . . . .	(583)
Disposals of discontinued operations . . . . .	9,264
Translation adjustments . . . . .	<u>(79)</u>
As at 31 July 2010 . . . . .	<u>—</u>
Net book value	
As at 31 December 2007 . . . . .	<u>23,432</u>
As at 31 December 2008 . . . . .	<u>11,529</u>
As at 31 December 2009 . . . . .	<u>10,580</u>
As at 31 July 2010 . . . . .	<u>—</u>

The fair values of the Group's investment property were HK\$37,773,000, HK\$20,595,000 and HK\$20,726,000 as at 31 December 2007, 2008 and 2009, respectively according to the valuation performed by independent professionally qualified valuers appointed by the Group, on an open market, existing use basis.

## 19. PREPAID LAND LEASE PAYMENTS

	As at 31 December			As at 31 July
	2007	2008	2009	2010
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
At beginning of year/period . . . . .	40,076	64,397	65,581	65,694
Additions . . . . .	21,811	—	1,818	8,823
Amortization . . . . .	(1,214)	(1,756)	(1,810)	(1,097)
Disposal of discontinued operations . . . . .	—	—	—	(8,047)
Translation adjustments . . . . .	3,724	2,940	105	604
At end of year/period . . . . .	<u>64,397</u>	<u>65,581</u>	<u>65,694</u>	<u>65,977</u>

## 20. INTANGIBLE ASSETS

	Goodwill	Trademarks	Computer software	Total
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
Cost				
As at 1 January 2007 . . . . .	20,379	20,532	9,865	50,776
Additions . . . . .	—	2,544	624	3,168
Disposal of a discontinued operation . . . . .	(1,418)	—	—	(1,418)
Translation adjustments . . . . .	1,131	1,597	1,270	3,998
As at 31 December 2007 and 1 January 2008 . . . . .	20,092	24,673	11,759	56,524
Additions . . . . .	—	2,688	5,532	8,220
Disposal of a discontinued operation . . . . .	(5,864)	—	(2,224)	(8,088)
Translation adjustments . . . . .	929	2,350	1,470	4,749
As at 31 December 2008 and 1 January 2009 . . . . .	15,157	29,711	16,537	61,405
Additions . . . . .	—	512	2,541	3,053
Translation adjustments . . . . .	24	143	106	273
As at 31 December 2009 and 1 January 2010 . . . . .	15,181	30,366	19,184	64,731
Additions . . . . .	—	2,254	1,120	3,374
Disposal of discontinued operations . . . . .	—	(10,494)	(17,170)	(27,664)
Translation adjustments . . . . .	117	282	190	589
As at 31 July 2010 . . . . .	<u>15,298</u>	<u>22,408</u>	<u>3,324</u>	<u>41,030</u>
Accumulated amortization				
As at 1 January 2007 . . . . .	—	(5,447)	(6,006)	(11,453)
Amortization charge . . . . .	—	(2,216)	(890)	(3,106)
Translation adjustments . . . . .	—	(484)	(490)	(974)
As at 31 December 2007 and 1 January 2008 . . . . .	—	(8,147)	(7,386)	(15,533)
Amortization charge . . . . .	—	(3,237)	(2,514)	(5,751)
Disposal of a discontinued operation . . . . .	—	—	272	272
Translation adjustments . . . . .	—	(684)	(622)	(1,306)

	Goodwill	Trademarks	Computer software	Total
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
As at 31 December 2008 and 1 January 2009 . . . . .	—	(12,068)	(10,250)	(22,318)
Amortization charge . . . . .	—	(2,859)	(2,907)	(5,766)
Translation adjustments . . . . .	—	(21)	(93)	(114)
As at 31 December 2009 and 1 January 2010 . . . . .	—	(14,948)	(13,250)	(28,198)
Amortization charge . . . . .	—	(1,826)	(1,695)	(3,521)
Disposal of discontinued operations . . . . .	—	5,522	13,365	18,887
Translation adjustments . . . . .	—	(139)	(121)	(260)
As at 31 July 2010 . . . . .	—	(11,391)	(1,701)	(13,092)
Accumulated impairment				
As at 1 January 2007 . . . . .	(5,147)	—	—	(5,147)
Translation adjustments . . . . .	(376)	—	—	(376)
As at 31 December 2007 and 1 January 2008 . . . . .	(5,523)	—	—	(5,523)
Disposal of a discontinued operation . . . . .	5,864	—	—	5,864
Translation adjustments . . . . .	(341)	—	—	(341)
As at 31 December 2008, 1 January 2009, 31 December 2009, 1 January 2010 and 31 July 2010 . .	—	—	—	—
Net book value				
As at 31 December 2007 . . . . .	14,569	16,526	4,373	35,468
As at 31 December 2008 . . . . .	15,157	17,643	6,287	39,087
As at 31 December 2009 . . . . .	15,181	15,418	5,934	36,533
As at 31 July 2010 . . . . .	15,298	11,017	1,623	27,938

Goodwill arose on acquisitions of subsidiaries prior to the Track Record Periods. Goodwill is allocated to the Group's cash-generating units ("CGU") identified according to its operation and business as follows:

	As at 31 December			As at 31 July
	2007	2008	2009	2010
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
Manufacturing and exporting of child related products .	14,569	15,157	15,181	15,298

The recoverable amount of the CGU is determined based on value in use calculations. The calculation uses cash flow projections based on financial budgets approved by management covering a five-year period. The pre-tax discount rates applied to the cash flow projections as at 31 December 2007, 2008 and 2009 are 13%, 12% and 12%. No growth has been projected beyond the five-year period.

Key assumptions were used in the value in use calculation of the above cash-generating unit for each reporting date. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

Budgeted gross margins	—	The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budget year, increased for expected efficiency improvements, and expected market development.
Discount rates	—	The discount rates used are before tax and reflect specific risks relating to the relevant units.

The value assigned to key assumptions is consistent with external information sources.

### Sensitivity to changes in assumptions

With regard to the assessment of value-in-use of each of the cash-generating units, management believes that no reasonably possible change in any of the above key assumptions would cause the carrying value of the CGU to materially exceed its recoverable amount.

## 21. AVAILABLE-FOR-SALE INVESTMENTS

Available-for-sale investments represent common stocks of Huffey Corporation, the parent company of Huffey Bicycle Inc. (“Huffey Bicycle”), which was one of the overseas customers of the Group and a former listed company on the New York Stock Exchange (the “NYSE”).

Due to the deterioration of financial condition, Huffey Corporation and all of its subsidiaries, including Huffey Bicycle have filed voluntary petitions for protection under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court on 20 October 2004. On that date, the Group had outstanding trade receivables due from Huffey Bicycle, amounting to approximately HK\$28,366,000.

On 19 July 2005, Huffey Corporation filed a reorganisation plan (the “Reorganisation Plan”) with the United States Bankruptcy Court, which subsequently became effective on 14 October 2005. As a result of the reorganisation, Huffey Corporation was de-listed from the NYSE and emerged as a newly incorporated private company. As part of the Reorganisation Plan, Huffey Corporation issued 628,748 common stocks and certain corporation bonds (note 22) to the Group. In return, the Group had waived the trade receivable due from Huffey Bicycle. Management considered such issuance of corporate bonds and common stocks by Huffey Corporation was full settlement of the trade receivables due from Huffey Bicycle.

As the Group has neither control nor significant influence over Huffey Corporation, the common stocks of Huffey Corporation held by the Group were designated as available-for-sale investments.



Upon initial recognition, such stocks were recognised at fair value, which is assessed by management to be minimal using a valuation technical based on assumptions that are not supported by observable market prices. The valuation requires management to make estimates about the expected future cash flows of the stocks which are discounted at current rates. After initial recognition, such available-for-sale investments were subsequently measured at fair value, which is assessed by management to be minimal as at 31 December 2007 and 2008.

On 13 July 2009, the Group transferred its Huffly common shares and corporation bonds (note 22) to Geoby Paragon Holdings Limited ("GPHL"), a fellow subsidiary controlled by its parent company, GBHL, at nil consideration and derecognised such available-for-sale investments thereafter.

## 22. HELD-TO-MATURITY INVESTMENTS

Held-to-maturity investments represent corporation bonds issued by Huffly Corporation (note 21). Such bonds, with a face value of US\$224,553 (equivalent to approximately HK\$1,742,000) and with maturity at regular intervals up to 31 December 2010, have a fixed rate of 10% per annum on the outstanding principal.

Upon the initial recognition, such corporation bonds were stated at fair value of Nil using a valuation technical based on assumptions that are not supported by observable market prices. The valuation requires management to make estimates about the expected future cash flows of the bonds which are discounted at current rates. After initial recognition, such bonds were subsequently measured at amortized cost of Nil as at 31 December 2007 and 2008.

As detailed in note 21, the Group transferred such bonds to GPHL at nil consideration on 13 July 2009 and derecognised such held-to-maturity investments thereafter.

## 23. DERIVATIVE FINANCIAL INSTRUMENTS

	Assets/(Liabilities)			
	As at 31 December			As at 31 July
	2007	2008	2009	2010
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
Forward currency contracts . . . . .	—	(11,184)	—	1,683

The Group uses forward currency contracts to manage some of its transaction exposures. These forward currency contracts are not designated as cash flow, fair value or net investment hedges and are entered into for periods consistent with currency transaction exposures, which are generally two to twelve months.

The carrying amount of derivative financial instruments approximates to their fair value. The fair value of derivative financial instruments was calculated based on a forward pricing model, using present value calculations. The model incorporates various inputs including the foreign exchange contract rates and forward rates, and the forward rate curves of the underlying.

## 24. INVENTORIES

	As at 31 December			As at
	2007	2008	2009	31 July
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
Raw materials . . . . .	257,096	184,846	142,481	168,225
Work in progress . . . . .	84,829	67,865	55,906	76,276
Finished goods . . . . .	326,463	615,221	640,910	261,930
	668,388	867,932	839,297	506,431
Less : Provision . . . . .	(31,022)	(22,719)	(28,166)	(15,647)
	<u>637,366</u>	<u>845,213</u>	<u>811,131</u>	<u>490,784</u>

## 25. TRADE AND NOTES RECEIVABLES

	As at 31 December			As at
	2007	2008	2009	31 July
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
Trade receivables . . . . .	496,247	435,175	584,481	607,208
Notes receivable . . . . .	5,228	737	7,983	13,021
	501,475	435,912	592,464	620,229
Impairment of the trade receivables . . . . .	(963)	(2,608)	(6,477)	(3,021)
	<u>500,512</u>	<u>433,304</u>	<u>585,987</u>	<u>617,208</u>

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is up to three months. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. Trade receivables are non-interest-bearing.

The Group's notes receivables were all aged within six months and neither past due nor impaired.

An aged analysis of the trade receivables of the Group, based on the invoice date, is as follows:

	As at 31 December			As at
	2007	2008	2009	31 July
	(HK\$'000)	(HK\$'000)	(HK\$'000)	2010
Within 3 months . . . . .	492,064	409,493	550,534	592,173
3 to 6 months . . . . .	2,773	18,197	24,287	9,180
6 months to 1 year . . . . .	299	3,759	2,744	2,426
Over 1 years . . . . .	148	1,118	439	408
	<u>495,284</u>	<u>432,567</u>	<u>578,004</u>	<u>604,187</u>

Movements in the provision for impairment of trade receivables are as follows:

	As at 31 December			As at
	2007	2008	2009	31 July
	(HK\$'000)	(HK\$'000)	(HK\$'000)	2010
At beginning of year . . . . .	13,980	963	2,608	6,477
(Reversal of impairment)/impairment for the year/period . . . . .	(4,722)	1,748	4,963	79
Amounts written off . . . . .	(8,295)	(103)	(1,094)	(3,395)
Disposal of discontinued operations . . . . .	—	—	—	(140)
At end of year/period . . . . .	<u>963</u>	<u>2,608</u>	<u>6,477</u>	<u>3,021</u>

An aged analysis of trade receivables of the Group that are neither individually nor collectively considered to be impaired is as follows:

	As at 31 December			As at
	2007	2008	2009	31 July
	(HK\$'000)	(HK\$'000)	(HK\$'000)	2010
Neither past due nor impaired . . . . .	449,713	395,827	545,263	544,823
Less than 1 month past due . . . . .	33,512	23,994	20,158	47,350
1 to 2 months past due . . . . .	9,069	4,094	6,797	5,434
2 to 3 months past due . . . . .	2,543	3,107	3,045	3,746
Over 3 months and within 1 year past due . . . . .	447	5,545	2,741	2,834
	<u>495,284</u>	<u>432,567</u>	<u>578,004</u>	<u>604,187</u>

Receivables that were neither past due nor impaired related to a large number of diversified customers for whom there was no history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors believe that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

The carrying amount of the trade and notes receivables approximates to their fair value due to their short term maturity.

## 26. PREPAYMENTS AND OTHER RECEIVABLES

### GROUP

	As at 31 December			As at
	2007	2008	2009	31 July
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
Prepayments . . . . .	79,294	64,320	78,795	145,578
Other receivables . . . . .	48,712	48,335	77,449	36,527
	<u>128,006</u>	<u>112,655</u>	<u>156,244</u>	<u>182,105</u>

### COMPANY

	As at 31 December			As at
	2007	2008	2009	31 July
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
Other receivables . . . . .	<u>1,336</u>	<u>95</u>	<u>95</u>	<u>95</u>

The above balances are unsecured, interest-free and have no fixed terms of repayment.

None of the above assets is either past due or impaired. The financial assets included in the above balances relate to receivables for which there was no recent history of default.

The carrying amount of other receivables approximates to their fair value due to their short term maturity.

## 27. CASH AND CASH EQUIVALENTS

## GROUP

	As at 31 December			As at
				31 July
	2007	2008	2009	2010
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
Cash and bank balances . . . . .	122,626	190,030	218,585	139,326
Denominated in RMB . . . . .	32,780	122,892	152,698	102,399
Denominated in other currencies . . . . .	89,846	67,138	65,887	36,927
Cash and bank balances . . . . .	122,626	190,030	218,585	139,326

The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods between one day and three months, depending on the immediate cash requirements of the Group.

## COMPANY

	As at 31 December			As at
				31 July
	2007	2008	2009	2010
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
Cash and bank balances . . . . .	3,396	1,274	80	150

The carrying amounts of the cash and cash equivalents approximate to their fair values.

**28. TRADE AND NOTES PAYABLES****GROUP**

An aged analysis of the trade and notes payables of the Group as at 31 December 2007, 2008, 2009 and 31 July 2010 based on the invoice date, is as follows:

	As at 31 December			As at
	2007	2008	2009	31 July
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
Within 3 months . . . . .	502,440	569,619	734,226	793,470
3 to 12 months . . . . .	68,085	38,598	27,473	23,247
1 to 2 years . . . . .	3,618	17,273	5,009	2,809
2 to 3 years . . . . .	696	3,425	2,208	1,495
Over 3 years . . . . .	1,180	1,722	3,521	2,323
	<u>576,019</u>	<u>630,637</u>	<u>772,437</u>	<u>823,344</u>

The trade and notes payables are non-interest-bearing and normally settled on terms of 60 to 90 days. The carrying amounts of the trade and notes payables approximate to their fair values due to their short term maturity.

Included in the trade and notes payables are of HK\$1,734,000, HK\$443,000 and HK\$49,000 as at 31 December 2007, 2008 and 2009 due to the Group's jointly-controlled entity which are repayable within 90 days.

**COMPANY**

	As at 31 December			As at
	2007	2008	2009	31 July
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
Within 3 months . . . . .	—	—	—	—
3 to 12 months . . . . .	19,703	—	—	—
1 to 2 years . . . . .	—	19,581	—	—
2 to 3 years . . . . .	—	—	—	—
Over 3 years . . . . .	—	—	—	—
	<u>19,703</u>	<u>19,581</u>	<u>—</u>	<u>—</u>

The trade and notes payables are non-interest-bearing and normally settled on terms of 30 to 60 days. The carrying amounts of the trade and notes payables approximate to their fair values.

## 29. OTHER PAYABLES, ADVANCES FROM CUSTOMERS AND ACCRUALS

## GROUP

	As at 31 December			As at
	2007	2008	2009	31 July
	(HK\$'000)	(HK\$'000)	(HK\$'000)	2010
Other payables. . . . .	109,644	102,124	132,458	59,558
Advances from customers. . . . .	55,719	55,488	73,676	56,524
Accruals. . . . .	200,752	184,030	206,121	134,211
	<u>366,115</u>	<u>341,642</u>	<u>412,255</u>	<u>250,293</u>

## COMPANY

	As at 31 December			As at
	2007	2008	2009	31 July
	(HK\$'000)	(HK\$'000)	(HK\$'000)	2010
Other payables. . . . .	<u>19,770</u>	<u>16,021</u>	<u>25,381</u>	<u>20,736</u>

The above balances are non-interest-bearing and repayable on demand. The carrying amounts of the other payables approximate to their fair values.

## 30. PROVISION

	<u>Product warranties</u>
	(HK\$'000)
Balance at 1 January 2007 . . . . .	6,247
Additional provision . . . . .	8,449
Amounts utilized . . . . .	(6,899)
Translation adjustments . . . . .	<u>430</u>
Balance at 31 January 2007 and 1 January 2008 . . . . .	8,227
Additional provision . . . . .	8,728
Amounts utilized . . . . .	(7,618)
Translation adjustments . . . . .	<u>(457)</u>
Balance at 31 December 2008 and 1 January 2009 . . . . .	8,880
Additional provision . . . . .	19,449
Amounts utilized . . . . .	(10,094)
Translation adjustments . . . . .	<u>2,455</u>
Balance at 31 December 2009 and 1 January 2010 . . . . .	20,690
Additional provision . . . . .	10,756
Amounts utilized . . . . .	(3,052)
Translation adjustments . . . . .	<u>194</u>
Balance at 31 July 2010 . . . . .	<u><u>28,588</u></u>

The Group provides warranties to its customers on certain of its products, under which faulty products are repaired or replaced. The amount of the provision for the warranties is estimated based on sales volumes and past experience of the level of repairs and returns. The estimation basis is reviewed on an ongoing basis and revised where appropriate.



## 31. INTEREST-BEARING BANK BORROWINGS

	As at 31 December									As at 31 July		
	2007			2008			2009			2010		
	Effective interest rate (%)	Maturity	HK\$'000	Effective interest rate (%)	Maturity	HK\$'000	Effective interest rate (%)	Maturity	HK\$'000	Effective interest rate (%)	Maturity	HK\$'000
<b>Current</b>												
Unsecured bank loans . . .	5.43-6.16	2008	170,871	4.53-6.93	2009	417,286	4.37-4.78	2010	56,786	3.54-4.86	2010	175,307
Bank borrowings pledged by intra-group trade receivables . . . . .	5.63-5.95	2008	169,521	4.0-8.02	2009	143,041	1.05-1.06	2010	70,901	—	—	—
Current portion of long term bank loans -unsecured . . . . .	—	—	—	4.54-6.93	2009	95,250	—	—	—	—	—	—
<b>Subtotal . . . . .</b>			<u>340,392</u>			<u>655,577</u>			<u>127,687</u>			<u>175,307</u>
<b>Non-current</b>												
Unsecured bank loan . . .	5.43-5.67	2009	117,474	—	—	—	4.86	2012	374,787	4.86	2012	355,342
<b>Total . . . . .</b>			<u>457,866</u>			<u>655,577</u>			<u>502,474</u>			<u>530,649</u>

All short-term bank borrowings were obtained from third party financial institutions. As at 31 December 2007, 2008 and 2009, a subsidiary had pledged trade receivables of approximately HK\$166,586,000, HK\$154,744,000 and HK\$74,868,000 to secure certain of the Group's bank loans and the trade receivables had been eliminated on group level.

	As at 31 December			As at
	2007	2008	2009	31 July
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
<b>Analysed into:</b>				
Bank loans repayable:				
Within one year . . . . .	340,392	655,577	127,687	175,307
In the second year . . . . .	117,474	—	—	298,029
In the third to fifth years, inclusive . . . . .	—	—	374,787	57,313
	<u>457,866</u>	<u>655,577</u>	<u>502,474</u>	<u>530,649</u>

The carrying amounts of the Group's current interest-bearing bank borrowings approximate to their fair value due to short term maturity.

The carrying amount of long term borrowings approximates to their fair value because the interest rate is floating.

**32. DEFERRED TAX**

Deferred tax of the Group as at 31 December 2007, 2008, 2009 and 31 July 2010 relates to the following:

	As at 31 December			As at
	2007	2008	2009	31 July
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
Deferred tax assets arising from:				
- Provision for receivables . . . . .	1,809	362	1,224	645
- Write-down of inventories . . . . .	3,943	1,684	1,752	1,441
- Provision . . . . .	—	1,410	3,677	4,366
- Accruals . . . . .	13,672	5,817	11,681	11,234
	<u>19,424</u>	<u>9,273</u>	<u>18,334</u>	<u>17,686</u>
Deferred tax liabilities arising from:				
- Deferred tax liability on withholding tax of undistributed earnings of a subsidiary . . . . .	—	(4,560)	(14,539)	(7,120)
Deferred tax assets, net . . . . .	<u>19,424</u>	<u>4,713</u>	<u>3,795</u>	<u>10,566</u>
Reflected in the consolidated statements of financial position:				
- Deferred tax assets . . . . .	19,424	9,273	18,334	17,686
- Deferred tax liabilities . . . . .	—	(4,560)	(14,539)	(7,120)

The following are deferred tax assets/(liabilities) recognised and their movements during the Track Record Periods:

	Provision for receivables	Write-down of inventories	Provision*	Accruals	Total
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
As at 1 January 2007 . . . . .	2,479	3,611	1,254	6,978	14,322
Credited to profit or loss . . . . .	1,140	1,105	99	5,159	7,503
Disposal of a discontinued operations . . . . .	(1,979)	(1,048)	—	—	(3,027)
Translation adjustments . . . . .	169	276	87	94	626
As at 31 December 2007 and 1 January 2008 . . . . .	1,809	3,944	1,440	12,231	19,424
Charged to profit or loss . . . . .	(1,500)	(2,585)	(43)	(7,375)	(11,503)
Translation adjustments . . . . .	53	325	13	961	1,352
As at 31 December 2008 and 1 January 2009 . . . . .	362	1,684	1,410	5,817	9,273
Credited to profit or loss . . . . .	860	10	2,260	5,852	8,982
Translation adjustments . . . . .	2	58	7	12	79
As at 31 December 2009 and 1 January 2010 . . . . .	1,224	1,752	3,677	11,681	18,334
Credited/(charged) to profit or loss . . . . .	(589)	(325)	659	(542)	(797)
Translation adjustments . . . . .	10	14	30	95	149
As at 31 July 2010 . . . . .	645	1,441	4,366	11,234	17,686

\* Provision stands for the warranty provision as detailed in note 30, which is not tax deductible under tax rules in the PRC until settlement.

Deferred tax liabilities:

	Withholding tax on undistributed profits of the PRC subsidiary
	(HK\$'000)
At 1 January 2007, 31 December 2007 and 1 January 2008 . . . . .	—
Charged to profit or loss . . . . .	4,560
At 31 December 2008 and 1 January 2009 . . . . .	4,560
Charged to profit or loss . . . . .	9,979
At 31 December 2009 and 1 January 2010 . . . . .	14,539
Credited to profit or loss . . . . .	(14,539)
Charged to profit or loss . . . . .	7,120
At 31 July 2010 . . . . .	7,120

Pursuant to the EIT Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings generated after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. The Group is therefore liable to withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008. The applicable tax rate of the Group is 10%.

Deferred tax assets have not been recognized in respect of the following items:

	As at 31 December			As at
	2007	2008	2009	31 July
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
Unused tax losses . . . . .	57,521	56,547	36,597	4,444
Deductible temporary differences . . . . .	10,540	5,206	19,961	14,400
	<u>68,061</u>	<u>61,753</u>	<u>56,558</u>	<u>18,844</u>

The above tax losses are subject to an expiry period of 5 years for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of the above items as it is not considered probable that taxable profits will be available against which the above items can be utilised.

### 33. INVESTMENTS IN SUBSIDIARIES

	As at 31 December			As at
	2007	2008	2009	31 July
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
Unlisted equity investment, at cost . . . . .	172,477	32,193	37,661	10,367
Less: Impairment of investments . . . . .	—	—	—	—
	<u>172,477</u>	<u>32,193</u>	<u>37,661</u>	<u>10,367</u>

Details of the investments in subsidiaries are set out in note 1 of Section II.

During the Track Record Periods, the Company pledged 25% equity interests in GCPN and 100% equity interest in GCPC for the borrowings of GBHL from Taipei Fubon Commercial Bank Company Limited ("Fubon"). Details are included in note 39.

## 34. DISPOSAL OF SUBSIDIARIES/OPERATIONS

As detailed in note 14, the Group disposed of certain subsidiaries/operations to related parties during the Track Record Periods.

	Year ended 31 December		Seven months ended 31 July
	2007	2008	2010
	(HK\$'000)	(HK\$'000)	(HK\$'000)
Net assets disposed of:			
Property, plant and equipment . . . . .	35,970	33,737	105,106
Investment property . . . . .	—	—	10,096
Prepaid land lease payments . . . . .	—	—	8,047
Intangible assets . . . . .	1,418	1,952	8,777
Deferred tax assets . . . . .	3,027	—	—
Inventories . . . . .	56,395	24,681	412,012
Trade and other receivables . . . . .	159,343	10,629	125,790
Amounts due from related parties . . . . .	497,313	141,162	502,683
Cash and cash equivalents . . . . .	1,143	1,492	37,262
Trade and other payables . . . . .	(101,500)	(103,701)	(304,917)
Amounts due to related parties . . . . .	(149,002)	(81,245)	(646,452)
Non-controlling interests . . . . .	—	—	(6,167)
	<u>504,107</u>	<u>28,707</u>	<u>252,237</u>
(Loss)/gain on disposal recognised as deemed (distribution)/contribution directly in equity . . . . .	<u>(1,362)</u>	<u>—</u>	<u>35,699</u>
	<u>502,745</u>	<u>28,707</u>	<u>287,936</u>
Satisfied by:			
Settle through an amount due to a shareholder . . . . .	408,159	—	200,350
Due from a related party . . . . .	94,586	28,707	87,586
	<u>502,745</u>	<u>28,707</u>	<u>287,936</u>

An analysis of the net outflow of cash and cash equivalents in respect of the disposal of subsidiaries and operations is as follows:

	Year ended 31 December		Seven months ended 31 July
	2007	2008	2010
	(HK\$'000)	(HK\$'000)	(HK\$'000)
Cash consideration . . . . .	—	—	—
Cash and cash equivalents disposed of . . . . .	(1,143)	(1,492)	(37,262)
Net outflow of cash and cash equivalents in respect of the disposal of subsidiaries/operations. . . . .	<u>(1,143)</u>	<u>(1,492)</u>	<u>(37,262)</u>

### 35. SHARE CAPITAL

	Number of shares			
	As at 31 December			As at 31 July
	2007	2008	2009	2010
	('000)	('000)	('000)	('000)
Authorized:				
Ordinary shares of HK\$0.01 each. . . . .	<u>39,000</u>	<u>39,000</u>	<u>39,000</u>	<u>39,000</u>
Issued and fully paid:				
Ordinary shares of HK\$0.01 each. . . . .	<u>27,300</u>	<u>27,300</u>	<u>27,300</u>	<u>27,300</u>
	Amount			
	As at 31 December			As at 31 July
	2007	2008	2009	2010
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
Authorized:				
Ordinary shares of HK\$0.01 each. . . . .	<u>390</u>	<u>390</u>	<u>390</u>	<u>390</u>
Issued and fully paid:				
Ordinary shares of HK\$0.01 each. . . . .	<u>273</u>	<u>273</u>	<u>273</u>	<u>273</u>

### 36. RESERVES

#### GROUP

The changes in the reserves of the Group during the Track Record Periods have been disclosed in the consolidated statements of changes in equity of the Group in Section I above.

***Statutory reserve funds***

Statutory reserve funds comprise:

**(a) *Reserve fund***

PRC laws and regulations require wholly-owned foreign enterprises (“WFOE”) to provide for the reserve fund by appropriating a part of the net profit (based on the entity’s statutory accounts) before dividend distribution. Each subsidiary being WFOE is required to appropriate at least 10% of its net profit after tax to the reserve fund until the balance of such fund has reached 50% of its registered capital. The reserve fund can only be used, upon approval by the relevant authority, to offset accumulated losses or increase capital.

**(b) *Enterprise expansion fund***

In accordance with relevant regulations and the Company’s articles of association, appropriations from net profit should be made to the enterprise expansion fund, after offsetting accumulated losses from prior years, and before profit distributions to the investors for the subsidiaries registered in the PRC as a foreign invested company. The percentages to be appropriated to the enterprise expansion fund are determined by the Board of Directors of the subsidiaries.

**(c) *Statutory surplus reserve***

In accordance with the PRC Company Law and the Company’s articles of association, a subsidiary registered in the PRC as a domestic company is required to appropriate 10% of its annual statutory net profit (after offsetting any prior years’ losses) to the statutory surplus reserve. When the balance of such reserve fund reaches 50% of the entity’s capital, any further appropriation is optional. The statutory surplus reserve can be utilized to offset prior years’ losses or to increase capital. However, such balance of the statutory surplus reserve must be maintained at a minimum of 25% of the capital after such usages.

***Merger reserve***

The merger reserve as at 1 January 2007 represents the difference between the nominal value of the Company’s share of the paid-up capital of the subsidiaries acquired and the Company’s cost of acquisition of the subsidiaries under common control.

In 2007, GPCL was established to take over certain operations from the Group (note 14) and the net assets value of the discontinued operations over the consideration received amounting to HK\$1,362,000 was recognised as deemed distribution in the merger reserve account.

As mentioned in note 2 of section II above, the Group acquired the Wooden Products and E-car Businesses through acquiring 100% equity interest in PCPC in June 2010 and this acquisition was accounted for using the principle of pooling of interest method. Prior to the establishment of PCPC on 5 November 2008, Wooden Products and E-car Businesses was carried out by a fellow subsidiary, GPCL. Upon establishment, PCPC acquired all the assets and liabilities related to the Wooden Products and E-car Businesses from GPCL at their respective book value and continued Wooden Products and E-car Businesses afterwards. Accordingly, the retained earnings in respect of Wooden Products and E-car Businesses generated prior to the establishment of PCPC was capitalized as merger reserve in 2008.

During the seven months ended 31 July 2010, the Group disposed of its equity interest in GCCL, SHFS, SGOL, RCBL, MGCR and MGRL to GBHL (note 14) at a consideration of HK\$287,936,000 in aggregation. The consideration over the net assets value of the discontinued operations amounting to HK\$35,699,000 was recognised as deemed contribution in the merger reserve account.

## COMPANY

	Share premium	(Accumulated losses)/ retained earnings	Total
	(HK\$'000)	(HK\$'000)	(HK\$'000)
	(note (a))		
As at 1 January 2007 . . . . .	255,668	(46,254)	209,414
Profit for the year . . . . .	—	502,779	502,779
Other comprehensive income . . . . .	—	—	—
Total comprehensive income for the year . . . . .	—	502,779	502,779
Dividends declared (note 15) . . . . .	—	(261,957)	(261,957)
As at 31 December 2007 and 1 January 2008 . . . . .	255,668	194,568	450,236
Loss for the year . . . . .	—	(9,565)	(9,565)
Other comprehensive income . . . . .	—	—	—
Total comprehensive loss for the year . . . . .	—	(9,565)	(9,565)
As at 31 December 2008 and 1 January 2009 . . . . .	255,668	185,003	440,671
Loss for the year . . . . .	—	(13,169)	(13,169)
Other comprehensive income . . . . .	—	—	—
Total comprehensive loss for the year . . . . .	—	(13,169)	(13,169)
As of 31 December 2009 and 1 January 2010 . . . . .	255,668	171,834	427,502
Profit for the year . . . . .	—	132,080	132,080
Other comprehensive income . . . . .	—	—	—
Total comprehensive income for the year . . . . .	—	132,080	132,080
Dividends declared (note 15) . . . . .	(255,668)	(150,837)	(406,505)
As of 31 July 2010 . . . . .	—	153,077	153,077

Note (a) Share premium arose from the issuance of shares to the then investors of the Company in 2001 and in 2003 respectively.



## 37. OPERATING LEASE ARRANGEMENTS

*- Group as lessee*

	As at 31 December			As at
	2007	2008	2009	31 July
	(HK\$'000)	(HK\$'000)	(HK\$'000)	2010
Within one year . . . . .	58,815	52,290	47,077	21,530
After one year but not more than five years . . . . .	207,326	42,214	55,723	32,928
More than five years . . . . .	49,109	10,803	5,744	3,166
	<u>315,250</u>	<u>105,307</u>	<u>108,544</u>	<u>57,624</u>

*- Group as lessor*

The Group has entered into commercial property leases on its investment property portfolio, consisting of the Group's surplus office and manufacturing buildings.

Future minimum rentals receivable under non-cancellable operating leases as at 31 December 2007, 2008, 2009 and 31 July 2010, are as follows:

	As at 31 December			As at
	2007	2008	2009	31 July
	(HK\$'000)	(HK\$'000)	(HK\$'000)	2010
Within one year . . . . .	3,427	2,411	4,504	—
After one year but not more than five years . . . . .	6,282	2,009	—	—
	<u>9,709</u>	<u>4,420</u>	<u>4,504</u>	<u>—</u>

## 38. COMMITMENTS

The Group had the following capital commitments as at 31 December 2007, 2008, 2009 and 31 July 2010:

	As at 31 December			As at
	2007	2008	2009	31 July
	(HK\$'000)	(HK\$'000)	(HK\$'000)	2010
Contracted, but not provided for in respect of acquisition of:				
Property, plant and equipment . . . . .	<u>10,006</u>	<u>5,500</u>	<u>4,410</u>	<u>241</u>

## 39. RELATED PARTY TRANSACTIONS AND BALANCES

(a) *Name and relationship*

Name of related party	Relationship with the Group
GBHL . . . . .	Parent Company
CRF Enterprise Limited ("CRF Enterprise") . . .	Shareholder of GBHL
CRF Investment Holdings Limited ("CRF") . . .	Parent company of CRF Enterprise
GCPC . . . . .	Subsidiary of the Company
GBJP . . . . .	Subsidiary of the Company
GBNE . . . . .	Subsidiary of the Company
PCPC . . . . .	Subsidiary of the Company
GCPI . . . . .	Subsidiary of the Company
GBHK . . . . .	Subsidiary of the Company
Mr. Song Zhenghuan ("Mr. Song") . . . . .	Director and the ultimate shareholder of the Company
Ms. Fu Jingqiu ("Ms. Fu") . . . . .	Director and the ultimate shareholder of the Company
Goodbaby Bairuikang Hygienic Products Co., Ltd. ("BRKH") . . . . .	50/50 jointly controlled by First Shanghai Hygienic Products Limited and Sure Growth Investments Limited, which is significantly influenced by Mr. Song and Ms. Fu (Mr. Song and Ms. Fu both are the owners, as well as the directors and the Company)
Goodbaby Group Co., Ltd. ("GGCL") . . . . .	Significantly influenced by Mr. Song and Ms. Fu
GPHL . . . . .	Controlled by GBHL
GPCL . . . . .	Controlled by GBHL
RCBL . . . . .	Controlled by GBHL
FSCP . . . . .	Controlled by GBHL
MGCR . . . . .	Controlled by GBHL
BEHL . . . . .	Controlled by GBHL
GCTP . . . . .	Controlled by GBHL
Majestic Sino Ltd. ("MJSL") . . . . .	Controlled by CRF
ETHL . . . . .	Controlled by MJSL
GRTC . . . . .	Controlled by MJSL
SGCP . . . . .	Controlled by MJSL
CRF Holdings Limited ("CRFH") . . . . .	Controlled by MJSL

(b) *Related party transactions***The Group**

In addition to the transactions and balances disclosed elsewhere in this report, the Group had the following material transactions with related parties during the Track Record Periods:

Notes	Year ended 31 December			Seven months ended 31 July	
	2007	2008	2009	2009	2010
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000) (Unaudited)	(HK\$'000)
Sales of goods to related parties . . . . . (a)					
GPHL . . . . .	4,655	3,691	—	—	—
SGCP . . . . .	—	—	9,443	4,085	6,504
GPCL . . . . .	11,807	4,501	1,275	—	—
MGRL . . . . .	—	—	—	—	225
SHFS . . . . .	—	—	—	—	259
	<u>16,462</u>	<u>8,192</u>	<u>10,718</u>	<u>4,085</u>	<u>6,988</u>
Sales of raw materials to a related party . . . . . (a)					
GPCL* . . . . .	<u>3,355</u>	<u>22,747</u>	<u>17,236</u>	<u>10,112</u>	<u>9,565</u>
Sales of property, plant and equipment to a related party . . . . . (a)					
GPCL . . . . .	<u>—</u>	<u>6,567</u>	<u>1,361</u>	<u>—</u>	<u>546</u>
Purchase of goods from related parties . . . . . (b)					
BRKH . . . . .	7,314	8,494	6,357	6,357	3,432
GGCL . . . . .	2,375	—	—	—	—
GCTP . . . . .	3,589	4,165	750	162	—
GPCL . . . . .	17,404	33,210	23,359	15,120	6,743
SGCP . . . . .	—	—	160	—	—
	<u>30,682</u>	<u>45,869</u>	<u>30,626</u>	<u>21,639</u>	<u>10,175</u>
Purchase of raw materials from a related party . . . . . (b)					
GPCL . . . . .	<u>3,034</u>	<u>5,897</u>	<u>322</u>	<u>54</u>	<u>73</u>

	Notes	Year ended 31 December			Seven months ended 31 July	
		2007	2008	2009	2009	2010
		(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000) (Unaudited)	(HK\$'000)
Purchase of property, plant and equipment from a related party . . . . .	(b)	—	—	1,844	—	996
GPCL . . . . .		—	—	1,844	—	996
Service fee income from a related party . . . . .	(c)	1,744	5,180	1,924	1,482	902
GPCL* . . . . .		1,744	5,180	1,924	1,482	902
Rental income from related parties . . . . .	(c)	—	—	—	—	210
SHFS . . . . .		—	—	—	—	210
GPCL . . . . .		—	104	579	297	1,092
		—	104	579	297	1,302
Rental expense to a related party .	(d)	1,469	787	2,575	1,821	933
GGCL* . . . . .		1,469	787	2,575	1,821	933
Dividends payable . . . . .		261,957	—	—	—	406,505
GBHL . . . . .		261,957	—	—	—	406,505
Collection on behalf of related parties . . . . .	(e)	—	3,616	—	—	—
BEHL . . . . .		—	3,616	—	—	—
CSAL . . . . .		—	3,740	—	—	—
FSCP . . . . .		—	3,742	—	—	—
		—	11,098	—	—	—
Expenses paid on behalf of related parties . . . . .	(f)	—	23	3	—	—
GPHL . . . . .		—	23	3	—	—
BRKH . . . . .		149	282	89	—	923
SGCP . . . . .		—	—	7,075	1,298	—
MJSL . . . . .		—	—	1,803	—	—
GPCL . . . . .		—	—	934	—	3,413
		149	305	9,904	1,298	4,336
Expenses paid by a related party on behalf of . . . . .	(f)	—	—	—	—	6,979
GPCL . . . . .		—	—	—	—	6,979
Procurement paid by a related party on behalf of . . . . .	(f)	66,568	55,656	29,464	2,571	—
GPCL . . . . .		66,568	55,656	29,464	2,571	—
Procurement paid on behalf of a related party . . . . .	(f)	32,333	41,571	—	—	—
GPCL . . . . .		32,333	41,571	—	—	—

	Notes	As at 31 December			Seven months ended 31 July	
		2007	2008	2009	2009	2010
		(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000) (Unaudited)	(HK\$'000)
Advances to related parties . . . . .	(e)					
GGCL . . . . .		—	—	1,135	—	—
GPHL . . . . .		—	—	16,244	—	—
Mr. Song . . . . .		1,976	1,674	463	—	—
Ms. Fu . . . . .		664	588	484	—	—
GBHL . . . . .		—	75,908	69,767	69,767	37,227
SGCP . . . . .		—	—	39,412	29,847	6,770
GPCL . . . . .		—	39,616	—	—	—
		<u>2,640</u>	<u>117,786</u>	<u>127,505</u>	<u>99,614</u>	<u>43,997</u>
Advances from related parties . . . . .	(e)					
GGCL . . . . .		—	33,271	11,348	11,348	—
GPHL . . . . .		—	—	—	—	—
Mr. Song . . . . .		—	—	—	—	—
Ms. Fu . . . . .		—	—	—	—	—
GBHL . . . . .		—	69,135	—	—	—
SGCP . . . . .		—	—	—	—	—
GPCL . . . . .		—	—	—	—	—
		<u>—</u>	<u>102,406</u>	<u>11,348</u>	<u>11,348</u>	<u>—</u>

Note (a): The sales of goods, raw materials and property, plant and equipment to the related parties were made according to the prices and terms agreed between the related parties.

Note (b): The purchases of goods, raw materials and property, plant and equipment from the related parties were made according to the prices and terms offered by the related parties.

Note (c): Rental income and service fee income from related parties were made according to the prices and terms agreed between the related parties.

Note (d): Rental expense to a related party was made according to the prices and terms offered by the related parties.

Note (e): Advances from/to related parties and collection on behalf of the related parties are interest-free and repayable on demand.

Note (f): Expenses and procurement paid on behalf of/by the related parties are interest-free and repayable on demand.

(c) *Other transactions with related parties*

(i) During the Track Record Periods, the Group disposed of certain discontinued operations to related parties. Details of which are described in note 14 and 34. The disposal of discontinued operations were made according to the considerations and terms agreed between the related parties.

- (ii) The Group exchanged certain buildings with a book value of HK\$19,387,000 for certain land use rights with GGCL in 2007.
- (iii) During the Track Record Periods, the Company and certain subsidiaries have guaranteed the borrowings of GBHL from Fubon, secured all of their assets and pledged 25% equity interests in GCPN and 100% equity interest in GCPC to Fubon. The principle of the borrowings of GBHL from Fubon was of HK\$382,244,000, HK\$317,748,000, HK\$255,912,000 and HK\$225,211,000 as at 31 December 2007, 2008, 2009 and 31 July 2010, respectively.
- (iv) On 13 July 2009, the Group transferred its Huffy common shares (note 21) and corporation bonds (note 22) to GPHL, a fellow subsidiary controlled by its parent company, GBHL, at nil consideration and derecognised such available-for-sale and held-to-maturity financial investments thereafter.
- (v) The Group offset its amount due from with amount due to GBHL of HK\$358,894,000 and its amount due from with amount due to GPCL of HK\$181,335,000 in 2007.
- (vi) The Group offset its amount due from with amount due to GPCL of HK\$90,042,000 in 2009.
- (vii) The Group offset its amount due from with amount due to GBHL of HK\$595,485,000 during the seven months ended 31 July 2010.
- (viii) In June 2009, one subsidiary of the Group provided a guarantee to GPCL for the short term borrowings of HK\$68,143,000 from bank and the guarantee was subsequently released in June 2010 upon the repayment of bank loan by GPCL.

The directors have confirmed that the transactions donated with an asterisk "\*" will be continued in the future after the listing of the Company's shares on the Stock Exchange.

(d) *Outstanding balances with related parties*

## THE GROUP

	As at 31 December			As at
	2007	2008	2009	31 July
	(HK\$'000)	(HK\$'000)	(HK\$'000)	2010
Amounts due from related parties				
GBHL . . . . .	—	75,908	145,481	—
GCCL . . . . .	—	—	—	245,304
SHFS . . . . .	—	—	—	69
GPHL . . . . .	4,655	771	14,100	53
GPCL . . . . .	91,709	211,995	2,811	2,589
SGCP . . . . .	—	101,669	138,706	—
BRKH . . . . .	1,124	1,406	1,194	—
MJSL . . . . .	—	28,706	30,555	—
CRFH . . . . .	—	29,284	29,284	—
ETHL . . . . .	—	29,284	29,284	—
Mr. Song . . . . .	768	2,442	2,905	—
Ms. Fu . . . . .	367	955	1,439	—
	<u>98,623</u>	<u>482,420</u>	<u>395,759</u>	<u>248,015</u>
Amounts due to related parties				
GGCL . . . . .	2,838	27,602	41,240	1,694
GBHL . . . . .	13,218	69,749	66,933	11,370
GPHL . . . . .	—	2,972	—	—
BEHL . . . . .	—	3,616	3,617	—
CSAL . . . . .	—	3,740	3,741	—
FSCP . . . . .	—	3,742	3,743	—
GPCL . . . . .	54,673	152,770	91,634	85,296
SGCP . . . . .	—	42	—	—
CRFH . . . . .	—	67,989	67,973	—
ETHL . . . . .	—	67,997	67,980	—
GRTC . . . . .	—	5,176	5,182	—
BRKH . . . . .	5,901	2,770	1,778	—
GCTP . . . . .	—	443	49	—
	<u>76,630</u>	<u>408,608</u>	<u>353,870</u>	<u>98,360</u>

## THE COMPANY

	As at 31 December			As at
	2007	2008	2009	31 July
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
Amounts due from related parties				
GBHK . . . . .	291,021	299,289	203,524	414,172
GBJP . . . . .	—	4	—	—
GBNE . . . . .	—	5	—	—
GCPC . . . . .	22,317	13,159	11,453	23,078
RCBL . . . . .	—	17	29	—
CRFH . . . . .	29,284	29,284	29,284	—
ETHL . . . . .	29,284	29,284	29,284	—
GBHL . . . . .	—	75,907	145,481	—
GPHL . . . . .	—	23	26	—
MJSL . . . . .	—	28,707	28,769	—
MGCR . . . . .	—	140	213	—
GCPI . . . . .	325	290	—	213
Total . . . . .	<u>372,231</u>	<u>476,109</u>	<u>448,063</u>	<u>437,463</u>
Amounts due to related parties				
BRKH . . . . .	4	4	4	—
CRFH . . . . .	15,508	15,463	15,416	—
ETHL . . . . .	15,516	15,470	15,424	—
GCPI . . . . .	15,212	2,188	1,899	12,016
GBHL . . . . .	13,218	—	—	11,370
GBHK . . . . .	—	—	—	250,603
Total . . . . .	<u>59,458</u>	<u>33,125</u>	<u>32,743</u>	<u>273,989</u>

The amounts due from/to related parties are unsecured, interest-free and repayable on demand.

(e) *Compensation of key management personnel of the Group*

	Year ended 31 December			Seven months ended	
	2007	2008	2009	2009	2010
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
Short term employee benefits . . . . .	20,597	25,158	31,130	12,198	13,212
Post-employment benefits . . . . .	72	94	106	66	84
Total compensation paid to key management personnel . . . . .	<u>20,669</u>	<u>25,252</u>	<u>31,236</u>	<u>12,264</u>	<u>13,296</u>

Further details of directors' remuneration are included in note 11 to the Financial Information.



**40. FINANCIAL INSTRUMENTS BY CATEGORY**

The carrying amounts of each of the categories of financial instruments as at 31 December 2007, 2008, 2009 and 31 July 2010 are as follows:

**GROUP****Financial assets**

As at 31 December 2007	<u>Held-to- maturity investments</u>	<u>Available -for-sale investments</u>	<u>Loans and Receivables</u>	<u>Total</u>
	(HK\$'000)			
Trade and notes receivables . . . . .	—	—	500,512	500,512
Financial assets included in prepayments and other receivables (note 26) . . . . .	—	—	48,712	48,712
Due from related parties . . . . .	—	—	98,623	98,623
Cash and cash equivalents . . . . .	—	—	<u>122,626</u>	<u>122,626</u>
	<u>—</u>	<u>—</u>	<u>770,473</u>	<u>770,473</u>
As at 31 December 2008	<u>Held-to- maturity investments</u>	<u>Available -for-sale investments</u>	<u>Loans and receivables</u>	<u>Total</u>
	(HK\$'000)			
Trade and notes receivables . . . . .	—	—	433,304	433,304
Financial assets included in prepayments and other receivables (note 26) . . . . .	—	—	48,335	48,335
Due from related parties . . . . .	—	—	482,420	482,420
Cash and cash equivalents . . . . .	—	—	<u>190,030</u>	<u>190,030</u>
	<u>—</u>	<u>—</u>	<u>1,154,089</u>	<u>1,154,089</u>
As at 31 December 2009			<u>Loans and receivables</u>	
			(HK\$'000)	
Trade and notes receivables . . . . .			585,987	
Financial assets included in prepayments and other receivables (note 26) . . . . .			77,449	
Due from related parties . . . . .			395,759	
Cash and cash equivalents . . . . .			<u>218,585</u>	
			<u>1,277,780</u>	

As at 31 July 2010	Financial assets at fair value through profit or loss (HK\$'000)	Loans and receivables (HK\$'000)	Total (HK\$'000)
Trade and notes receivables . . . . .	—	617,208	617,208
Financial assets included in prepayments and other receivables (note 26). . . . .	—	36,527	36,527
Derivative financial instruments (note 23) . . . . .	1,683	—	1,683
Due from related parties . . . . .	—	248,015	248,015
Cash and cash equivalents . . . . .	—	139,326	139,326
	<u>1,683</u>	<u>1,041,076</u>	<u>1,042,759</u>

**Financial liabilities**

As at 31 December 2007	Financial liabilities at amortised cost (HK\$'000)
Financial liabilities included in other payables, advances from customers and accruals (note 29) . . . . .	109,644
Trade and notes payables . . . . .	576,019
Interest-bearing bank borrowings . . . . .	457,866
Due to related parties . . . . .	76,630
	<u>1,220,159</u>

As at 31 December 2008	Financial liabilities at fair value through profit or loss (HK\$'000)	Financial liabilities at amortised cost (HK\$'000)	Total (HK\$'000)
Financial liabilities included in other payables, advances from customers and accruals (note 29) . . . . .	—	102,124	102,124
Trade and notes payables . . . . .	—	630,637	630,637
Interest-bearing bank borrowings . . . . .	—	655,577	655,577
Due to related parties . . . . .	—	408,608	408,608
Derivative financial instruments (note 23) . . . . .	11,184	—	11,184
	<u>11,184</u>	<u>1,796,946</u>	<u>1,808,130</u>

As at 31 December 2009	<b>Financial liabilities at amortised cost</b>
	<b>(HK\$'000)</b>
Financial liabilities included in other payables, advances from customers and accruals (note 29) . . . . .	132,458
Trade and notes payables . . . . .	772,437
Interest-bearing bank borrowings . . . . .	502,474
Due to related parties . . . . .	<u>353,870</u>
	<u>1,761,239</u>
As at 31 July 2010	<b>Financial liabilities at amortised cost</b>
	<b>(HK\$'000)</b>
Financial liabilities included in other payables, advances from customers and accruals (note 29) . . . . .	59,558
Trade and notes payables . . . . .	823,344
Interest-bearing bank borrowings . . . . .	530,649
Due to related parties . . . . .	<u>98,360</u>
	<u>1,511,911</u>

## COMPANY

### Financial assets

As at 31 December 2007	<b>Loans and receivables</b>
	<b>(HK\$'000)</b>
Financial assets included in prepayments and other receivables (note 26) . . . .	1,336
Due from related parties . . . . .	372,231
Cash and cash equivalents . . . . .	<u>3,396</u>
	<u>376,963</u>
As at 31 December 2008	<b>Loans and receivables</b>
	<b>(HK\$'000)</b>
Financial assets included in prepayments and other receivables (note 26) . . . .	95
Due from related parties . . . . .	476,109
Cash and cash equivalents . . . . .	<u>1,274</u>
	<u>477,478</u>

## As at 31 December 2009

	<u>Loans and receivables</u>
	(HK\$'000)
Financial assets included in prepayments and other receivables (note 26) . . . .	95
Due from related parties . . . . .	448,063
Cash and cash equivalents . . . . .	<u>80</u>
	<u>448,238</u>

## As at 31 July 2010

	<u>Loans and Receivables</u>
	(HK\$'000)
Financial assets included in prepayments and other receivables (note 26) . . . .	95
Due from related parties . . . . .	437,463
Cash and cash equivalents . . . . .	<u>150</u>
	<u>437,708</u>

**Financial liabilities**

## As at 31 December 2007

	<u>Financial liabilities at amortised cost</u>
	(HK\$'000)
Financial liabilities included in other payables, advances from customers and accruals (note 29) . . . . .	19,770
Trade and notes payables . . . . .	19,703
Due to related parties . . . . .	<u>59,458</u>
	<u>98,931</u>

## As at 31 December 2008

	<u>Financial liabilities at amortised cost</u>
	(HK\$'000)
Financial liabilities included in other payables, advances from customers and accruals (note 29) . . . . .	16,021
Trade and notes payables . . . . .	19,581
Due to related parties . . . . .	<u>33,125</u>
	<u>68,727</u>

As at 31 December 2009	Financial liabilities at amortised cost
	(HK\$'000)
Financial liabilities included in other payables, advances from customers and accruals (note 29) . . . . .	25,381
Due to related parties . . . . .	<u>32,743</u>
	<u>58,124</u>
As at 31 July 2010	Financial liabilities at amortised cost
	(HK\$'000)
Financial liabilities included in other payables, advances from customers and accruals (note 29) . . . . .	20,736
Due to related parties . . . . .	<u>273,989</u>
	<u>294,725</u>

#### 41. FAIR VALUE HIERARCHY

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: fair values measured based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: fair values measured based on valuation techniques for which any inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly;

Level 3: fair values measured based on valuation techniques for which any inputs which have a significant effect on the recorded fair value are not based on observable market data (unobservable inputs).

#### Liabilities measured at fair value

	31 December 2008	Level 1	Level 2	Level 3
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
Foreign exchange forward contracts . . . . .	11,184	—	11,184	—

#### Assets measured at fair value

	31 July 2010	Level 1	Level 2	Level 3
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
Foreign exchange forward contracts . . . . .	1,683	—	1,683	—

As at 31 December 2007 and 2009, the Group had no unexpired foreign exchange forward contracts.

During the Track Record Periods, there were no transfers between Level 1 and Level 2 fair value measurements and no transfers into and out of Level 3 fair value measurements.

#### **42. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Group's principal financial liabilities, other than derivatives, comprise interest-bearing bank borrowings, trade payables, other payables and amounts due to related parties. The main purpose of these financial liabilities is to raise finance for the Group's operations. The Group has various financial investments such as trade and other receivables, cash and cash equivalents and amounts due from related parties, which arise directly from its operations.

The Group also enters into derivative transactions, primarily forward currency contracts. The purpose is to manage the currency risks arising from the Group's operations.

It is, and has been throughout the Track Record Periods, the Group's policy that no trading in derivatives for speculative purposes shall be undertaken.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below.

##### ***Interest rate risk***

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's bank borrowings with floating interest rates. The interest rate and terms of repayment of borrowings are disclosed in note 31.

The Group has not used any interest swaps to hedge its exposure to interest rate risk.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowing. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings as follows.

	<u>Increase/decrease in basis points</u>	<u>Effect on profit before tax</u>
		(HK\$'000)
Year ended 31 December 2007		
HK\$ . . . . .	+100	(4,579)
HK\$ . . . . .	-100	4,579
Year ended 31 December 2008		
HK\$ . . . . .	+100	(6,556)
HK\$ . . . . .	-100	6,556
Year ended 31 December 2009		
HK\$ . . . . .	+100	(5,025)
HK\$ . . . . .	-100	5,025
Seven months ended 31 July 2010		
HK\$ . . . . .	+100	(5,306)
HK\$ . . . . .	-100	5,306

### ***Foreign currency risk***

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group has transactional currency exposure. Such exposure arises from sales or purchases by operating units in currencies other than the units' functional currencies.

The Group enters into forward exchange contracts in order to manage this exposure. Foreign exchange contracts are matched with anticipated future cash flows in foreign currencies.

The following table demonstrates the sensitivity as at 31 December 2007, 2008, 2009 and 31 July 2010 to a reasonably possible change in the United States dollar ("US\$") exchange rate, with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities).

	<u>Increase/decrease in US\$ rate</u>	<u>Increase/(decrease) in profit before tax</u> (HK\$'000)
Year ended 31 December 2007		
If US\$ strengthens against RMB . . . . .	+5%	13,151
If US\$ weakens against RMB . . . . .	-5%	(13,151)
Year ended 31 December 2008		
If US\$ strengthens against RMB . . . . .	+5%	570
If US\$ weakens against RMB . . . . .	-5%	(570)
Year ended 31 December 2009		
If US\$ strengthens against RMB . . . . .	+5%	(1,812)
If US\$ weakens against RMB . . . . .	-5%	1,812
Seven months ended 31 July 2010		
If US\$ strengthens against RMB . . . . .	+5%	5,765
If US\$ weakens against RMB . . . . .	-5%	(5,765)

The effect on the profit before tax is a result of a change in the fair value of derivative financial instruments not designated in a hedging relationship and monetary assets and liabilities denominated in US dollars, where the functional currency of the operating unit is a currency other than the US\$. Although the derivatives have not been designated in a hedge relationship, they act as an economic hedge and will offset the underlying transactions when they occur.

A reasonably possible change by 5% in the US\$ exchange rate has no impact on the Group's equity other than retained earnings.

### ***Credit risk***

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Group trades only with recognised, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. Concentration of credit risk exists when changes in economic, industrial or geographic factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Group's total credit exposure. The Group has a significant concentration of customers and credit risk in North America and Europe. In view of the good credit histories of these customers, no significant default occurred in the Track Record Periods.



With respect to credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents, available-for-sale investments, held-to-maturity investments, other receivables and amounts due from related parties, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

### *Liquidity risk*

The Group monitors its exposure to liquidity risk by monitoring the current ratio, which is calculated by comparing the current assets with the current liabilities.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans. The Group's policy is that all the borrowings should be approved by the chief financial officer.

### GROUP

The tables below summarize the maturity profile of the Group's financial liabilities at the end of each of the Track Record Periods based on contractual undiscounted payments.

	<u>On demand</u>	<u>Less than 3 months</u>	<u>3 to 12 months</u>	<u>1 to 5 years</u>	<u>Total</u>
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
<b>31 December 2007</b>					
Interest-bearing loans and borrowings . . .	—	259,683	90,659	120,952	471,294
Trade and notes payables . . . . .	58,672	516,291	1,056	—	576,019
Other payables . . . . .	109,644	—	—	—	109,644
Amounts due to related parties . . . . .	76,630	—	—	—	76,630
	<u>244,946</u>	<u>775,974</u>	<u>91,715</u>	<u>120,952</u>	<u>1,233,587</u>

	<u>On demand</u>	<u>Less than 3 months</u>	<u>3 to 12 months</u>	<u>1 to 5 years</u>	<u>Total</u>
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
<b>31 December 2008</b>					
Interest-bearing loans and borrowings . . .	—	8,111	664,347	—	672,458
Trade and notes payables . . . . .	247,325	383,312	—	—	630,637
Other payables. . . . .	102,124	—	—	—	102,124
Amounts due to related parties . . . . .	408,608	—	—	—	408,608
Derivative financial instruments . . . . .	—	—	11,184	—	11,184
	<u>758,057</u>	<u>391,423</u>	<u>675,531</u>	<u>—</u>	<u>1,825,011</u>

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
<b>31 December 2009</b>					
Interest-bearing loans and borrowings . . .	—	5,228	142,179	401,521	548,928
Trade and notes payables . . . . .	222,480	549,957	—	—	772,437
Other payables . . . . .	132,458	—	—	—	132,458
Amounts due to related parties . . . . .	353,870	—	—	—	353,870
	<u>708,808</u>	<u>555,185</u>	<u>142,179</u>	<u>401,521</u>	<u>1,807,693</u>

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
<b>31 July 2010</b>					
Interest-bearing loans and borrowings . . .	—	6,158	189,488	370,861	566,507
Trade and notes payables . . . . .	249,853	573,491	—	—	823,344
Other payables . . . . .	59,558	—	—	—	59,558
Amounts due to related parties . . . . .	98,360	—	—	—	98,360
	<u>407,771</u>	<u>579,649</u>	<u>189,488</u>	<u>370,861</u>	<u>1,547,769</u>

## COMPANY

The tables below summarize the maturity profile of the Company's financial liabilities at the end of each of the Track Record Periods based on contractual undiscounted payments.

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
<b>31 December 2007</b>					
Trade and notes payables . . . . .	19,703	—	—	—	19,703
Other payables . . . . .	19,770	—	—	—	19,770
Amounts due to related parties . . . . .	59,458	—	—	—	59,458
	<u>98,931</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>98,931</u>

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
<b>31 December 2008</b>					
Trade and notes payables . . . . .	19,581	—	—	—	19,581
Other payables . . . . .	16,021	—	—	—	16,021
Amounts due to related parties . . . . .	33,125	—	—	—	33,125
	<u>68,727</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>68,727</u>

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)	(HK\$'000)
<b>31 December 2009</b>					
Other payables . . . . .	25,381	—	—	—	25,381
Amounts due to related parties . . . . .	32,743	—	—	—	32,743
	<u>58,124</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>58,124</u>
<b>31 July 2010</b>					
Other payables . . . . .	20,736	—	—	—	20,736
Amounts due to related parties . . . . .	273,989	—	—	—	273,989
	<u>294,725</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>294,725</u>

### *Capital management*

The primary objective of the Group's capital management is to ensure that it maintains a strong credit profile and healthy capital ratios in order to support its business and maximize shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the Track Record Periods.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes, within net debt, interest-bearing loans and borrowings, trade and other payables, amounts due to related parties less cash and cash equivalents. Capital includes equity attributable to the equity holders of the Company.

The gearing ratios as at 31 December 2007, 2008, 2009 and 31 July 2010 were as follows:

	As at 31 December			As at
	2007	2008	2009	31 July
	(HK\$'000)	(HK\$'000)	(HK\$'000)	2010
Trade and notes payables . . . . .	576,019	630,637	772,437	823,344
Other payables, advances from customers and accruals .	366,115	341,642	412,255	250,293
Interest-bearing loans and borrowings . . . . .	457,866	655,577	502,474	530,649
Amounts due to related parties . . . . .	76,630	408,608	353,870	98,360
Less: Cash and cash equivalents . . . . .	(122,626)	(190,030)	(218,585)	(139,326)
Net debt. . . . .	<u>1,354,004</u>	<u>1,846,434</u>	<u>1,822,451</u>	<u>1,563,320</u>
Equity attributable to owners of the parent. . . . .	<u>687,399</u>	<u>729,271</u>	<u>793,394</u>	<u>519,594</u>
Capital and net debt . . . . .	<u>2,041,403</u>	<u>2,575,705</u>	<u>2,615,845</u>	<u>2,082,914</u>
Gearing ratio. . . . .	<u>66%</u>	<u>72%</u>	<u>70%</u>	<u>75%</u>

#### 43. MAJOR NON-CASH TRANSACTIONS

- (i) The Group exchanged certain buildings with a book value of HK\$19,387,000 for certain land use rights with GGCL in 2007, which did not result in any cash flows.
- (ii) The Group offset its amount due from with amount due to certain related parties amounting to HK\$540,229,000, HK\$90,042,000 and HK\$595,485,000 in 2007, 2009 and seven months ended 31 July 2010 respectively, all of which did not result in any cash flows.

#### III. SUBSEQUENT EVENTS

The following event took place subsequent to 31 July 2010 and up to the date of this accountants' report:

During the Track Record Periods, the Company and certain subsidiaries have guaranteed the borrowings of GBHL from Fubon, secured all of their assets and pledged 25% equity interests in GCPN and 100% equity interest in GCPC to Fubon (note 39(c)). In September 2010, GBHL repaid the borrowing from Fubon through borrowing a new loan from Fubon in the amount of HK\$226,200,000 (the "Loan"). The aforesaid assets and equity pledged by the Group for the borrowings of GBHL from Fubon was discharged thereafter. The Loan was guaranteed by the Group.

#### IV. CONTINGENT LIABILITY

- i) As at 31 December 2007, 2008, 2009 and 31 July 2010, the Group provided a guarantee to Fubon for the borrowings by GBHL of HK\$382,244,000, HK\$317,748,000, HK\$255,912,000 and HK\$225,211,000, respectively (note 39(c)).
- ii) As at 31 December 2009 and 31 July 2010, the Group was under negotiation with a customer over certain product warranty claims. The total claims were HK\$5,539,000 which were fully provided for, based on management estimate.

**V. SUBSEQUENT FINANCIAL STATEMENTS**

No audited financial statements have been prepared by the Group or any of its subsidiaries in respect of any period subsequent to 31 July 2010.

Yours faithfully,  
**Ernst & Young**  
*Certified Public Accountants*  
Hong Kong

The information set forth in this Appendix does not form part of the Accountants' Report prepared by the reporting accountants, Ernst & Young, Certified Public Accountants, Hong Kong, as set forth in Appendix I to this prospectus, and is included herein for illustrative purposes only.

The unaudited pro forma financial information should be read in conjunction with "Financial Information" and "Appendix I — Accountants' Report".

For illustrative purpose only, the unaudited pro forma financial information prepared in accordance with Rule 4.29 of the Listing Rules is set out herein to provide prospective investors with further financial information about (i) how the proposed listing might have affected the consolidated net tangible assets of the Group after the completion of the Global Offering; and (ii) how the proposed listing might have affected the unaudited pro forma forecast earnings per share for the year ending 31 December 2010 as if the Global Offering had taken place on 1 January 2010.

The accompanying unaudited pro forma financial information of the Group is based on currently available information along with a number of assumptions, estimates and uncertainties. As a result of these assumptions, estimates and uncertainties, the accompanying unaudited pro forma financial information of the Group does not purport to predict the Group's future financial position or results of operations.

Although reasonable care has been exercised in preparing the said information, prospective investors should bear in mind that these figures are inherently subject to adjustments and may not give a true picture of the Group's financial results and position of the financial periods concerned.

#### A. UNAUDITED PRO FORMA ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

The following is an illustrative statement of unaudited pro forma adjusted consolidated net tangible assets of the Group, which has been prepared for the purpose of illustrating the effect of the Global Offering as if it had taken place on 31 July 2010. It is based on the audited consolidated net tangible assets attributable to owners of the parent as at 31 July 2010 as shown in the Accountants' Report of the Group, the text of which is set out in Appendix I to this Prospectus, and is adjusted as follows:

	Audited consolidated net tangible assets attributable to owners of the parent as at 31 July 2010	Estimated net Proceeds receivable by the Company from the Global Offering	Unaudited pro forma adjusted consolidated net tangible assets	Unaudited pro forma adjusted consolidated net tangible assets per Share
	HK\$'000 (Note 1)	HK\$'000 (Note 2)	HK\$'000 (Note 3)	HK\$ (Note 4)
Based on an Offer Price of HK\$3.70 per Share . . . . .	491,656	681,890	1,173,546	1.17
Based on an Offer Price of HK\$4.90 per Share . . . . .	491,656	912,497	1,404,153	1.40

*Notes:*

- The consolidated net tangible assets attributable to owners of the parent as at 31 July 2010 is extracted from the Accountants' Report set out in Appendix I to this prospectus and set forth below:

	HK\$'000
Consolidated net assets attributable to owners of the parent . . . . .	519,594
Less: Intangible assets . . . . .	27,938
Consolidated net tangible assets attributable to owners of the parent . . . . .	<u>491,656</u>

2. The estimated net proceeds from the Global Offering are based on an Offer Price of HK\$3.70 per Share or HK\$4.90 per Share after deduction of the underwriting fees and other related expenses payable by the Company and takes no account of any Share which may be issued upon exercise of the Over-allotment Option.
3. Details of the valuations of the Group's properties as at 30 September 2010 are set out in "Appendix IV — Property Valuation". The revaluation surplus of properties included in buildings included in property, plant and equipment and land use rights was not incorporated in the Group's financial statements for the seven months ended 31 July 2010. If the revaluation surplus was recorded in the Group's financial statements, the annual depreciation expense would increase by approximately HK\$11,940,000.
4. The unaudited pro forma adjusted consolidated net tangible assets per share amount is determined after the adjustment as described above and on the basis that 1,000,000,000 shares (being the number of shares expected to be in issue immediately after completion of the Global Offering, without taking into account of any shares which may be issued upon the exercise of the Over-allotment Option) are issued and outstanding.

## B. UNAUDITED PRO FORMA FORECAST EARNINGS PER SHARE

The following unaudited pro forma forecast earnings per Share of the Group for the year ending 31 December 2010 has been prepared on the basis of the notes set out below for the purpose of illustrating the effect of the Global Offering as if it had taken place on 1 January 2010. It has been prepared for illustrative purpose only and, because of its hypothetical nature, it may not give a true and fair picture of the financial results of the Group following the Global Offering.

	HK\$									
	(in million)									
<b>Forecast consolidated profit from Continuing Operations attributable to owners of the parent (Note 1)</b> . . . . .	<b>not less than 193.7</b>									
<b>Less:</b>										
(i) Losses after tax from Discontinued Operations attributable to owners of the parent . . . . .	49.8									
<b>Forecast consolidated profit attributable to owners of the parent (Note 1)</b> . . . . .	<b>not less than 143.9</b>									
	<table style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width: 60%;"></th> <th style="text-align: center; border-top: 1px solid black; border-bottom: 1px solid black;">Forecast consolidated profit attributable to owners of the parent</th> <th style="text-align: center; border-top: 1px solid black; border-bottom: 1px solid black;">Forecast consolidated profit from continuing operations attributable to owners of the parent</th> </tr> <tr> <th></th> <th style="text-align: center;">HK\$</th> <th style="text-align: center;">HK\$</th> </tr> </thead> <tbody> <tr> <td>Unaudited pro forma forecast earnings per share (Note 2) . . . . .</td> <td style="text-align: center;">0.144</td> <td style="text-align: center;">0.194</td> </tr> </tbody> </table>		Forecast consolidated profit attributable to owners of the parent	Forecast consolidated profit from continuing operations attributable to owners of the parent		HK\$	HK\$	Unaudited pro forma forecast earnings per share (Note 2) . . . . .	0.144	0.194
	Forecast consolidated profit attributable to owners of the parent	Forecast consolidated profit from continuing operations attributable to owners of the parent								
	HK\$	HK\$								
Unaudited pro forma forecast earnings per share (Note 2) . . . . .	0.144	0.194								

*Notes:*

1. The forecast consolidated profit attributable to owners of the parent for the year ending 31 December 2010 is extracted from the profit forecast as set out in the subsection headed "Profit Forecast For the Year Ending 31 December 2010" under the section headed "Financial Information" in the Prospectus. The bases on which the above profit forecast for the year ending 31 December 2010 has been prepared are summarized in Appendix III to the Prospectus.
2. The calculation of the unaudited pro forma forecast earnings per Share is based on the forecast consolidated profit attributable to owners of the parent for the year ending 31 December 2010 and a total of 1,000,000,000 Shares were issued and outstanding during the entire year, adjusted, as if the Global Offering had occurred on 1 January 2010. This calculation assumes that the Over-allotment Option would not be exercised.

*The following is the text of a letter, received from the independent reporting accountants of the Company, Ernst & Young, Certified Public Accountants, Hong Kong, prepared for inclusion in this Prospectus, in respect of the Group's unaudited pro forma financial information.*



18<sup>th</sup> Floor  
Two International Finance Centre  
8 Finance Street, Central  
Hong Kong

11 November 2010

The Directors  
Goodbaby International Holdings Limited  
Morgan Stanley Asia Limited

Dear Sirs,

We report on the unaudited pro forma adjusted consolidated net tangible assets and unaudited pro forma forecast earnings per share (the “Unaudited Pro Forma Financial Information”) of Goodbaby International Holdings Limited (the “Company”) and its subsidiaries (hereinafter collectively referred to as the “Group”), which have been prepared by the directors of the Company (the “Directors”) for illustrative purposes only, to provide information about how the global offering of 300,000,000 shares of HK\$0.01 each in the capital of the Company might have affected the financial information presented, for inclusion in Appendix II to the prospectus of the Company dated 11 November 2010 (the “Prospectus”). The basis of preparation of the Unaudited Pro Forma Financial Information is set out in Appendix II to the Prospectus.

#### **Respective Responsibilities of the Directors and Reporting Accountants**

It is the responsibility solely of the Directors to prepare the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).



It is our responsibility to form an opinion, as required by paragraph 4.29(7) of the Listing Rules on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

**Basis of Opinion**

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 300 “Accountants’ Reports on Pro Forma Financial Information in Investment Circulars” issued by the HKICPA. Our work consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments, and discussing the Unaudited Pro Forma Financial Information with the Directors. This engagement did not involve independent examination of any of the underlying financial information.

Our work did not constitute an audit or a review made in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA, and accordingly, we do not express any such audit or review assurance on the Unaudited Pro Forma Financial Information.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Unaudited Pro Forma Financial Information has been properly compiled by the Directors on the bases stated, that such bases are consistent with the accounting policies of the Group and that the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Our work has not been carried out in accordance with the auditing standards or other standards and practices generally accepted in the United States of America or auditing standards of the Public Company Accounting Oversight Board (United States) and accordingly should not be relied upon as if it had been carried out in accordance with those standards.

The Unaudited Pro Forma Financial Information is for illustrative purposes only, based on the judgments and assumptions of the Directors, and, because of its hypothetical nature, does not provide any assurance or indication that any event will take place in the future and may not be indicative of:

- the financial position of the Group as at 31 July 2010 or any future dates; or
- the forecasted earnings per share of the Group for the year ending 31 December 2010 or any future periods.

**Opinion**

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled by the Directors on the bases stated;
- (b) such bases are consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Yours faithfully,  
**Ernst & Young**  
*Certified Public Accountants*  
Hong Kong

You may find our forecasted consolidated profits attributable to owners of the parent for the year ending 31 December 2010 in the section entitled “Financial Information — Profit Forecast for the year ending 31 December 2010” in this prospectus.

**(A) BASES AND ASSUMPTIONS**

We have prepared our forecasted consolidated profits attributable to owners of the parent for the year ending 31 December 2010 on the basis of our audited consolidated results of the Group for the seven months ended 31 July 2010, the unaudited consolidated results of the Group for the two months ended 30 September 2010 and a forecast of the consolidated results of the Group for the remaining three months ending 31 December 2010. Our profit forecast has been prepared on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in our Accountants’ Report dated 11 November 2010, the text of which is set out in Appendix I to the Prospectus.

**(B) LETTER FROM THE REPORTING ACCOUNTANTS**

The following is text of a letter received from Ernst & Young, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this prospectus, in connection with the forecast of the consolidated profit attributable to owners of the parent for the year ending 31 December 2010.



18<sup>th</sup> Floor  
Two International Finance Centre  
8 Finance Street, Central  
Hong Kong

11 November 2010

The Directors  
Goodbaby International Holdings Limited  
Morgan Stanley Asia Limited

Dear Sirs,

We have reviewed the calculations of and the accounting policies adopted in arriving at the forecast of the consolidated profit attributable to owners of Goodbaby International Holdings Limited (the “Company”, together with its subsidiaries, hereinafter collectively referred to as the “Group”) for the year ending 31 December 2010 (the “Profit Forecast”) as set out in the subsection headed “Profit Forecast for the Year Ending 31 December 2010” under the section headed “Financial Information” in the prospectus of the Company dated 11 November 2010 (the “Prospectus”) for which the directors of the Company (the “Directors”) are solely responsible.

We conducted our work with reference to Auditing Guideline 3.341 “Accountants’ Report on Profit Forecast” issued by the Hong Kong Institute of Certified Public Accountants.

The Profit Forecast has been prepared by the Directors based on the audited consolidated results of the Group for the seven months ended 31 July 2010, the unaudited consolidated results of the Group for the two months ended 30 September 2010 and a forecast of the consolidated results of the Group for the remaining three months ending 31 December 2010.

In our opinion, so far as the accounting policies and calculations are concerned, the Profit Forecast has been properly compiled in accordance with the bases and assumptions made by the Directors as set out in Part A of Appendix III to the Prospectus, and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in our accountants’ report dated 11 November 2010, the text of which is set out in Appendix I to the Prospectus.

Yours faithfully,  
**Ernst & Young**  
*Certified Public Accountants*  
Hong Kong

**(C) LETTER FROM THE SPONSOR**

The following is the text of a letter, prepared for inclusion in this prospectus by Morgan Stanley in connection with the profit forecast for the year ending December 31, 2010.

# Morgan Stanley

November 11, 2010

The Board of Directors  
Goodbaby International Holdings Limited

Dear Sirs,

We refer to the forecast consolidated profit attributable to owners of Goodbaby International Holdings Limited (the “Company”) and its subsidiaries (together, the “Group”) for the year ending December 31, 2010 (the “Profit Forecast”) as set out in the subsection headed “Financial Information — Profit Forecast for the Year Ending December 31, 2010” in the prospectus of the Company dated November 11, 2010 (the “Prospectus”).

The Profit Forecast, for which the Directors are solely responsible, has been prepared by them based on the audited consolidated results of the Group for the seven months ended July 31, 2010, the unaudited management accounts of the Group for the two months ended September 30, 2010 and a forecast of the results of the Group for the remaining three months ending December 31, 2010.

We have discussed with you the bases and assumptions made by the Directors of the Company upon which the Profit Forecast has been made. We have also considered, and relied upon, the letter dated November 11, 2010 addressed to yourselves and ourselves from Ernst & Young regarding the accounting policies and calculations upon which the Profit Forecast has been made.

On the basis of the information comprising the Profit Forecast and on the basis of the accounting policies and calculations adopted by you and reviewed by Ernst & Young, we are of the opinion that the Profit Forecast, for which you as Directors of the Company are solely responsible, has been made after due and careful enquiry.

Yours faithfully,  
For and on behalf of  
**Morgan Stanley Asia Limited**

**George Taylor**  
*Managing Director*

*The following is the text of a letter, summary of values and valuation certificates, prepared for the purpose of incorporation in this prospectus received from Jones Lang LaSalle Sallmanns Limited, an independent valuer, in connection with its valuation as at 30 September 2010 of the property interests of the Group.*



Jones Lang LaSalle Sallmanns Limited  
17/F Dorset House Taikoo Place  
979 King's Road Quarry Bay Hong Kong  
tel +852 2169 6000 fax +852 2169 6001  
Licence No: C-030171

11 November 2010

The Board of Directors  
Goodbaby International Holdings Limited  
Cricket Square  
Hutchins Drive  
P. O. Box 2681  
Grand Cayman  
KY1-1111  
Cayman Islands

Dear Sirs,

In accordance with your instructions to value the properties in which Goodbaby International Holdings Limited (the "Company") and its subsidiaries (hereinafter together referred to as the "Group") have interests in the People's Republic of China (the "PRC"), Hong Kong and overseas countries, we confirm that we have carried out inspections, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the capital values of the property interests as at 30 September 2010 (the "date of valuation").

Our valuation of the property interests represents the market value which we would define as intended to mean "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion".

We have valued the property interests of property nos. 4 and 5 in Group I by direct comparison approach assuming sale of the property interests in their existing state with the benefit of immediate vacant possession and by making reference to comparable sales transactions as available in the relevant market.

Where, due to the nature of the buildings and structures of the remaining property interests in Group I and the particular locations in which they are situated, there are unlikely to be relevant market comparable sales readily available, the property interests have therefore been valued on the basis of their depreciated replacement cost.

Depreciated replacement cost is defined as "the current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimization." It is based on an estimate of the market value for the existing use of the land, plus the current cost of replacement (reproduction) of the improvements, less deductions for physical deterioration and all relevant forms of obsolescence and optimization. The depreciated replacement cost of the property interest is subject to adequate potential profitability of the concerned business.

We have attributed no commercial value to the property interests in Groups II to IV, which are leased by the Group, due either to the short-term nature of the lease or the prohibition against assignment or sub-letting or otherwise due to the lack of substantial profit rent.

Our valuation has been made on the assumption that the seller sells the property interests in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the values of the property interests.

No allowance has been made in our report for any charge, mortgage or amount owing on any of the property interest valued nor for any expense or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the properties are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect their values.

In valuing the property interests, we have complied with all requirements contained in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited; the RICS Valuation Standards published by the Royal Institution of Chartered Surveyors; the HKIS Valuation Standards on Properties published by the Hong Kong Institute of Surveyors; and the International Valuation Standards published by the International Valuation Standards Council.

We have relied to a very considerable extent on the information given by the Group and have accepted advice given to us on such matters as tenure, planning approvals, statutory notices, easements, particulars of occupancy, lettings, and all other relevant matters.

We have been shown copies of various title documents including State-owned Land Use Rights Certificates, Building Ownership Certificates, Real Estate Title Certificates and official plans relating to the property interests and have made relevant enquiries. Where possible, we have examined the original documents to verify the existing title to the property interests in the PRC and any material encumbrance that might be attached to the property interests or any tenancy amendment. We have relied considerably on the advice given by the Company's PRC legal advisers — Jintian & Gongcheng, concerning the validity of the property interests in the PRC.

We have not carried out detailed measurements to verify the correctness of the areas in respect of the properties but have assumed that the areas shown on the title documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurement has been taken.

We have inspected the exterior and, where possible, the interior of the properties. However, we have not carried out investigation to determine the suitability of the ground conditions and services for any development thereon. Our valuation has been prepared on the assumption that these aspects are satisfactory. Moreover, no structural survey has been made, but in the course of our inspection, we did not note any serious defect. We are not, however, able to report whether the properties are free of rot, infestation or any other structural defect. No tests were carried out on any of the services.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Group. We have also sought confirmation from the Group that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to arrive an informed view, and we have no reason to suspect that any material information has been withheld.

Unless otherwise stated, all monetary figures stated in this report are in Renminbi (RMB).

Our valuation is summarized below and the valuation certificates are attached.

Yours faithfully,  
for and on behalf of  
**Jones Lang LaSalle Sallmanns Limited**  
**Paul L. Brown**  
*B.Sc. FRICS FHKIS*  
*Director*

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*Note:* Paul L. Brown is a Chartered Surveyor who has 27 years' experience in the valuation of properties in the PRC and 30 years of property valuation experience in Hong Kong, the United Kingdom and the Asia-Pacific region.



## SUMMARY OF VALUES

## Group I — Property interests held and occupied by the Group in the PRC

No.	Property	Capital value in existing state as at 30 September 2010 <i>RMB</i>	Interest attributable to the Group	Capital value attributable to the Group as at 30 September 2010 <i>RMB</i>
1.	A parcel of land, 11 buildings and various structures No. 71 East Lufeng Road Lujia Town Kunshan City Jiangsu Province The PRC	10,506,000	100%	10,506,000
2.	A parcel of land, 12 buildings and various structures No. 112 East Kongxiang Road Lujia Town Kunshan City Jiangsu Province The PRC	41,226,000	100%	41,226,000
3.	8 parcels of land, 43 buildings and various structures No. 28 East Lufeng Road Lujia Town Kunshan City Jiangsu Province The PRC	380,447,000	100%	380,447,000
4.	Units 302 and 402 of a building No. 2, Lane 1177 Lingshi Road Zhabei District Shanghai The PRC	2,461,000	100%	2,461,000

**APPENDIX IV****PROPERTY VALUATION**

<b>No.</b>	<b>Property</b>	<b>Capital value in existing state as at 30 September 2010 RMB</b>	<b>Interest attributable to the Group</b>	<b>Capital value attributable to the Group as at 30 September 2010 RMB</b>
5.	Unit 401 of a building No. 9, Lane 3885 North Yanggao Road Pudong New District Shanghai The PRC	1,704,000	100%	1,704,000
6.	A parcel of land, 11 buildings and various structures No. 25 North Zhuquan Road Chengguan Town Ninghai County Ningbo City Zhejiang Province The PRC	59,079,000	85%	50,217,000
	<b>Sub-total:</b>	<b><u>495,423,000</u></b>		<b><u>486,561,000</u></b>

**Group II — Property interests rented and occupied by the Group in the PRC**

<b>No.</b>	<b>Property</b>	<b>Capital value attributable to the Group as at 30 September 2010 RMB</b>
7.	8 industrial buildings located at Pengshan Industrial Zone Huaqiao Town Kunshan City Jiangsu Province The PRC	No commercial value
8.	A building No. 2 Luqian Road Lujia Town Kunshan City Jiangsu Province The PRC	No commercial value

<b>No. Property</b>	<b>Capital value attributable to the Group as at 30 September 2010 RMB</b>
9. 2 parcels of land and 14 buildings No. 225 Hongyang Road and No. 7 North Hongyang Road Qiandeng Town Kunshan City Jiangsu Province The PRC	No commercial value
<b>Sub-total:</b>	<b><u>Nil</u></b>

**Group III — Property interest rented and occupied by the Group in Hong Kong**

<b>No. Property</b>	<b>Capital value attributable to the Group as at 30 September 2010 RMB</b>
10. Suite 2001 on 20th Floor Two Chinachem Exchange Square No. 338 King's Road North Point Hong Kong	No commercial value
<b>Sub-total:</b>	<b><u>Nil</u></b>

## Group IV — Property interests rented and occupied by the Group in overseas countries

No.	Property	Capital value attributable to the Group as at 30 September 2010 <i>RMB</i>
11.	Level 6 of a building No. 13, South 14 Fan Minato-ku Azabu Tokyo Japan	No commercial value
12.	Levels 2 and 3 of a building Herenstraat 12 3512 KC Utrecht The Netherlands	No commercial value
13.	A portion of Mercantile Building 16 Birch Street Roslindale Massachusetts The United States	No commercial value
	<b>Sub-total:</b>	<u>Nil</u>
	<b>Grand total:</b>	<u>486,561,000</u>
	<b>Capital value in existing state as at 30 September 2010 <i>RMB</i></b>	<b>Capital value attributable to the Group as at 30 September 2010 <i>RMB</i></b>
	<u>495,423,000</u>	<u>486,561,000</u>

## VALUATION CERTIFICATE

## Group I — Property interests held and occupied by the Group in the PRC

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 September 2010 RMB
1.	A parcel of land, 11 buildings and various structures No. 71 East Lufeng Road Lujia Town Kunshan City Jiangsu Province The PRC	<p>The property comprises a parcel of land with a site area of approximately 13,551 sq.m., and 11 buildings and various structures erected thereon which were completed in various stage between 2000 and 2006.</p> <p>The buildings have a total gross floor area of approximately 6,067.67 sq.m.</p> <p>The buildings include industrial buildings, an air compressor room and 2 warehouses, etc.</p> <p>The structures mainly include roads and boundary walls, etc.</p> <p>The land use rights of the property have been granted for a term expiring on 9 February 2053 for industrial use.</p>	<p>The property is currently occupied by the Group for production, storage and ancillary purposes.</p>	<p>10,506,000</p> <p>100% interest attributable to the Group: RMB10,506,000</p>

*Notes:*

1. Pursuant to a State-owned Land Use Rights Certificate — Kun Guo Yong (2010) Di No. 12010110023 issued by the State-owned Land Resources Bureau of Kunshan City, the land use rights of a parcel of land with a site area of approximately 13,551 sq.m. were granted to Goodbaby Child Products Co., Ltd. (“GCPC”), an indirect wholly-owned subsidiary of the Company, for a term with the expiry date on 9 February 2053 for industrial use.
2. Pursuant to 11 Building Ownership Certificates — Kun Fang Quan Zheng Lu Jia Zi Nos. 121025140 to 121025148, 121025167 and 121025377 issued by the Construction Bureau of Kunshan City, the 11 buildings of the property with a total gross floor area of approximately 6,067.67 sq.m. are owned by GCPC.
3. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
  - a. GCPC has obtained the land use rights of the property and has rights to occupy, transfer, lease or mortgage the land use rights of the property;
  - b. The land use rights of the property is not subject to any mortgage or third party encumbrance; and
  - c. GCPC has obtained the building ownership rights of the property and has rights to occupy, use, transfer, lease or mortgage the buildings of the property.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 September 2010 <i>RMB</i>
2.	A parcel of land, 12 buildings and various structures No. 112 East Kongxiang Road Lujia Town Kunshan City Jiangsu Province The PRC	<p>The property comprises a parcel of land with a site area of approximately 33,333.3 sq.m., and 12 buildings and various structures erected thereon which were completed in various stage between 1998 and 2003.</p> <p>The buildings have a total gross floor area of approximately 33,782.73 sq.m.</p> <p>The buildings include industrial buildings, a distribution room and a gatehouse, etc.</p> <p>The structures mainly include roads and boundary walls, etc.</p> <p>The land use rights of the property have been granted for a term with the expiry date on 27 January 2043 for industrial use.</p>	<p>The property is currently occupied by the Group for production and ancillary purposes.</p>	<p>41,226,000</p> <p>100% interest attributable to the Group: RMB41,226,000</p>

*Notes:*

1. Pursuant to a State-owned Land Use Rights Certificate — Kun Guo Yong (99) Zi Di No. 199110013 issued by the State-owned Land Resources Bureau of Kunshan City, the land use rights of a parcel of land with a site area of approximately 33,333.3 sq.m. were granted to Goodbaby Child Products Co., Ltd. (“GCPC”), an indirect wholly-owned subsidiary of the Company for a term with the expiry date on 27 January 2043 for industrial use.
2. Pursuant to 10 Building Ownership Certificates — Kun Fang Quan Zheng Lu Jia Zi Nos. 121025124 and 121025125, 121025127 to 121025131, 121025371, 121025373 and 121025374 issued by the Construction Bureau of Kunshan City, the 10 buildings of the property with a total gross floor area of approximately 25,970.92 sq.m. are owned by GCPC.
3. Pursuant to 2 Building Ownership Certificates — Kun Fang Quan Zheng Lu Jia Zi Nos. 121025126 and 121008449 issued by the Construction Bureau of Kunshan City, 2 buildings of the property with a gross floor area of approximately 7,811.81 sq.m. is owned by GCPC.
4. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
  - a. GCPC has obtained the land use rights of the property and has rights to occupy, transfer, lease or mortgage the land use rights of the property;
  - b. The land use rights of the property is not subject to any mortgage or third party encumbrance;
  - c. GCPC has obtained the building ownership rights of the buildings mentioned in note 2 and has rights to occupy, use, transfer, lease or mortgage these 10 buildings; and
  - d. GCPC has obtained the building ownership rights for the buildings mentioned in note 3 and has rights to occupy, use, lease or mortgage the building. The building ownership rights of these 2 buildings have to be transferred together with the land parcel and other buildings erected thereon.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 September 2010 RMB
3.	8 parcels of land, 43 buildings and various structures No. 28 East Lufeng Road Lujia Town Kunshan City Jiangsu Province The PRC	<p>The property comprises 8 parcels of land with a total site area of approximately 465,777.7 sq.m., and 43 buildings and various structures erected thereon which were completed in various stage between 1995 and 2010.</p> <p>The buildings have a total gross floor area of approximately 192,432.85 sq.m.</p> <p>The buildings include industrial buildings, warehouses and dormitories, etc.</p> <p>The structures mainly include roads and boundary walls, etc.</p> <p>The land use rights of the property have been granted for various terms with the expiry dates between 29 October 2047 and 26 November 2053 for industrial use.</p>	<p>The property is currently occupied by the Group for production, office and ancillary purposes except a parcel of vacant land of the property with a site area of approximately 96,956.1 sq.m..</p>	<p>380,447,000</p> <p>100% interest attributable to the Group: RMB380,447,000</p>

*Notes:*

1. Pursuant to 8 State-owned Land Use Rights Certificates — Kun Guo Yong (98) Zi Di No. 1-110-002, Kun Guo Yong (2000) Zi Di Nos. 12000110001, 12000110002 and 12000110019 and Kun Guo Yong (2010) Di Nos. 12010110022, 12010110024, 2010110031 and 2010110034 issued by the State-owned Land Resources Bureau of Kunshan City, the land use rights of 8 parcels of land with a total site area of approximately 465,777.7 sq.m. were granted to Goodbaby Child Products Co., Ltd. (“GCPC”), an indirect wholly-owned subsidiary of the Company, for various terms with the expiry dates between 29 October 2047 and 26 November 2053 for industrial use.
2. Pursuant to 43 Building Ownership Certificates — Kun Fang Quan Zheng Lu Jia Zi Nos. 121025149, 1201025151, 121025386 to 121025388, 121025390 to 121025396, 121025514 to 121025544 issued by the Construction Bureau of Kunshan City, the 43 buildings of the property with a total gross floor area of approximately 192,432.85 sq.m. are owned by GCPC.
3. Pursuant to 2 Tenancy Agreements entered into between GCPC and Kunshan Paragon Products Co., Ltd. (“PCPC”), an indirect wholly-owned subsidiary of the Company, 7 buildings of the property with a total gross floor area of approximately 48,146.21 sq.m. are leased to PCPC for a term of 3 years commencing from 1 January 2010 and expiring on 31 December 2012 at a monthly rent of RMB248,951, exclusive of water and electricity charges.
4. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
  - a. GCPC has obtained the land use rights of the property and has rights to occupy, transfer, lease or mortgage the land use rights of the property;
  - b. The land use rights of the property is not subject to any mortgage or third party encumbrance;

- c. GCPC has obtained the building ownership rights of the buildings mentioned in note 2 and has rights to occupy, use, transfer, lease or mortgage these buildings. Portions of these buildings with a total gross floor area of approximately 16,777.25 sq.m. have to be transferred together with the land parcel and other buildings elected thereon; and
- d. The Tenancy Agreements mentioned in note 3 have been duly registered and are legal, valid and enforceable.



## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 September 2010 <i>RMB</i>
4.	Units 302 and 402 of a building No. 2, Lane 1177 Lingshi Road Zhabei District Shanghai The PRC	<p>The property comprises 2 units on Levels 3 and 4 of a 6-storey residential building completed in 1998.</p> <p>The units have a total gross floor area of approximately 155.76 sq.m.</p> <p>The land use rights of the property have been granted for residential use without a defined term.</p>	The property is currently occupied by the Group for dormitory purpose.	<p>2,461,000</p> <p>100% interest attributable to the Group: RMB2,461,000</p>

*Notes:*

1. Pursuant to 2 Real Estate Title Certificates — Hu Fang Di Zha Zi (2002) Di Nos. 011639 and 010342 issued by Shanghai Housing and Land Resources Administration Bureau, the land use rights of the property with a total apportioned site area of approximately 49.4 sq.m. have been granted to Goodbaby Child Products Co., Ltd. (“GCPC”), an indirect wholly-owned subsidiary of the Company, for residential use without a defined term and 2 units with a total gross floor area of approximately 155.76 sq.m. are owned by GCPC.
2. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
  - a. GCPC has obtained the land use rights of the property and has rights to transfer, lease or mortgage the land use rights of the property;
  - b. The land use rights of the property is not subject to any mortgage or third party encumbrance; and
  - c. GCPC has obtained the building ownership rights of the property and has rights to occupy, use, transfer, lease or mortgage the units.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 September 2010 RMB
5.	Unit 401 of a building No. 9, Lane 3885 North Yanggao Road Pudong New District Shanghai The PRC	The property comprises a unit on Level 4 of a 6-storey residential building completed in 1998.  The unit has a gross floor area of approximately 106.51 sq.m.  The land use rights of the property have been granted for residential use without a defined term.	The property is currently occupied by the Group for dormitory purpose.	1,704,000  100% interest attributable to the Group: RMB1,704,000

*Notes:*

1. Pursuant to a Real Estate Title Certificate — Hu Fang Di Pu Zi (2000) Di No. 014956 issued by Shanghai Housing and Land Resources Administration Bureau, the land use rights of the property with an apportioned site area of approximately 70.74 sq.m. have been granted to Goodbaby Child Products Co., Ltd. (“GCPC”), an indirect wholly-owned subsidiary of the Company, for residential use without a defined term and a unit with a gross floor area of approximately 106.51 sq.m. is owned by GCPC.
2. We have been provided with a legal opinion regarding the property interest by the Company’s PRC legal advisers, which contains, inter alia, the following:
  - a. GCPC has obtained the land use rights of the property and has rights to transfer, lease or mortgage the land use rights of the property;
  - b. The land use rights of the property is not subject to any mortgage or third party encumbrance; and
  - c. GCPC has obtained the building ownership rights of the property and has rights to occupy, use, transfer, lease or mortgage the unit.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 September 2010 RMB
6.	A parcel of land, 11 buildings and various structures No. 25 North Zhuquan Road Chengguan Town Ninghai County Ningbo City Zhejiang Province The PRC	<p>The property comprises a parcel of land with a site area of approximately 65,256.5 sq.m., and 11 buildings and various structures erected thereon which was completed in 2004.</p> <p>The buildings have a total gross floor area of approximately 45,513.67 sq.m.</p> <p>The buildings include industrial buildings, a dormitory and 2 gatehouses, etc.</p> <p>The structures mainly include roads and boundary walls, etc.</p> <p>The land use rights of the property have been granted for a term with the expiry date on 8 July 2053 for industrial use.</p>	The property is currently occupied by the Group for production and ancillary purposes.	59,079,000  85% interest attributable to the Group: RMB50,217,000

*Notes:*

1. Pursuant to a State-owned Land Use Rights Certificate — Ning Guo Yong (2003) Zi Di No. 0036595 issued by the State-owned Land Resources Bureau of Ninghai County, the land use rights of a parcel of land with a site area of approximately 65,256.5 sq.m. were granted to Ningbo Goodbaby Child Products Limited (“Ningbo Goodbaby”), a 85% interest owned subsidiary of the Company, for a term with the expiry date on 8 July 2053 for industrial use.
2. Pursuant to a Building Ownership Certificate — Ning Fang Quan Zheng Ning Hai Zi Di No. X0056764 issued by the Construction Bureau of Ninghai County, the buildings of the property with a total gross floor area of approximately 45,513.67 sq.m. are owned by Ningbo Goodbaby.

3. We have been provided with a legal opinion regarding the property interest by the Company's PRC legal advisers, which contains, inter alia, the following:
  - a. Ningbo Goodbaby has obtained the land use rights of the property and has rights to transfer, lease or mortgage the land use rights of the property;
  - b. The land use rights of the property is not subject to any mortgage or third party encumbrance; and
  - c. Ningbo Goodbaby has obtained the building ownership rights of the property and has rights to occupy, use, lease or mortgage the buildings of the property.

## VALUATION CERTIFICATE

## Group II — Property interests rented and occupied by the Group in the PRC

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 September 2010 RMB
7.	8 industrial buildings located at Pengshan Industrial Zone Huaqiao Town Kunshan City Jiangsu Province The PRC	<p>The property comprises four 3-storey industrial buildings and four 2-storey industrial buildings completed in about 2005.</p> <p>The property has a gross floor area of approximately 34,073 sq.m.</p> <p>The property is leased from an independent third party for a term of 3 years commencing from 9 January 2010 and expiring on 8 January 2013 at an annual rent of RMB6,455,230, exclusive of water and electricity charges.</p>	The property is currently occupied by the Group for production and ancillary purposes.	No commercial value

*Notes:*

1. Pursuant to a Tenancy Agreement and a Supplementary Agreement, the property is leased to Goodbaby Child Products Co., Ltd. ("GCPC"), an indirect wholly-owned subsidiary of the Company, from Pengshan Xingli Fumin Cooperative of Huaqiao Town, Kunshan City (昆山市花橋鎮蓬善星利富民合作社, the "Lessor"), an independent third party, for a term of 3 years commencing from 9 January 2010 and expiring on 8 January 2013 at an annual rent of RMB6,455,230, exclusive of water and electricity charges.
2. We have been provided with a legal opinion on the legality of the Tenancy Agreement to the property issued by the Company's PRC legal advisers, which contains, inter alia, the following:
  - a. The Tenancy Agreement has been duly registered;
  - b. The Lessor has obtained the title certificates of the property according to the relevant regulations of Suzhou collectively-owned Land Circulation Test Opinion <蘇州集體土地流轉試點意見> (the "Test Opinion"). The Tenancy Agreement is legal, valid and enforceable. However, there might be risks that the Test Opinion will be revoked or altered by the relevant administration authorities, and the PRC's law does not prescribe how the portion of the property would be affected after the Test Opinion is revoked or altered;
  - c. The Lessor has rights to lease the property;
  - d. The Lessor is the registered owner of the building ownership rights and the land use rights of the property; and
  - e. The usage of the property by GCPC is in compliance with its prescribed use.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 September 2010 RMB
8.	A building No. 2 Luqian Road Lujia Town Kunshan City Jiangsu Province The PRC	<p>The property comprises a 7-storey residential building completed in about 1998.</p> <p>The property has a gross floor area of approximately 5,838.6 sq.m.</p> <p>The property is leased from a connected party for a term of 3 years commencing from 1 January 2010 and expiring on 31 December 2012 at a monthly rent of RMB58,386 including the relevant tax.</p>	The property is currently occupied by the Group for dormitory purpose.	No commercial value

*Notes:*

1. Pursuant to a Tenancy Agreement and a Modification Agreement, the property is leased to Goodbaby Child Products Co., Ltd. ("GCPC"), an indirect wholly-owned subsidiary of the Company, from Goodbaby Group Company Limited (the "Lessor"), a connected party of the Company, for a term of 3 years commencing from 1 January 2010 and expiring on 31 December 2012 at a monthly rent of RMB58,386 including the relevant tax.
2. We have been provided with a legal opinion on the legality of the Tenancy Agreement to the property issued by the Company's PRC legal advisers, which contains, inter alia, the following:
  - a. The Tenancy Agreement has been duly registered;
  - b. The Tenancy Agreement is legal, valid and enforceable;
  - c. The Lessor has rights to lease the property;
  - d. The Lessor is the registered owner of the property; and
  - e. The usage of the property by GCPC is in compliance with its prescribed use.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 September 2010 RMB
9.	2 parcels of land and 14 buildings No. 225 Hongyang Road and No. 7 North Hongyang Road Qiandeng Town Kunshan City Jiangsu Province The PRC	<p>The property comprises 2 parcels of land with a total site area of approximately 26,666.67 sq.m. and 14 buildings erected thereon completed in about 2007.</p> <p>The buildings have a total gross floor area of approximately 17,634.15 sq.m.</p> <p>The buildings mainly include industrial buildings, pump houses and a guard house, etc.</p> <p>The property is leased from an independent third party at a total annual rent of RMB2,569,183.89, exclusive of water and electricity charges. Portions of the buildings of the property with a total gross floor area of approximately 5,337.55 sq.m. are leased for a term commencing from 1 July 2009 and expiring on 30 June 2017 and the remaining buildings with a total gross floor area of approximately 12,296.6 sq.m. are leased for a term commencing from 10 December 2007 and expiring on 9 December 2015.</p>	The property is currently occupied by the Group for production purpose.	No commercial value

*Notes:*

1. Pursuant to 2 Tenancy Agreements, the property is leased to Goodbaby Child Products Co., Ltd. ("GCPC"), an indirect wholly-owned subsidiary of the Company, from Kunshan Pu Linte Electronic Co., Ltd. (昆山市普林特电子有限公司, the "Lessor"), an independent third party, at a total annual rent of RMB2,569,183.89, exclusive of water and electricity charges. Portions of the buildings of the property with a total gross floor area of approximately 5,337.55 sq.m. are leased for a term commencing from 1 July 2009 and expiring on 30 June 2017 and the remaining buildings with a total gross floor area of approximately 12,296.6 sq.m. are leased for a term commencing from 10 December 2007 and expiring on 9 December 2015.
2. We have been provided with a legal opinion on the legality of the Tenancy Agreements to the property issued by the Company's PRC legal advisers, which contains, inter alia, the following:
  - a. A portion of the properties under the Tenancy Agreements with a gross floor area of approximately 12,207.43 sq.m., has been duly registered;
  - b. The Lessor has obtained the title certificates for a portion of the property with a gross floor area of approximately 16,990.53 sq.m. according to the relevant regulations of Suzhou collectively-owned Land Circulation Test Opinion <蘇州集體土地流轉試點意見> (the "Test Opinion"). For this portion, the Tenancy Agreements are legal, valid and enforceable. However, these might be risks that the Trial Opinion will be revoked or altered by the relevant administration authorities, and the PRC's law does not prescribe how the portion of the property would be affected after the Test Opinion is revoked or altered. For the remaining portion of the property with a gross floor area of approximately 643.62 sq.m. the Lessor has not obtained the title certificate. The validity of this portion of Tenancy Agreements is uncertain;

- c. The Lessor has rights to lease the portion of the property with a gross floor area of approximately 16,990.53 sq.m. For the remaining portion of the property with a gross floor area of approximately 643.62 sq.m., it is uncertain whether the Lessor has rights to lease this portion of property;
- d. The Lessor is the registered owner of the portion of the property with a gross floor area of approximately 12,207.43 sq.m. For the remaining portion of the property with a gross floor area of approximately 5,426.72 sq.m., it is uncertain whether the Lessor is the registered owner of this portion of property;
- e. The usage of the property by GCPC is in compliance with its prescribed use; and
- f. The property is subject to mortgages.



## VALUATION CERTIFICATE

## Group III — Property interest rented and occupied by the Group in Hong Kong

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 September 2010 <i>RMB</i>
10.	Suite 2001 on 20th Floor Two Chinachem Exchange Square No. 338 King's Road North Point Hong Kong	<p>The property comprises a unit on the 20th floor of a 31-storey office building completed in about 1997.</p> <p>The property has a lettable area of approximately 751 sq.ft.</p> <p>The property is leased from an independent third party for a term of 2 years commencing from 19 April 2010 and expiring on 18 April 2012 at a monthly rent of HKD12,762 exclusive of rates, management fees, and air-conditioning charge.</p>	The property is currently occupied by the Group for office purpose.	No commercial value

*Notes:*

1. The registered owner of the property is Roco Investment Limited vide Memorial No. UB3840928 dated 24 August 1988.
2. Pursuant to a Tenancy Agreement, the property is leased to Goodbaby (Hong Kong) Limited, a wholly-owned subsidiary of the Company, from Roca Investment Limited, an independent third party, for a term of 2 years commencing from 19 April 2010 and expiring on 18 April 2012 at a monthly rent of HKD12,762 exclusive of rates, management fees, and air-conditioning charge.

## VALUATION CERTIFICATE

## Group IV — Property interests rented and occupied by the Group in overseas countries

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 September 2010 <i>RMB</i>
11.	Level 6 of a building No. 13, South 14 Fan Minato-ku Azabu Tokyo Japan	<p>The property comprises Level 6 of a 7-storey office building.</p> <p>The property has a gross floor area of approximately 103.57 sq.m.</p> <p>The property is leased from an independent third party for a term commencing from 1 April 2009 and expiring on 31 March 2011 at an annual rent of JPY200,604 inclusive of consumption tax.</p>	The property is currently occupied by the Group for office purpose.	No commercial value

*Notes:* Pursuant to a Tenancy Agreement, the property is leased to Goodbaby Japan Co., Ltd., an indirect wholly-owned subsidiary of the Company, from Yamakachi Liu and Yamakachi Kira (山口隆、山口晃), independent third parties, for a term commencing from 1 April 2009 and expiring on 31 March 2011 at an annual rent of JPY200,604 inclusive of consumption tax.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 September 2010 <i>RMB</i>
12.	Levels 2 and 3 of a building Herenstraat 12 3512 KC Utrecht The Netherlands	The property comprises Levels 2 and 3 of a 3-storey office building.  The property has a lettable area of approximately 200 sq.m.  The property is leased from an independent third party for a term commencing from 1 December 2007 and expiring on 30 November 2012 at an annual rent of EUR52,200 exclusive of tax and additional costs.	The property is currently occupied by the Group for office purpose.	No commercial value

*Notes:* Pursuant to a Tenancy Agreement, the property is leased to Turn Key Design Cooperatie U.A., an indirect wholly-owned subsidiary of the Company, from Mr. P. Schuckink Kool and Mr. D. Ros, independent third parties, for a term commencing from 1 December 2007 and expiring on 30 November 2012 at an annual rent of EUR52,200 exclusive of tax and additional costs.

## VALUATION CERTIFICATE

No.	Property	Description and tenure	Particulars of occupancy	Capital value in existing state as at 30 September 2010 <i>RMB</i>
13.	A portion of Mercantile Building 16 Birch Street Roslindale Massachusetts The United States	The property comprises a portion of a single-storey office building.  The property has a lettable area of approximately 100 sq.m.  The property is leased from an independent third party for a term commencing from 15 November 2007 and expiring on 31 March 2011 at a passing annual rent of USD23,940.	The property is currently occupied by the Group for office purpose.	No commercial value

*Notes:* Pursuant to a Tenancy Agreement and a Supplementary Agreement, the property is leased to Goodbaby Children's Products Inc., an indirect wholly-owned subsidiary of the Company, from Corinth-Birth LLC, an independent third party, for a term commencing from 15 November 2007 and expiring on 31 March 2011 at a passing annual rent of USD23,940.

Set out below is a summary of certain provisions of the Memorandum and Articles of Association of the Company and of certain aspects of Cayman Islands company law.

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 14 July 2000 under the Cayman Companies Law. The Company's constitutional documents consist of its Amended and Restated Memorandum of Association (the "Memorandum") and the Amended and Restated Articles of Association (the "Articles").

## **1. MEMORANDUM OF ASSOCIATION**

- (a) The Memorandum provides, *inter alia*, that the liability of members of the Company is limited and that the objects for which the Company is established are unrestricted (and therefore include acting as an investment company), and that the Company shall have and be capable of exercising any and all of the powers at any time or from time to time exercisable by a natural person or body corporate whether as principal, agent, contractor or otherwise and since the Company is an exempted company that the Company will not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of the Company carried on outside the Cayman Islands.
- (b) By special resolution the Company may alter the Memorandum with respect to any objects, powers or other matters specified therein.

## **2. ARTICLES OF ASSOCIATION**

The Articles were adopted on November 5, 2010. The following is a summary of certain provisions of the Articles:

### **(a) Shares**

#### *(i) Classes of shares*

The share capital of the Company consists of ordinary shares.

#### *(ii) Share certificates*

Every person whose name is entered as a member in the register of members shall be entitled without payment to receive a certificate for his shares. The Cayman Companies Law prohibits the issue of bearer shares to any person other than an authorised or recognised custodian defined in the Cayman Companies Law. The requirement on all service providers to implement appropriate due diligence procedures on the identity of a client in order to "know your client" as a result of proceeds of crime legislation mandates that special procedures should be followed when issuing bearer shares.

Every certificate for shares, warrants or debentures or representing any other form of securities of the Company shall be issued under the seal of the Company, and shall be signed autographically by one Director and the Secretary, or by 2 Directors, or by some other person(s) appointed by the Board

for the purpose. As regards any certificates for shares or debentures or other securities of the Company, the Board may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature other than autographic as specified in such resolution or that such certificates need not be signed by any person. Every share certificate issued shall specify the number and class of shares in respect of which it is issued and the amount paid thereon and may otherwise be in such form as the Board may from time to time prescribe. A share certificate shall relate to only one class of shares, and where the capital of the Company includes shares with different voting rights, the designation of each class of shares, other than those which carry the general right to vote at general meetings, must include the words “restricted voting” or “limited voting” or “non-voting” or some other appropriate designation which is commensurate with the rights attaching to the relevant class of shares. The Company shall not be bound to register more than 4 persons as joint holders of any share.

**(b) Directors**

*(i) Power to allot and issue shares and warrants*

Subject to the provisions of the Cayman Companies Law, the Memorandum and Articles and without prejudice to any special rights conferred on the holders of any shares or class of shares, any share may be issued with or have attached thereto such rights, or such restrictions, whether with regard to dividend, voting, return of capital, or otherwise, as the Company may by ordinary resolution determine (or, in the absence of any such determination or so far as the same may not make specific provision, as the Board may determine). Any share may be issued on terms that upon the happening of a specified event or upon a given date and either at the option of the Company or the holder thereof, they are liable to be redeemed.

The Board may issue warrants to subscribe for any class of shares or other securities of the Company on such terms as it may from time to time determine.

Where warrants are issued to bearer, no certificate thereof shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original certificate thereof has been destroyed and the Company has received an indemnity in such form as the Board shall think fit with regard to the issue of any such replacement certificate.

Subject to the provisions of the Cayman Companies Law, the Articles and, where applicable, the rules of any stock exchange of the Relevant Territory (as defined in the Articles) and without prejudice to any special rights or restrictions for the time being attached to any shares or any class of shares, all unissued shares in the Company shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times, for such consideration and on such terms and conditions as it in its absolute discretion thinks fit, but so that no shares shall be issued at a discount.

Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such allotment, offer, option or shares to members or others whose registered addresses are in any particular territory or territories where, in the absence of a registration statement or other special formalities, this is or may, in the opinion of the Board, be unlawful or impracticable. However, no member affected as a result of the foregoing shall be, or be deemed to be, a separate class of members for any purpose whatsoever.

*(ii) Power to dispose of the assets of the Company or any subsidiary*

While there are no specific provisions in the Articles relating to the disposal of the assets of the Company or any of its subsidiaries, the Board may exercise all powers and do all acts and things which may be exercised or done or approved by the Company and which are not required by the Articles or the Cayman Companies Law to be exercised or done by the Company in general meeting, but if such power or act is regulated by the Company in general meeting, such regulation shall not invalidate any prior act of the Board which would have been valid if such regulation had not been made.

*(iii) Compensation or payments for loss of office*

Payments to any present Director or past Director of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the Director is contractually or statutorily entitled) must be approved by the Company in general meeting.

*(iv) Loans and provision of security for loans to Directors*

There are provisions in the Articles prohibiting the making of loans to Directors and their associates which are equivalent to provisions of Hong Kong law prevailing at the time of adoption of the Articles.

The Company shall not directly or indirectly make a loan to a Director or a director of any holding company of the Company or any of their respective associates, enter into any guarantee or provide any security in connection with a loan made by any person to a Director or a director of any holding company of the Company or any of their respective associates, or if any one or more of the Directors hold (jointly or severally or directly or indirectly) a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with a loan made by any person to that other company.

*(v) Disclosure of interest in contracts with the Company or with any of its subsidiaries*

With the exception of the office of auditor of the Company, a Director may hold any other office or place of profit with the Company in conjunction with his office of Director for such period and, upon such terms as the Board may determine, and may be paid such extra remuneration therefor (whether by way of salary, commission, participation in profits or otherwise) in addition to any remuneration provided for by or pursuant to any other Articles. A Director may be or become a director or other officer or member of any other company in which the Company may be interested, and shall not be liable to account to the Company or the members for any remuneration or other benefits received by

him as a director, officer or member of such other company. The Board may also cause the voting power conferred by the shares in any other company held or owned by the Company to be exercised in such manner in all respects as it thinks fit, including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors or officers of such other company.

No Director or intended Director shall be disqualified by his office from contracting with the Company, either as vendor, purchaser or otherwise, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office or the fiduciary relationship thereby established. A Director who is, in any way, materially interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the earliest meeting of the Board at which he may practically do so.

There is no power to freeze or otherwise impair any of the rights attaching to any Share by reason that the person or persons who are interested directly or indirectly therein have failed to disclose their interests to the Company.

A Director shall not vote (nor shall he be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or other proposal in which he or his associate(s) is/are materially interested, and if he shall do so his vote shall not be counted nor shall he be counted in the quorum for that resolution, but this prohibition shall not apply to any of the following matters namely:

- (aa) the giving of any security or indemnity to the Director or his associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries;
- (bb) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has/have himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (cc) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- (dd) any proposal concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or a member or in which the Director or his associate(s) is/are beneficially interested in shares of that company, provided that the Director and any of his associates are not in aggregate beneficially interested in 5% or more of the issued shares of any class of such company (or of any third company through which his interest or that of his associate(s) is derived) or of the voting rights;



- (ee) any proposal or arrangement concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to Directors, his associate(s) and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director, or his associate(s), as such any privilege or advantage not generally accorded to the employees to which such scheme or fund relates; or
- (ff) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.

(vi) *Remuneration*

The Directors shall be entitled to receive, as ordinary remuneration for their services, such sums as shall from time to time be determined by the Board, or the Company in general meeting, as the case may be, such sum (unless otherwise directed by the resolution by which it is determined) to be divided amongst the Directors in such proportions and in such manner as they may agree or failing agreement, equally, except that in such event any Director holding office for only a portion of the period in respect of which the remuneration is payable shall only rank in such division in proportion to the time during such period for which he has held office. The Directors shall also be entitled to be repaid all travelling, hotel and other expenses reasonably incurred by them in attending any Board meetings, committee meetings or general meetings or otherwise in connection with the discharge of their duties as Directors. Such remuneration shall be in addition to any other remuneration to which a Director who holds any salaried employment or office in the Company may be entitled by reason of such employment or office.

Any Director who, at the request of the Company performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such special or extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to or in substitution for any ordinary remuneration as a Director. An executive Director appointed to be a managing director, joint managing director, deputy managing director or other executive officer shall receive such remuneration (whether by way of salary, commission or participation in profits or otherwise or by all or any of those modes) and such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may from time to time decide. Such remuneration shall be in addition to his ordinary remuneration as a Director.

The Board may establish, either on its own or jointly in concurrence or agreement with other companies (being subsidiaries of the Company or with which the Company is associated in business), or may make contributions out of the Company's monies to, such schemes or funds for providing pensions, sickness or compassionate allowances, life assurance or other benefits for employees (which expression as used in this and the following paragraph shall include any Director or former Director who may hold or have held any executive office or any office of profit with the Company or any of its subsidiaries) and former employees of the Company and their dependents or any class or classes of such persons.

In addition, the Board may also pay, enter into agreements to pay or make grants of revocable or irrevocable, whether or not subject to any terms or conditions, pensions or other benefits to employees and former employees and their dependents, or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or former employees or their dependents are or may become entitled under any such scheme or fund as mentioned above. Such pension or benefit may, if deemed desirable by the Board, be granted to an employee either before and in anticipation of, or upon or at any time after, his actual retirement.

*(vii) Appointment, retirement and removal*

At any time or from time to time, the Board shall have the power to appoint any person as a Director either to fill a casual vacancy on the Board or as an additional Director to the existing Board subject to any maximum number of Directors, if any, as may be determined by the members in general meeting. Any Director so appointed shall hold office only until the next general meeting of the Company and shall then be eligible for re-election. There is no shareholding qualification for Directors.

At each annual general meeting, one third of the Directors for the time being will retire from office by rotation. However, if the number of Directors is not a multiple of three, then the number nearest to but not less than one third shall be the number of retiring Directors. The Directors who shall retire in each year will be those who have been longest in the office since their last re-election or appointment but as between persons who become or were last re-elected Directors on the same day those to retire will (unless they otherwise agree among themselves) be determined by lot.

No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the head office or at the registration office. The period for lodgment of such notices will commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such meeting and the minimum length of the period during which such notices to the Company may be given must be at least 7 days.

A Director is not required to hold any shares in the Company by way of qualification nor is there any specified upper or lower age limit for Directors either for accession to the Board or retirement therefrom.

A Director may be removed by an ordinary resolution of the Company before the expiration of his term of office (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and the Company) and the Company may by ordinary resolution appoint another in his place. Unless otherwise determined by the Company in general meeting, the number of Directors shall not be less than two.

In addition to the foregoing, the office of a Director shall be vacated:

- (aa) if he resigns his office by notice in writing delivered to the Company at the registered office or head office of the Company for the time being or tendered at a meeting of the Board;
- (bb) if he dies or becomes of unsound mind as determined pursuant to an order made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and the Board resolves that his office be vacated;
- (cc) if, without special leave, he is absent from meetings of the Board for six (6) consecutive months, and the Board resolves that his office is vacated;
- (dd) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;
- (ee) if he is prohibited from being a director by law;
- (ff) if he ceases to be a director by virtue of any provision of law or is removed from office pursuant to the Articles;
- (gg) if he has been validly required by the stock exchange of the Relevant Territory (as defined in the Articles) to cease to be a Director and the relevant time period for application for review of or appeal against such requirement has lapsed and no application for review or appeal has been filed or is underway against such requirement; or
- (hh) if he is removed from office by notice in writing served upon him signed by not less than three-fourths in number (or, if that is not a round number, the nearest lower round number) of the Directors (including himself) then in office.

From time to time the Board may appoint one or more of its body to be managing director, joint managing director, or deputy managing director or to hold any other employment or executive office with the Company for such period and upon such terms as the Board may determine and the Board may revoke or terminate any of such appointments. The Board may also delegate any of its powers to committees consisting of such Director or Directors and other person(s) as the Board thinks fit, and from time to time it may also revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes, but every committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed upon it by the Board.

*(viii) Borrowing powers*

Pursuant to the Articles, the Board may exercise all the powers of the Company to raise or borrow money, to mortgage or charge all or any part of the undertaking, property and uncalled capital of the Company and, subject to the Cayman Companies Law, to issue debentures, debenture stock, bonds and other securities of the Company, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party. The provisions summarized above, in common with the Articles of Association in general, may be varied with the sanction of a special resolution of the Company.

*(ix) Register of Directors and officers*

Pursuant to the Cayman Companies Law, the Company is required to maintain at its registered office a register of directors and officers which is not available for inspection by the public. A copy of such register must be filed with the Registrar of Companies in the Cayman Islands and any change must be notified to the Registrar within 30 days of any change in such directors or officers.

*(x) Proceedings of the Board*

Subject to the Articles, the Board may meet anywhere in the world for the despatch of business and may adjourn and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

**(c) Alterations to the constitutional documents**

To the extent that the same is permissible under Cayman Islands law and subject to the Articles, the Memorandum and Articles of the Company may only be altered or amended, and the name of the Company may only be changed by the Company by special resolution.

**(d) Variation of rights of existing shares or classes of shares**

Subject to the Cayman Companies Law, if at any time the share capital of the Company is divided into different classes of shares, all or any of the special rights attached to any class of shares may (unless otherwise provided for by the terms of issue of the shares of that class) be varied, modified or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting the provisions of the Articles relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum (other than at an adjourned meeting) shall be not less than two persons together holding (or in the case of a shareholder being a corporation, by its duly authorized representative) or representing by proxy not less than one-third in nominal value of the issued shares of that class. Every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him, and any holder of shares of the class present in person or by proxy may demand a poll.

Any special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to the terms of issue of such shares, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

**(e) Alteration of capital**

The Company may, by an ordinary resolution of its members, (a) increase its share capital by the creation of new shares of such amount as it thinks expedient; (b) consolidate or divide all or any of its share capital into shares of larger or smaller amount than its existing shares; (c) divide its unissued shares into several classes and attach thereto respectively any preferential, deferred, qualified or special rights, privileges or conditions; (d) subdivide its shares or any of them into shares of an amount smaller than that fixed by the Memorandum; and (e) cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled; (f) make provision for the allotment and issue of shares which do not carry any voting rights; (g) change the currency of denomination of its share capital; and (h) reduce its share premium account in any manner authorized and subject to any conditions prescribed by law.

Reduction of share capital — subject to the Companies Law and to confirmation by the court, a company limited by shares may, if so authorised by its Articles of Association, by special resolution, reduce its share capital in any way.

**(f) Special resolution - majority required**

In accordance with the Articles, a special resolution of the Company must be passed by a majority of not less than three-fourths of the votes cast by such members as, being entitled so to do, vote in person or by proxy or, in the case of members which are corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which not less than 21 clear days' notice, specifying the intention to propose the resolution as a special resolution, has been duly given. However, except in the case of an annual general meeting, if it is so agreed by a majority in number of the members having a right to attend and vote at such meeting, being a majority together holding not less than 95% in nominal value of the shares giving that right and, in the case of an annual general meeting, if so agreed by all members entitled to attend and vote thereat, a resolution may be proposed and passed as a special resolution at a meeting of which less than 21 clear days' notice has been given.

Under Cayman Companies Law, a copy of any special resolution must be forwarded to the Registrar of Companies in the Cayman Islands within 15 days of being passed.

An "ordinary resolution", by contrast, is defined in the Articles to mean a resolution passed by a simple majority of the votes of such members of the Company as, being entitled to do so, vote in person or, in the case of members which are corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which not less than fourteen clear days' notice has been given and held in accordance with the Articles. A resolution in writing signed by or on behalf of all members shall be treated as an ordinary resolution duly passed at a general meeting of the Company duly convened and held, and where relevant as a special resolution so passed.

**(g) Voting rights (generally and on a poll) and right to demand a poll**

Subject to any special rights, restrictions or privileges as to voting for the time being attached to any class or classes of shares at any general meeting on a show of hands, every member who is present in person or by proxy or being a corporation, is present by its duly authorised representative shall have one vote, and on a poll every member present in person or by proxy or, in the case of a member being a corporation, by its duly authorised representative shall have one vote for every share which is fully paid or credited as fully paid registered in his name in the register of members of the Company but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purpose as paid up on the share. Notwithstanding anything contained in the Articles, where more than one proxy is appointed by a member which is a Clearing House (as defined in the Articles) (or its nominee(s)), each such proxy shall have one vote on a show of hands. On a poll, a member entitled to more than one vote need not use all his votes or cast all the votes he does use in the same way.

At any general meeting a resolution put to the vote of the meeting is to be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded or otherwise required under the rules of the stock exchange of the Relevant Territory (as defined in the Articles). A poll may be demanded by:

- (i) the chairman of the meeting; or
- (ii) at least two members present in person or, in the case of a member being a corporation, by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or
- (iii) any member or members present in person or, in the case of a member being a corporation, by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (iv) a member or members present in person or, in the case of a member being a corporation, by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

Should a Clearing House or its nominee(s), be a member of the Company, such person or persons may be authorised as it thinks fit to act as its representative(s) at any meeting of the Company or at any meeting of any class of members of the Company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. A person authorised in accordance with this provision shall be entitled to exercise the same rights and powers on behalf of the Clearing House or its nominee(s), as if such person were an individual member including the right to vote individually on a show of hands.

Where the Company has knowledge that any member is, under the Listing Rules, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

**(h) Annual general meetings**

The Company must hold an annual general meeting each year. Such meeting must be held not more than 15 months after the holding of the last preceding annual general meeting, or such longer period as may be authorised by the Stock Exchange at such time and place as may be determined by the Board.

**(i) Accounts and audit**

The Board shall cause proper books of account to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipt and expenditure take place, and of the assets and liabilities of the Company and of all other matters required by the Cayman Companies Law necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions.

The books of accounts of the Company shall be kept at the head office of the Company or at such other place or places as the Board decides and shall always be open to inspection by any Director. No member (other than a Director) shall have any right to inspect any account or book or document of the Company except as conferred by the Cayman Companies Law or ordered by a court of competent jurisdiction or authorised by the Board or the Company in general meeting.

The Board shall from time to time cause to be prepared and laid before the Company at its annual general meeting balance sheets and profit and loss accounts (including every document required by law to be annexed thereto), together with a copy of the Directors' report and a copy of the auditors' report not less than 21 days before the date of the annual general meeting. Copies of these documents shall be sent to every person entitled to receive notices of general meetings of the Company under the provisions of the Articles together with the notice of annual general meeting, not less than 21 days before the date of the meeting.

Subject to the rules of the stock exchange of the Relevant Territory (as defined in the Articles), the Company may send summarized financial statements to shareholders who has, in accordance with the rules of the stock exchange of the Relevant Territory (as defined in the Articles), consented and elected to receive summarized financial statements instead of the full financial statements. The summarized financial statements must be accompanied by any other documents as may be required under the rules of the stock exchange of the Relevant Territory (as defined in the Articles), and must be sent to the shareholders not less than twenty-one days before the general meeting to those shareholders that have consented and elected to receive the summarized financial statements.

The Company shall appoint auditor(s) to hold office until the conclusion of the next annual general meeting on such terms and with such duties as may be agreed with the Board. The auditors' remuneration shall be fixed by the Company in general meeting or by the Board if authority is so delegated by the members.

The auditors shall audit the financial statements of the Company in accordance with generally accepted accounting principles of Hong Kong, the International Accounting Standards or such other standards as may be permitted by the Stock Exchange.



**(j) Notices of meetings and business to be conducted thereat**

An annual general meeting and any extraordinary general meeting at which it is proposed to pass a special resolution must be called by at least 21 days' notice in writing, and any other extraordinary general meeting shall be called by at least 14 days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and must specify the time, place and agenda of the meeting, and particulars of the resolution(s) to be considered at that meeting, and, in the case of special business, the general nature of that business.

Except where otherwise expressly stated, any notice or document (including a share certificate) to be given or issued under the Articles shall be in writing, and may be served by the Company on any member either personally or by sending it through the post in a prepaid envelope or wrapper addressed to such member at his registered address as appearing in the Company's register of members or by leaving it at such registered address as aforesaid or (in the case of a notice) by advertisement in the newspapers. Any member whose registered address is outside Hong Kong may notify the Company in writing of an address in Hong Kong which for the purpose of service of notice shall be deemed to be his registered address. Where the registered address of the member is outside Hong Kong, notice, if given through the post, shall be sent by prepaid airmail letter where available.

Although a meeting of the Company may be called by shorter notice than as specified above, such meeting may be deemed to have been duly called if it is so agreed:

- (i) in the case of a meeting called as an annual general meeting, by all members of the Company entitled to attend and vote thereat; and
- (ii) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95% in nominal value of the issued shares giving that right.

All business transacted at an extraordinary general meeting shall be deemed special business and all business shall also be deemed special business where it is transacted at an annual general meeting with the exception of the following, which shall be deemed ordinary business:

- (aa) the declaration and sanctioning of dividends;
- (bb) the consideration and adoption of the accounts and balance sheet and the reports of the directors and the auditors;
- (cc) the election of Directors in place of those retiring;
- (dd) the appointment of auditors;
- (ee) the fixing of the remuneration of the Directors and of the auditors;



(ff) the granting of any mandate or authority to the Board to offer, allot, grant options over, or otherwise dispose of the unissued shares of the Company representing not more than 20% in nominal value of its existing issued share capital (or such other percentage as may from time to time be specified in the rules of the Stock Exchange) and the number of any securities repurchased by the Company since the granting of such mandate; and

(gg) the granting of any mandate or authority to the Board to repurchase securities in the Company.

**(k) Transfer of shares**

Subject to the Cayman Companies Law, all transfers of shares shall be effected by an instrument of transfer in the usual or common form or in such other form as the Board may approve provided always that it shall be in such form prescribed by the Stock Exchange and may be under hand or, if the transferor or transferee is a Clearing House or its nominee(s), under hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time.

Execution of the instrument of transfer shall be by or on behalf of the transferor and the transferee provided that the Board may dispense with the execution of the instrument of transfer by the transferor or transferee or accept mechanically executed transfers in any case in which it in its discretion thinks fit to do so, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members of the Company in respect thereof.

The Board may, in its absolute discretion, at any time and from time to time remove any share on the principal register to any branch register or any share on any branch register to the principal register or any other branch register.

Unless the Board otherwise agrees, no shares on the principal register shall be removed to any branch register nor shall shares on any branch register be removed to the principal register or any other branch register. All removals and other documents of title shall be lodged for registration and registered, in the case of shares on any branch register, at the relevant registration office and, in the case of shares on the principal register, at the place at which the principal register is located.

The Board may, in its absolute discretion, decline to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve or any share issued under any share option scheme upon which a restriction on transfer imposed thereby still subsists, and it may also refuse to register any transfer of any share to more than four joint holders or any transfer of any share (not being a fully paid up share) on which the Company has a lien.

The Board may decline to recognize any instrument of transfer unless a fee of such maximum sum as the Stock Exchange may determine to be payable or such lesser sum as the Board may from time to time require is paid to the Company in respect thereof, the instrument of transfer is properly stamped (if applicable), is in respect of only one class of share and is lodged at the relevant registration office or the place at which the principal register is located accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do).

The registration of transfers may be suspended and the register closed on giving notice by advertisement in a newspaper circulating generally in Hong Kong or, where applicable, any other newspapers in accordance with the requirements of the Stock Exchange, at such times and for such periods as the Board may determine. The register of members shall not be closed for periods exceeding in the whole 30 days in any year.

Fully paid shares shall be free from any restriction with respect to the right of the holder thereof to transfer such shares (except when permitted by the Stock Exchange) and shall also be free from all liens.

**(l) Power of the Company to purchase its own shares**

The Company is empowered by the Cayman Companies Law and the Articles to purchase its own shares subject to certain restrictions and the Board may only exercise this power on behalf of the Company subject to any applicable requirement imposed from time to time by code, rules or regulations issued from time to time by the Stock Exchange and/or the Securities and Futures Commission of Hong Kong.

Where the Company purchases for redemption a redeemable Share, purchases not made through the market or by tender shall be limited to a maximum price, and if purchases are by tender, tenders shall be available to all members alike.

**(m) Power of any subsidiary of the Company to own shares in the Company**

There are no provisions in the Articles relating to the ownership of shares in the Company by a subsidiary.

**(n) Dividends and other methods of distribution**

The Company in general meeting may declare dividends in any currency to be paid to the members but no dividend shall be declared in excess of the amount recommended by the Board.

Except in so far as the rights attaching to, or the terms of issue of, any share may otherwise provide:

- (i) all dividends shall be declared and paid according to the amounts paid up on the shares in respect whereof the dividend is paid, although no amount paid up on a share in advance of calls shall for this purpose be treated as paid up on the share; and

- (ii) all dividends shall be apportioned and paid pro rata in accordance with the amount paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. The Board may deduct from any dividend or other monies payable to any member all sums of money (if any) presently payable by him to the Company on account of calls, instalments or otherwise.

Where the Board or the Company in general meeting has resolved that a dividend should be paid or declared on the share capital of the Company, the Board may resolve:

- (aa) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the members entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment; or
- (bb) that the members entitled to such dividend will be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit.

Upon the recommendation of the Board the Company may by ordinary resolution in respect of any one particular dividend of the Company determine that it may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to members to elect to receive such dividend in cash in lieu of such allotment.

Any dividend, bonus or other sum payable in cash to the holder of shares may be paid by cheque or warrant sent through the post addressed to the holder at his registered address, but in the case of joint holders, shall be addressed to the holder whose name stands first in the register of members of the Company in respect of the shares at his address as appearing in the register, or addressed to such person and at such address as the holder or joint holders may in writing so direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent and shall be sent at the holder's or joint holders' risk and payment of the cheque or warrant by the bank on which it is drawn shall constitute a good discharge to the Company. Any one of two or more joint holders may give effectual receipts for any dividends or other moneys payable or property distributable in respect of the shares held by such joint holders.

Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind.

The Board may, if it thinks fit, receive from any member willing to advance the same, and either in money or money's worth, all or any part of the money uncalled and unpaid or instalments payable upon any shares held by him, and in respect of all or any of the moneys so advanced may pay interest at such rate (if any) not exceeding 20 % per annum, as the Board may decide, but a payment in advance of a call shall not entitle the member to receive any dividend or to exercise any other rights or privileges as a member in respect of the share or the due portion of the shares upon which payment has been advanced by such member before it is called up.

All dividends, bonuses or other distributions unclaimed for one year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends, bonuses or other distributions unclaimed for six years after having been declared may be forfeited by the Board and, upon such forfeiture, shall revert to the Company.

No dividend or other monies payable by the Company on or in respect of any share shall bear interest against the Company.

The Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants remain uncashed on two consecutive occasions or after the first occasion on which such a cheque or warrant is returned undelivered.

**(o) Proxies**

Any member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a member of the Company and shall be entitled to exercise the same powers on behalf of a member who is an individual and for whom he acts as proxy as such member could exercise. In addition, a proxy shall be entitled to exercise the same powers on behalf of a member which is a corporation and for which he acts as proxy as such member could exercise if it were an individual member. On a poll or on a show of hands, votes may be given either personally (or, in the case of a member being a corporation, by its duly authorized representative) or by proxy.

The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised. Every instrument of proxy, whether for a specified meeting or otherwise, shall be in such form as the Board may from time to time approve, provided that any form issued to a member for use by him for appointing a proxy to attend and vote at an extraordinary general meeting or at an annual general meeting at which any business is to be transacted shall be such as to enable the member, according to his intentions, to instruct the proxy to vote in favour of or against (or, in default of instructions, to exercise his discretion in respect of) each resolution dealing with any such business.

**(p) Calls on shares and forfeiture of shares**

The Board may from time to time make such calls as it may think fit upon the members in respect of any monies unpaid on the shares held by them respectively (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times. A call may be made payable either in one sum or by instalments. If the sum payable in respect of any call or instalment is not paid on or before the day appointed for payment thereof, the person or persons from whom the sum is due shall pay interest on the same at such rate not exceeding 20% per annum as the Board shall fix from the day appointed for the payment thereof to the time of actual payment, but the Board may waive payment of such interest wholly or in part. The Board may, if it thinks fit, receive from any member

willing to advance the same, either in money or money's worth, all or any part of the money uncalled and unpaid or instalments payable upon any shares held by him, and in respect of all or any of the monies so advanced the Company may pay interest at such rate (if any) not exceeding 20% per annum as the Board may decide.

If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve not less than 14 days' notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment. The notice will name a further day (not earlier than the expiration of 14 days from the date of the notice) on or before which the payment required by the notice is to be made, and it shall also name the place where payment is to be made. The notice shall also state that, in the event of non-payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited.

If the requirements of any such notice are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture will include all dividends and bonuses declared in respect of the forfeited share and not actually paid before the forfeiture.

A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, nevertheless, remain liable to pay to the Company all moneys which, at the date of forfeiture, were payable by him to the Company in respect of the shares together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until payment at such rate not exceeding 20 per cent per annum as the Board may prescribe.

**(q) Inspection of corporate records**

Members of the Company have no general right under the Cayman Companies Law to inspect or obtain copies of the register of members or corporate records of the Company. However, the members of the Company will have such rights as may be set forth in the Articles. The Articles provide that for so long as any part of the share capital of the Company is listed on the Stock Exchange, any member may inspect any register of members of the Company maintained in Hong Kong (except when the register of member is closed) without charge and require the provision to him of copies or extracts thereof in all respects as if the Company were incorporated under and were subject to the Hong Kong Companies Ordinance.

An exempted company may, subject to the provisions of its articles of association, maintain its principal register of members and any branch registers at such locations, whether within or outside the Cayman Islands, as its directors may, from time to time, think fit.

**(r) Quorum for meetings and separate class meetings**

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, and continues to be present until the conclusion of the meeting.

The quorum for a general meeting shall be two members present in person (or in the case of a member being a corporation, by its duly authorised representative) or by proxy and entitled to vote. In respect of a separate class meeting (other than an adjourned meeting) convened to sanction the modification of class rights the necessary quorum shall be two persons holding or representing by proxy not less than one-third in nominal value of the issued shares of that class.

**(s) Rights of minorities in relation to fraud or oppression**

There are no provisions in the Articles concerning the rights of minority members in relation to fraud or oppression. However, certain remedies may be available to members of the Company under Cayman Islands law, as summarized in paragraph 3(f) of this Appendix.

**(t) Procedures on liquidation**

A resolution that the Company be wound up by the court or be wound up voluntarily shall be a special resolution.

Subject to any special rights, privileges or restrictions as to the distribution of available surplus assets on liquidation for the time being attached to any class or classes of shares:

- (i) if the Company shall be wound up and the assets available for distribution amongst the members of the Company shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, then the excess shall be distributed *pari passu* amongst such members in proportion to the amount paid up on the shares held by them respectively; and
- (ii) if the Company shall be wound up and the assets available for distribution amongst the members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up, on the shares held by them respectively.

In the event that the Company is wound up (whether the liquidation is voluntary or compelled by the court) the liquidator may, with the sanction of a special resolution and any other sanction required by the Cayman Companies Law divide among the members in specie or kind the whole or any part of the assets of the Company whether the assets shall consist of property of one kind or shall consist of properties of different kinds and the liquidator may, for such purpose, set such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members and the members within each class. The liquidator may, with the like sanction, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator shall think fit, but so that no member shall be compelled to accept any shares or other property upon which there is a liability.

**(u) Untraceable members**

The Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants remain uncashed on two consecutive occasions or after the first occasion on which such a cheque or warrant is returned undelivered.

In accordance with the Articles, the Company is entitled to sell any of the shares of a member who is untraceable if:

- (i) all cheques or warrants, being not less than three in total number, for any sum payable in cash to the holder of such shares have remained uncashed for a period of 12 years;
- (ii) upon the expiry of the 12 years and 3 months period (being the 3 months notice period referred to in sub-paragraph (iii)), the Company has not during that time received any indication of the existence of the member; and
- (iii) the Company has caused an advertisement to be published in accordance with the rules of the stock exchange of the Relevant Territory (as defined in the Articles) giving notice of its intention to sell such shares and a period of three months has elapsed since such advertisement and the stock exchange of the Relevant Territory (as defined in the Articles) has been notified of such intention. The net proceeds of any such sale shall belong to the Company and upon receipt by the Company of such net proceeds, it shall become indebted to the former member of the Company for an amount equal to such net proceeds.

**(v) Subscription rights reserve**

Pursuant to the Articles, provided that it is not prohibited by and is otherwise in compliance with the Cayman Companies Law, if warrants to subscribe for shares have been issued by the Company and the Company does any act or engages in any transaction which would result in the subscription price of such warrants being reduced below the par value of the shares to be issued on the exercise of such warrants, a subscription rights reserve shall be established and applied in paying up the difference between the subscription price and the par value of such shares.

**3. CAYMAN ISLANDS COMPANY LAW**

The Company was incorporated in the Cayman Islands as an exempted company on 14 July 2000 subject to the Cayman Companies Law. Certain provisions of Cayman Islands company law are set out below but this section does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of the Cayman Companies Law and taxation, which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar.

**(a) Company operations**

As an exempted company, the Company must conduct its operations mainly outside the Cayman Islands. Moreover, the Company is required to file an annual return each year with the Registrar of Companies of the Cayman Islands and pay a fee which is based on the amount of its authorized share capital.

**(b) Share capital**

In accordance with the Cayman Companies Law, a Cayman Islands company may issue ordinary, preference or redeemable shares or any combination thereof. The Cayman Companies Law provides that where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount or value of the premiums on those shares shall be transferred to an account, to be called the “share premium account”. At the option of a company, these provisions may not apply to premiums on shares of that company allotted pursuant to any arrangements in consideration of the acquisition or cancellation of shares in any other company and issued at a premium. The Cayman Companies Law provides that the share premium account may be applied by the company subject to the provisions, if any, of its memorandum and articles of association, in such manner as the company may from time to time determine including, but without limitation, the following:

- (i) paying distributions or dividends to members;
- (ii) paying up unissued shares of the company to be issued to members as fully paid bonus shares;
- (iii) in the redemption and repurchase of shares (in accordance with the detailed provisions of section 37 of the Cayman Companies Law);
- (iv) writing-off the preliminary expenses of the company;
- (v) writing-off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company; and
- (vi) providing for the premium payable on redemption or purchase of any shares or debentures of the company.

Notwithstanding the foregoing, the Cayman Companies Law provides that no distribution or dividend may be paid to members out of the share premium account unless, immediately following the date on which the distribution or dividend is proposed to be paid, the company will be able to pay its debts as they fall due in the ordinary course of business.

It is further provided by the Cayman Companies Law that, subject to confirmation by the court, a company limited by shares or a company limited by guarantee and having a share capital may, if authorized to do so by its articles of association, by special resolution reduce its share capital in any way.



The Articles include certain protections for holders of special classes of shares, requiring their consent to be obtained before their rights may be varied. The consent of the specified proportions of the holders of the issued shares of that class or the sanction of a resolution passed at a separate meeting of the holders of those shares is required.

**(c) Financial assistance to purchase shares of a company or its holding company**

There are no statutory prohibitions in the Cayman Islands on the granting of financial assistance by a company to another person for the purchase of, or subscription for, its own, its holding company's or a subsidiary's shares. Therefore, a company may provide financial assistance provided the directors of the company when proposing to grant such financial assistance discharge their duties of care and acting in good faith, for a proper purpose and in the interests of the company. Such assistance should be on an arm's-length basis.

**(d) Purchase of shares and warrants by a company and its subsidiaries**

A company limited by shares or a company limited by guarantee and having a share capital may, if so authorized by its articles of association, issue shares which are to be redeemed or are liable to be redeemed at the option of the company or a member. In addition, such a company may, if authorized to do so by its articles of association, purchase its own shares, including any redeemable shares. Nonetheless, if the articles of association do not authorize the manner of purchase, a company cannot purchase any of its own shares without the manner of purchase first being authorized by an ordinary resolution of the company. A company may not redeem or purchase its shares unless they are fully paid. Furthermore, a company may not redeem or purchase any of its shares if, as a result of the redemption or purchase, there would no longer be any member of the company holding shares. In addition, a payment out of capital by a company for the redemption or purchase of its own shares is not lawful unless immediately following the date on which the payment is proposed to be made, the company shall be able to pay its debts as they fall due in the ordinary course of business.

A Cayman Islands company may be able to purchase its own warrants subject to and in accordance with the terms and conditions of the relevant warrant instrument or certificate. Thus there is no requirement under Cayman Islands law that a company's memorandum or articles of association contain a specific provision enabling such purchases. The directors of a company may under the general power contained in its memorandum of association be able to buy and sell and deal in personal property of all kinds.

Under Cayman Islands law, a subsidiary may hold shares in its holding company and, in certain circumstances, may acquire such shares.

**(e) Dividends and distributions**

With the exception of section 34 of the Cayman Companies Law, there are no statutory provisions relating to the payment of dividends. Based upon English case law which is likely to be persuasive in the Cayman Islands, dividends may be paid only out of profits. In addition, section 34 of the Cayman Companies Law permits, subject to a solvency test and the provisions, if any, of the company's memorandum and articles of association, the payment of dividends and distributions out of the share premium account (see sub-paragraph 2(n) of this Appendix for further details).

**(f) Protection of minorities and shareholders' suits**

It can be expected that the Cayman Islands courts will ordinarily follow English case law precedents (particularly the rule in the case of *Foss v. Harbottle* and the exceptions thereto) which permit a minority member to commence a representative action against or derivative actions in the name of the company to challenge:

- (i) an act which is *ultra vires* the company or illegal;
- (ii) an act which constitutes a fraud against the minority and the wrongdoers are themselves in control of the company; and
- (iii) an irregularity in the passing of a resolution the passage of which requires a qualified (or special) majority which has not been obtained.

Where a company (not being a bank) is one which has a share capital divided into shares, the court may, on the application of members thereof holding not less than one-fifth of the shares of the company in issue, appoint an inspector to examine the affairs of the company and, at the direction of the court, to report thereon.

Moreover, any member of a company may petition the court which may make a winding up order if the court is of the opinion that it is just and equitable that the company should be wound up.

In general, claims against a company by its members must be based on the general laws of contract or tort applicable in the Cayman Islands or be based on potential violation of their individual rights as members as established by a company's memorandum and articles of association.

**(g) Disposal of assets**

There are no specific restrictions in the Cayman Companies Law on the power of directors to dispose of assets of a company, although it specifically requires that every officer of a company, which includes a director, managing director and secretary, in exercising his powers and discharging his duties must do so honestly and in good faith with a view to the best interest of the company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

**(h) Accounting and auditing requirements**

Section 59 of the Cayman Companies Law provides that a company shall cause proper records of accounts to be kept with respect to (i) all sums of money received and expended by the company and the matters with respect to which the receipt and expenditure takes place; (ii) all sales and purchases of goods by the company and (iii) the assets and liabilities of the company.

Section 59 of the Cayman Companies Law further states that proper books of account shall not be deemed to be kept if there are not kept such books as are necessary to give a true and fair view of the state of the company's affairs and to explain its transactions.

**(i) Exchange control**

There are no exchange control regulations or currency restrictions in effect in the Cayman Islands.

**(j) Taxation**

Pursuant to section 6 of the Tax Concessions Law (1999 Revision) of the Cayman Islands, the Company has obtained an undertaking from the Governor-in-Council:

- (i) that no law which is enacted in the Cayman Islands imposing any tax to be levied on profits or income or gains or appreciation shall apply to the Company or its operations; and
- (ii) in addition, that no tax be levied on profits, income gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable by the Company:
  - (aa) on or in respect of the shares, debentures or other obligations of the Company; or
  - (bb) by way of withholding in whole or in part of any relevant payment as defined in section 6(3) of the Tax Concessions Law (1999 Revision).

The undertaking for the Company is for a period of twenty years from 5 September 2000.

The Cayman Islands currently levy no taxes on individuals or corporations based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to the Company levied by the Government of the Cayman Islands save certain stamp duties which may be applicable, from time to time, on certain instruments. The Cayman Islands are not a party to any double tax treaties.

**(k) Stamp duty on transfers**

There is no stamp duty payable in the Cayman Islands on transfers of shares of Cayman Islands companies save for those which hold interests in land in the Cayman Islands.

**(l) Loans to directors**

The Cayman Companies Law contains no express provision prohibiting the making of loans by a company to any of its directors. However, the Articles provide for the prohibition of such loans under specific circumstances.

**(m) Inspection of corporate records**

The members of the company have no general right under the Cayman Companies Law to inspect or obtain copies of the register of members or corporate records of the company. They will, however, have such rights as may be set out in the company's articles of association.

**(n) Register of members**

A Cayman Islands exempted company may, subject to the provisions of its articles of association, maintain its principal register of members and any branch registers at such locations, whether within or outside the Cayman Islands, as the directors may, from time to time, think fit. The Cayman Companies Law contains no requirement for an exempted company to make any returns of members to the Registrar of Companies in the Cayman Islands. The names and addresses of the members are, accordingly, not a matter of public record and are not available for public inspection.

**(o) Winding up**

A Cayman Islands company may be wound up either by (i) an order of the court; (ii) voluntarily by its members; or (iii) under the supervision of the court

The court has authority to order winding up in a number of specified circumstances including where, in the opinion of the court, it is just and equitable that such company be so wound up.

A voluntary winding up of a company occurs where the members so resolve in general meeting by special resolution, or, by ordinary resolutions when the company is unable to pay its debt as they fall due; or, in the case of a limited duration company, when the period fixed for the duration of the company by its memorandum or articles expires, or where the event occurs on the occurrence of which the memorandum or articles provides that the company is to be dissolved. In the case of a voluntary winding up, such company is obliged to cease to carry on its business from the commencement of its winding up except so far as it may be beneficial for its winding up. Upon appointment of a voluntary liquidator, all the powers of the directors cease, except so far as the company in general meeting or the liquidator sanctions their continuance.

In the case of a members' voluntary winding up of a company, one or more liquidators shall be appointed for the purpose of winding up the affairs of the company and distributing its assets.

As soon as the affairs of a company are fully wound up, the liquidator must make a report and an account of the winding up, showing how the winding up has been conducted and the property of the company has been disposed off, and thereupon call a general meeting of the company for the purposes of laying before it the account and giving an explanation thereof.

When a resolution has been passed by a company to wind up voluntarily, the liquidator or any contributory or creditor may apply to the court for an order for the continuation of the winding up under the supervision of the court, on the grounds that (i) the company is or is likely to become insolvent; or (b) the supervision of the court will facilitate a more effective, economic or expeditious liquidation of the company in the interests of the contributories and creditors. A supervision order shall take effect for all purposes as if it was an order that the company be wound up by the court except that the commenced voluntary winding up and prior actions of the voluntary liquidator shall be valid and binding upon the company and its official liquidator.

For the purpose of conducting the proceedings in winding up a company and assisting the court, there may be appointed one or more persons to be called an official liquidator or official liquidators; and the court may appoint to such office such person or persons, either provisionally or otherwise, as it thinks fit, and if more than one persons are appointed to such office, the court shall declare whether any act required or authorized to be done by the official liquidator is to be done by all or any one or more of such persons. The court may also determine whether any and what security is to be given by an official liquidator on his appointment; if no official liquidator is appointed, or during any vacancy in such office, all the property of the company shall be in the custody of the court.

**(p) Reconstructions**

Reconstructions and amalgamations are governed by specific statutory provisions under the Cayman Companies Law whereby such arrangements may be approved by a majority in number representing 75% in value of members or creditors, depending on the circumstances, as are present at a meeting called for such purpose and thereafter sanctioned by the courts. Whilst a dissenting member would have the right to express to the court his view that the transaction for which approval is being sought would not provide the members with a fair value for their shares, nonetheless the courts are unlikely to disapprove the transaction on that ground alone in the absence of evidence of fraud or bad faith on behalf of management and if the transaction were approved and consummated the dissenting member would have no rights comparable to the appraisal rights (i.e. the right to receive payment in cash for the judicially determined value of their shares) ordinarily available, for example, to dissenting members of a United States corporation.

**(q) Take-overs**

Where an offer is made by a company for the shares of another company and, within four months of the offer, the holders of not less than 90% of the shares which are the subject of the offer accept, the offeror may at any time within two months after the expiration of the said four months, by notice require the dissenting members to transfer their shares on the terms of the offer. A dissenting member may apply to the court of the Cayman Islands within one month of the notice objecting to the transfer. The burden is on the dissenting member to show that the court should exercise its discretion, which it will be unlikely to do unless there is evidence of fraud or bad faith or collusion as between the offeror and the holders of the shares who have accepted the offer as a means of unfairly forcing out minority members.

**(r) Indemnification**

Cayman Islands law does not limit the extent to which a company's articles of association may provide for indemnification of officers and directors, save to the extent any such provision may be held by the court to be contrary to public policy, for example, where a provision purports to provide indemnification against the consequences of committing a crime.

**4. GENERAL**

Appleby, the Company's legal adviser on Cayman Islands law, have sent to the Company a letter of advice which summarises certain aspects of the Cayman Islands company law. This letter, together with a copy of the Cayman Companies Law, is available for inspection as referred to in the paragraph headed "Documents Available for Inspection" in Appendix VII. Any person wishing to have a detailed summary of Cayman Islands company law or advice on the differences between it and the laws of any jurisdiction with which he is more familiar is recommended to seek independent legal advice.

**A. FURTHER INFORMATION ABOUT THE COMPANY AND ITS SUBSIDIARIES****1. Incorporation**

The Company was incorporated in the Cayman Islands under the Cayman Islands Companies Law as an exempted company with limited liability on July 14, 2000. The Company has established a principal place of business in Hong Kong at Room 2061, 20th Floor, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, and was registered with the Registrar of Companies in Hong Kong as an oversea company under Part XI of the Companies Ordinance on February 4, 2008. Mr. Song and Ms. PAU Lai Mei have been appointed as the authorized representatives of the Company for the acceptance of service of process and notices on behalf of the Company in Hong Kong.

As the Company is incorporated in the Cayman Islands, it operates subject to the Cayman Islands Companies Law and to its constitution comprising a memorandum of association and the articles of association. A summary of certain provisions of its constitution and relevant aspects of the Cayman Islands Companies Law is set out in Appendix V to this prospectus.

**2. Change in share capital**

As at the date of our incorporation, our authorized share capital was US\$50,000, divided into 50,000 shares of US\$1.00 each. The following sets out the changes in our share capital since the date of our incorporation:

- (a) On July 14, 2000, our Company was incorporated in the Cayman Islands with an authorized share capital of 50,000 ordinary shares of US\$1.00 each. On the same date, 10 shares were allotted and issued to each of Sure Growth Investments Limited, Mr. Song, SB China Holdings Pte Ltd. and The China Retail Fund, LDC, nine shares were allotted and issued to First Shanghai Investments Limited, one share was allotted and issued to Offshore Incorporations (Cayman) Limited and the said share was transferred to First Shanghai Investments Limited at a consideration of US\$1.00 on July 14, 2000.
- (b) Pursuant to the shareholders' resolution dated April 20, 2001, each share of US\$1.00 in our authorized share capital was sub-divided into US\$0.001 each, resulting in the increase in the number of our authorized share capital from 50,000 shares of US\$1.00 each to 50,000,000 shares of US\$0.001 each.
- (c) On April 20, 2001, pursuant to the exchange agreement, 15,448,576 shares of US\$0.001 each were allotted and issued to First Shanghai Investments Limited, 889,078 shares of US\$0.001 each were allotted and issued to Sure Growth Investments Limited, 1,535,546 shares of US\$0.001 each were allotted and issued to Mr. Song, 1,948,710 shares of US\$0.001 each were allotted and issued to SB China Holdings Pte Ltd. and 1,948,710 shares of US\$0.001 each were allotted and issued to The China Retail Fund, LDC.
- (d) On June 12, 2001, pursuant to the second closing agreement, 1,519,121 shares of US\$0.001 each were allotted and issued to SB China Holdings Ptd Ltd. and 1,519,121 shares of US\$0.001 each were allotted and issued to The China Retail Fund, LDC.

- (e) On August 13, 2001, pursuant to the second closing agreement, 1,142,169 shares of US\$0.001 each were allotted and issued to SB China Holdings Ptd Ltd. and 1,142,169 shares at US\$0.001 each were allotted and issued to The China Retail Fund, LDC.
- (f) Pursuant to the shareholder's resolutions dated February 7, 2003:
  - (i) the currency denomination of the authorized and issued share capital of the Company changed from US dollar to Hong Kong dollar by adopting the exchange rate of US\$1.00 to HK\$7.80 such that our authorized share capital became HK\$390,000 divided into 50,000,000 shares of HK\$0.0078 each;
  - (ii) each share of HK\$0.0078 in our share capital was subdivided into HK\$0.0001 each; and
  - (iii) upon completion of the subdivision, every 100 shares of HK\$0.0001 each of our share capital consolidated into one share of HK\$0.01 each.

As a result, our authorized share capital became HK\$390,000 divided into 39,000,000 shares of HK\$0.01 each.

- (g) Pursuant to the resolutions in writing of the shareholder passed on November 5, 2010, the authorized share capital of the Company was subsequently further increased to HK\$500,000,000 divided into 50,000,000,000 Shares.
- (h) Immediately following completion of the Global Offering but not taking into account any Shares which may be allotted and issued upon the exercise of any options which may be granted under the Share Option Scheme, the issued share capital of the Company will be HK\$10,000,000 divided into 1,000,000,000 Shares, all fully paid or credited as fully paid and 49,000,000,000 Shares will remain unissued.

Other than pursuant to the exercise of any options which may be granted under the Share Option Scheme, there is no intention to issue any of the authorized but unissued share capital of the Company and, without the prior approval of the Shareholders in general meeting, no issue of Shares will be made which would effectively alter the control of the Company.

Save for aforesaid and as mentioned in the paragraph headed "Resolutions in writing of the shareholder of the Company passed on November 5, 2010" below, there has been no alteration in the share capital of the Company since its incorporation.

### **3. Resolutions in writing of the shareholder of the Company passed on November 5, 2010**

Pursuant to the written resolutions passed by the shareholders of the Company on November 5, 2010:

- (a) the Company approved and adopted the Articles of Association;
- (b) the authorized share capital of the Company was increased from HK\$390,000 to HK\$500,000,000 by the creation of an additional 49,961,000,000 Shares;



- (c) conditional on (i) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in this prospectus (including any additional Shares which may be issued pursuant to the exercise of the options which may be granted under the Share Option Scheme); (ii) the entering into of the agreement on the Offer Price between the Bookrunner and the Company (for itself and on behalf of the Selling Shareholder) on the Price Determination Date; and (iii) the obligations of the Underwriters under the Underwriting Agreements becoming unconditional and not being terminated in accordance with the terms therein or otherwise, in each case on or before such dates as may be specified in the Underwriting Agreements:
- (i) the Global Offering was approved and the Directors were authorized to allot and issue the new Shares under the Global Offering;
  - (ii) the Over-allotment Option was approved;
  - (iii) the rules of the Share Option Scheme, the principal terms of which are set out in the paragraphs headed “Share Option Scheme” under the section headed “Other Information” in this Appendix, were approved and adopted and the Directors were authorized to grant options to subscribe for shares thereunder and to allot, issue and deal with Shares pursuant to the exercise of options granted under the Share Option Scheme; and
  - (iv) conditional upon the share premium account of the Company having sufficient balance, or otherwise being credited as a result of the issue of the Offer Shares by the Company pursuant to the Global Offering, the Directors were authorized to capitalise HK\$7,717,000 standing to the credit of the share premium account of the Company by applying such sum in paying up in full at par 771,700,000 Shares for allotment and issue to the persons whose names appear on the register of members of the Company at the close of business on the date of the Prospectus or as each of them may direct in proportion to their respective shareholdings (as nearly as possible without involving fractions) in the Company, and the Shares to be allotted and issued shall rank *pari passu* in all respects with the existing issued Shares.
- (d) a general unconditional mandate was given to the Directors to allot, issue and deal with (including the power to make an offer or agreement, or grant securities which would or might require Shares to be allotted and issued), otherwise than pursuant to a rights issue or pursuant to any 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 or pursuant to the grant of options under the Share Option Scheme or other similar arrangement or pursuant to a specific authority granted by the shareholders of the Company in general meeting, Shares with a total nominal value not exceeding 20% of the aggregate nominal value of the share capital of the Company in issue immediately following completion of the Global Offering (but taking no account of any Shares which may be allotted and issued pursuant to the exercise of any options which may be granted under the Share Option Scheme), such mandate to remain in effect until the conclusion of the next annual general meeting of the Company, or the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable laws to be held, or until revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting, whichever occurs first;

- (e) a general unconditional mandate was given to the Directors to exercise all powers of the Company to repurchase on the Stock Exchange or on any other stock exchange on which the securities of the Company may be listed and which is recognized by the SFC and the Stock Exchange for this purpose such number of Shares as will represent up to 10% of the aggregate nominal value of the share capital of the Company in issue immediately following completion of the Global Offering (but taking no account of any Shares which may be allotted and issued pursuant to the exercise of any options which may be granted under the Share Option Scheme), such mandate to remain in effect until the conclusion of the next annual general meeting of the Company, or the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable laws to be held, or until revoked or varied by an ordinary resolution of the sole shareholder in general meeting, whichever occurs first; and
- (f) the general unconditional mandate mentioned in paragraph (d) above was extended by the addition to the aggregate nominal value of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate of an amount representing the aggregate nominal value of the share capital of the Company repurchased by the Company pursuant to the mandate to repurchase Shares referred to in paragraph (e) above.

#### **4. Corporate reorganization**

The companies comprising the Group underwent the Reorganization in preparation for the listing of the Shares on the Stock Exchange. For information relating to the Reorganization, please refer to the section “History, Reorganization and Group Structure - Reorganization” for details.

#### **5. Changes in share capital of subsidiaries**

Our principal subsidiaries are referred to in the Accountants’ Report, the text of which is set out in Appendix I to this prospectus.

The following sets out the changes to the share capital made by the subsidiaries of our Company during the two years preceding the date of this prospectus:

- (a) On April 24, 2009, the issued share capital of GBHK was increased from 1,000 to 1,001 by the allotment and issuance of 1 ordinary share of HK\$1.00 each in GBHK to GIHL; and
- (b) On June 11, 2010, the registered capital of GCPC was decreased from US\$52,000,000 to US\$22,000,000.

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

## 6. Repurchase by the Company of Shares

### (a) *Provisions of the Listing Rules*

The Listing Rules permit companies whose primary listing is on the Main Board of Stock Exchange to repurchase their securities on the Stock Exchange subject to certain restrictions, the most important of which are summarized below:

#### (i) *Shareholders' approval*

All proposed repurchases of securities on the Stock Exchange by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of shareholders, either by way of general mandate or by specific approval of a particular transaction.

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*(Note:* Pursuant to resolution passed by the shareholders of the Company on November 5, 2010, a general unconditional mandate (the "Buyback Mandate") was granted to the Directors authorizing the repurchase by the Company on the Stock Exchange, or on any other stock exchange on which the securities of the Company may be listed and which is recognized by the SFC and the Stock Exchange for this purpose, of Shares with an aggregate nominal value not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue and to be issued as mentioned herein, at any time until the conclusion of the next annual general meeting of the Company, the expiration of the period within which the next annual general meeting of the Company is required by an applicable law or the Articles to be held or when such mandate is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting, whichever is the earliest.)

#### (ii) *Source of funds*

Repurchases must be funded out of funds legally available for the purpose in accordance with the Articles and the laws 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 from time to time.

### (b) *Reasons for repurchases*

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

### (c) *Funding of repurchases*

In repurchasing securities, the Company may only apply funds legally available for such purpose in accordance with the Articles and the applicable laws of the Cayman Islands. It is presently proposed that any repurchase of Shares will be made out of the profits of the Company or the proceeds of a fresh issue of shares

made for the purpose of the purchase or, if authorized by the Articles and subject to the Cayman Islands Companies Law, out of capital and, in the case of any premium payable on the purchase, out of the profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorized by the Articles and subject to the Cayman Islands Companies Law, out of capital.

The Directors do not propose to exercise the Buyback Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or its gearing levels which, in the opinion of the Directors, are from time to time appropriate for the Company.

**(d) Share capital**

Exercise in full of the Buyback Mandate, on the basis of 1,000,000,000 Shares in issue immediately after the listing of the Shares (but taking no account of Shares which may be allotted and issued pursuant to the exercise of the options which may be granted under the Share Option Scheme), could accordingly result in up to 100,000,000 Shares being repurchased by the Company during the period until:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Articles to be held; or
- (iii) the date on which the Buyback Mandate is revoked or varied by an ordinary resolution of the shareholders in general meeting, whichever occurs first.

**(e) General**

None of the Directors or, to the best of their knowledge, having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules), has any present intention to sell any Shares to the Company or its subsidiaries.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Buyback Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands. The Company has not repurchased any Shares in the previous six months.

No connected person (as defined in the Listing Rules) has notified the Company that he/she or it has a present intention to sell Shares to the Company, or has undertaken not to do so, if the Buyback Mandate is exercised.

If as a result of a securities repurchase pursuant to the Buyback Mandate, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Hong Kong Code on Takeovers and Mergers (the "Code"). Accordingly, a shareholder, or a group of shareholders acting in concert, depending on the level of increase of the shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Code as a result of any such increase. The Directors are not aware of any other consequences which may arise under the Code if the Buyback Mandate is exercised.

If the Buyback Mandate is fully exercised immediately following completion of the Global Offering but taking no account of any Shares which may be allotted and issued upon the exercise of the Over-allotment Option or pursuant to the exercise of the any options granted or which may be granted under the Share Option Scheme, the total number of Shares which will be repurchased pursuant to the Buyback Mandate shall be 100,000,000 Shares (being 10% of the issued share capital of the Company based on the aforesaid assumptions). The aggregate percentage shareholding of PUD and CRF Enterprise will be increased to approximately 80% of the issued share capital of the Company immediately following the full exercise of the Buyback Mandate. As the interest held by PUD and CRF Enterprise are not considered part of the public float of the Company, in the event that the Buyback Mandate is exercised in full, the number of Shares held by the public would fall below 25% of the total number of Shares in issue. Any repurchase of Shares which results in the number of Shares held by the public being reduced to less than the prescribed percentage of the Shares then in issue could only be implemented with the approval of the Stock Exchange to waive the Listing Rules requirements regarding the public float under Rule 8.08 of the Listing Rules. However, the Directors have no present intention to exercise the Buyback Mandate to such an extent that, in the circumstances, there is insufficient public float as prescribed under the Listing Rules.

## **B. FURTHER INFORMATION ABOUT THE BUSINESS**

### **1. Summary of material contracts**

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


- (a) a sale and purchase agreement dated December 31, 2008 between the Company and Majestic Sino Limited regarding the transfer of 100% of the issued share capital of each of CRF Holdings Limited and Etechnology Holdings Limited from the Company to Majestic Sino Limited at a consideration of US\$2.00 (US\$1.00 for each company); and a supplemental agreement dated December 31, 2008 between the Company and Majestic Sino Limited amending the consideration to the abovesaid sale and purchase agreement to RMB25,315,935.00 (RMB 12,657,967.50 for each company);
- (b) a credit agreement dated September 22, 2010 between Taipei Fubon Commercial Bank Co., Ltd. (in its capacity as the mandated lead arranger and facility agent), G-Baby Holdings, the Company, CRF Enterprise, PUD, GCPI, Beyond Holdings Limited, GBHK, FSCP, Chi Shung Assets Limited, RCBL, GCHL, GPHL and Taipei Fubon Commercial Bank Co., Ltd., Hong Kong Branch pursuant to which Taipei Fubon Commercial Bank Co., Ltd., Hong Kong Branch or any person which becomes a lender after September 22, 2010 make available to G-Baby Holdings a term loan facility in an aggregate amount of HK\$226,200,000;
- (c) a composite security agreement dated September 30, 2010 between Taipei Fubon Commercial Bank Co., Ltd., G-Baby Holdings, the Company, Beyond Holdings Limited, GBHK, FSCP, Chi Shung Assets Limited, RCBL, GCHL and GPHL in connection with the credit agreement dated September 22, 2010;

- (d) a security agreement dated September 30, 2010 between Taipei Fubon Commercial Bank Co., Ltd. and GCPI pursuant to which GCPI pledges, assigns and grants to Taipei Fubon Commercial Bank Co., Ltd. a security interest;
- (e) a deposit account control agreement dated September 30, 2010 between First Financial Bank, Taipei Fubon Commercial Bank Co., Ltd. and GCPI pursuant to which GCPI granted to Taipei Fubon Commercial Bank Co., Ltd. a continuing lien and security interest;
- (f) a de-merger agreement dated April 6, 2010 between GCPC and GCCL pursuant to which GCPC disposed of and GCCL acquired part of GCPC's businesses;
- (g) a transfer agreement dated June 14, 2010 between RCBL, the Company and GBHK regarding the transfer of its membership in and one membership unit of GBNE from RCBL to the Company at a consideration of €1.00; and a further agreement to the transfer agreement dated June 14, 2010 between RCBL, GIHL and GBHK amending the consideration to the abovesaid transfer agreement to €595.40;
- (h) a share transfer agreement dated June 15, 2010 between GBHK and G-Baby Holdings regarding the transfer of 100% equity interests in SGOL from GBHK to G-Baby Holdings at a consideration of RMB1;
- (i) a share transfer agreement dated June 15, 2010 between GBHK and GCHL regarding the transfer of 25% equity interests in SHFS from GBHK to GCHL at a consideration of RMB2,500,000;
- (j) a share transfer agreement dated June 17, 2010 between GBHK and GCHL regarding the transfer of 100% equity interests in GCCL from GBHK to GCHL at a consideration of US\$30,000,000; and a supplemental agreement dated June 17, 2010 between GBHK and GCHL confirming that the abovesaid consideration shall be paid by GCHL in an equivalent amount of RMB244,391,341;
- (k) a share transfer agreement dated June 25, 2010 between GPHL and GBHK regarding the transfer of 100% equity interests in PCPC from GPHL to GBHK for a consideration of US\$1;
- (l) an instrument of transfer dated June 24, 2010 between the Company and G-Baby Holdings regarding the transfer of 3 shares of US\$1.00 each in Richy Bright Limited held by the Company to G-Baby Holdings at a consideration of RMB 4,304,123.31;
- (m) a deed of assignment dated June 30, 2010 between GBHK, the Company and G-Baby Holdings in relation to the assignment of an indebtedness in an amount of HK\$186,493,728.88 by GBHK to the Company at a consideration equivalent to the abovesaid amount;
- (n) the deed of indemnity dated November 9, 2010 given by the indemnifiers named therein in favor of the Company and its subsidiaries;
- (o) the deed of non-competition dated November 9, 2010 given by the Controlling Shareholders, the executive Directors and non-executive Directors in favor of the Company; and
- (p) the Hong Kong Underwriting Agreement.

## 2. Intellectual property rights of the Group

### (a) Trademarks



As at the Latest Practicable Date, the Group was the registered proprietor and beneficial owner of the following trademarks that are material to the business of the Group:

Trademark	Registrant	Place of Registration	Registration Number	Validity Period	Class
GOODBABY	GCPC	PRC	1394385	2010.05.07-2020.05.06	12
	GCPC	PRC	1401922	2010.05.28-2020.05.27	28
	GCPC	PRC	681485	2004.03.14-2014.03.13	12
	GCPC	PRC	667758	2003.11.28-2013.11.27	20
	GCPC	PRC	667751	1993.11.28-2003.11.27	21
	GCPC	PRC	5253709	2009.07.07-2019.07.06	2
	GCPC	PRC	5253711	2009.07.07-2019.07.06	4
	GCPC	PRC	5253713	2009.08.21-2019.08.20	6
	GCPC	PRC	5253714	2009.08.21-2019.08.20	7
	GCPC	PRC	5253718	2009.06.28-2019.06.27	11
	GCPC	PRC	5253705	2009.06.21-2019.06.20	21
	GCPC	PRC	5253707	2009.06.14-2019.06.13	23
	GCPC	PRC	5253446	2009.08.14-2019.08.13	28
	GCPC	PRC	5253444	2009.09.21-2019.09.20	30
	GCPC	PRC	5253443	2009.03.28-2019.03.27	31
	GCPC	PRC	5253442	2009.12.21-2019.12.20	32
	GCPC	PRC	4998835	2009.06.14-2019.06.13	36
	GCPC	PRC	4998836	2009.06.14-2019.06.13	37
	GCPC	PRC	4998837	2009.03.14-2019.03.13	39
	GCPC	PRC	4998838	2009.06.14-2019.06.13	40
	GCPC	PRC	4998841	2009.06.14-2019.06.13	43
	GCPC	PRC	4998843	2009.06.14-2019.06.13	45
	GCPC	PRC	668679	2003.12.07-2013.12.06	11
	GCPC	PRC	672357	2004.01.07-2014.01.06	12
	GCPC	PRC	607608	2002.08.20-2012.08.19	20
	GCPC	PRC	667757	2003.11.28-2013.11.27	20
	GCPC	PRC	667752	2003.11.28-2013.11.27	21
	GCPC	PRC	665961	2003.11.14-2013.11.13	28
	GCPC	PRC	1063918	2007.07.28-2017.07.27	28



Trademark	Registrant	Place of Registration	Registration Number	Validity Period	Class
	GCPC	PRC	5250924	2009.07.07-2019.07.06	2
	GCPC	PRC	5252890	2009.07.07-2019.07.06	4
	GCPC	PRC	5252892	2009.08.21-2019.08.20	6
	GCPC	PRC	5252893	2009.08.21-2019.08.20	7
	GCPC	PRC	5252897	2009.07.14-2019.07.13	11
	GCPC	PRC	5252898	2009.08.21-2019.08.20	12
	GCPC	PRC	5252903	2009.07.14-2019.07.13	20
	GCPC	PRC	5252904	2009.06.21-2019.06.20	21
	GCPC	PRC	5252906	2009.06.14-2019.06.13	23
	GCPC	PRC	5252911	2009.09.28-2019.09.27	28
	GCPC	PRC	5252913	2009.09.21-2019.09.20	30
	GCPC	PRC	5252914	2009.03.28-2019.03.27	31
	GCPC	PRC	5252915	2009.07.07-2019.07.06	32
	GCPC	PRC	1725801	2002.03.07-2012.03.06	12
	GCPC	PRC	1720928	2002.02.28-2012.02.27	20
	GCPC	PRC	1394386	2010.05.07-2020.05.06	12
	GCPC	PRC	1392759	2010.05.07-2020.05.06	20
	GCPC	PRC	665960	2003.11.14-2013.11.13	28
	GCPC	PRC	1389907	2010.04.28-2020.04.27	28
	GCPC	PRC	1725837	2002.03.07-2012.03.06	12
	GCPC	PRC	1725839	2002.03.07-2012.03.06	12
	GCPC	PRC	1720929	2002.02.28-2012.02.27	20
	GCPC	PRC	5248345	2009.07.28-2019.07.27	2
	GCPC	PRC	5248347	2009.07.28-2019.07.27	4
	GCPC	PRC	5248349	2009.07.28-2019.07.27	6
	GCPC	PRC	5248340	2009.07.28-2019.07.27	7




Trademark	Registrant	Place of Registration	Registration Number	Validity Period	Class
	GCPC	PRC	5248344	2009.04.21-2019.04.20	11
	GCPC	PRC	5248190	2009.04.14-2019.04.13	12
	GCPC	PRC	5248195	2009.06.21-2019.06.20	20
	GCPC	PRC	5248196	2009.07.14-2019.07.13	21
	GCPC	PRC	5248198	2009.07.14-2019.07.13	23
	GCPC	PRC	5248161	2009.08.28-2019.08.27	28
	GCPC	PRC	5248163	2009.06.28-2019.06.27	30
	GCPC	PRC	5248164	2009.03.28-2019.03.27	31
	GCPC	PRC	5248165	2009.06.28-2019.06.27	32
	GCPC	PRC	5248205	2009.09.21-2019.09.20	36
	GCPC	PRC	5248206	2009.09.21-2019.09.20	37
	GCPC	PRC	5248208	2009.06.21-2019.06.20	39
	GCPC	PRC	5248209	2009.09.21-2019.09.20	40
	GCPC	PRC	5248202	2009.09.21-2019.09.20	43
	GCPC	PRC	5248204	2009.09.21-2019.09.20	45
	GCPC	PRC	5324771	2009.08.21-2019.08.20	2
	GCPC	PRC	5324769	2009.08.07-2019.08.06	4
	GCPC	PRC	5324767	2009.06.14-2019.06.13	6
	GCPC	PRC	5324766	2009.06.14-2019.06.13	7
	GCPC	PRC	5324762	2010.01.07-2020.01.06	11
	GCPC	PRC	5324781	2009.06.14-2019.06.13	12
	GCPC	PRC	5324776	2009.07.14-2019.07.13	20
	GCPC	PRC	5324775	2009.07.14-2019.07.13	21
	GCPC	PRC	5324773	2009.12.28-2019.12.27	23
	GCPC	PRC	5324788	2009.08.28-2019.08.27	28
	GCPC	PRC	5324787	2009.04.21-2019.04.20	29
	GCPC	PRC	5324786	2009.04.21-2019.04.20	30
	GCPC	PRC	5324785	2009.04.21-2019.04.20	31
	GCPC	PRC	5324784	2009.04.21-2019.04.20	32
	GCPC	PRC	5324783	2009.04.21-2019.04.20	33
	GCPC	PRC	5324801	2009.10.14-2019.10.13	36
	GCPC	PRC	5324800	2009.10.14-2019.10.13	37

Trademark	Registrant	Place of Registration	Registration Number	Validity Period	Class
	GCPC	PRC	5324798	2009.11.14-2019.11.13	39
	GCPC	PRC	5324797	2009.10.14-2019.10.13	40
	GCPC	PRC	5324794	2009.10.14-2019.10.13	43
	GCPC	PRC	5324792	2009.10.14-2019.10.13	45
 小小恐龙	GCPC	PRC	1412412	2010.06.21-2020.06.20	12
 小恐龙	GCPC	PRC	1412413	2010.06.21-2020.06.20	12
 小小恐龙	GCPC	PRC	5216439	2010.01.07-2020.01.06	2
	GCPC	PRC	5216437	2010.01.07-2020.01.06	4
	GCPC	PRC	5216436	2010.01.07-2020.01.06	5
	GCPC	PRC	5216435	2009.07.28-2019.07.27	6
	GCPC	PRC	5270617	2009.07.14-2019.07.13	7
	GCPC	PRC	5216434	2009.05.21-2019.05.20	8
	GCPC	PRC	5216433	2009.05.21-2019.05.20	9
	GCPC	PRC	5216432	2009.07.21-2019.07.20	10
	GCPC	PRC	5216431	2009.05.21-2019.05.20	11
 小小恐龙	GCPC	PRC	5216655	2009.07.21-2019.07.20	16
	GCPC	PRC	5216654	2009.10.21-2019.10.20	18
	GCPC	PRC	5216653	2009.07.21-2019.07.20	20
	GCPC	PRC	5216652	2009.07.21-2019.07.20	21
	GCPC	PRC	5216741	2009.07.14-2019.07.13	22
	GCPC	PRC	5216657	2009.12.07-2019.12.06	27
	GCPC	PRC	5216377	2009.03.28-2019.03.27	29
	GCPC	PRC	5216376	2009.07.21-2019.07.20	30
	GCPC	PRC	5270615	2009.04.07-2019.04.06	31
	GCPC	PRC	5216375	2009.03.28-2019.03.27	32
	GCPC	PRC	5216374	2009.06.14-2019.06.13	35
	GCPC	PRC	5216373	2009.09.14-2019.09.13	36
	GCPC	PRC	5216372	2009.09.14-2019.09.13	37
	GCPC	PRC	5270613	2009.09.28-2019.09.27	38
	GCPC	PRC	5216400	2009.09.14-2019.09.13	40
	GCPC	PRC	5216388	2009.07.14-2019.07.13	42
	GCPC	PRC	5216387	2009.11.14-2019.11.13	43
GCPC	PRC	5216386	2009.12.28-2019.12.27	44	
GCPC	PRC	5216385	2009.09.14-2019.09.13	45	

Trademark	Registrant	Place of Registration	Registration Number	Validity Period	Class
LITTLE DINOSAUR	GCPC	PRC	5324631	2009.09.28-2019.09.27	2
	GCPC	PRC	5324630	2009.12.21-2019.12.20	3
	GCPC	PRC	5324629	2009.09.28-2019.09.27	4
	GCPC	PRC	5324628	2009.09.28-2019.09.27	5
	GCPC	PRC	5324627	2009.08.14-2019.08.13	6
	GCPC	PRC	5324626	2009.08.14-2019.08.13	7
	GCPC	PRC	5324625	2009.09.21-2019.09.20	8
	GCPC	PRC	5324624	2009.09.21-2019.09.20	9
	GCPC	PRC	5324623	2009.08.14-2019.08.13	10
	GCPC	PRC	5324622	2009.10.28-2019.10.27	11
	GCPC	PRC	5324621	2009.07.28-2019.07.27	12
	GCPC	PRC	5324620	2009.08.07-2019.08.06	14
	GCPC	PRC	5324618	2009.08.07-2019.08.06	16
	GCPC	PRC	5324617	2009.08.07-2019.08.06	18
	GCPC	PRC	5324616	2009.08.07-2019.08.06	20
	GCPC	PRC	5324615	2009.08.07-2019.08.06	21
	GCPC	PRC	5324614	2009.08.07-2019.08.06	22
	GCPC	PRC	5324613	2010.01.14-2020.01.13	23
	GCPC	PRC	5324611	2009.12.21-2019.12.20	25
	GCPC	PRC	5324608	2009.10.07-2019.10.06	28
	GCPC	PRC	5324607	2009.06.21-2019.06.20	29
	GCPC	PRC	5324606	2009.12.14-2019.12.13	30
	GCPC	PRC	5324605	2009.06.21-2019.06.20	31
	GCPC	PRC	5324604	2009.12.14-2019.12.13	32
	GCPC	PRC	5324603	2009.12.14-2019.12.13	33
	GCPC	PRC	5324602	2009.07.14-2019.07.13	35
	GCPC	PRC	5324761	2009.10.14-2019.10.13	36
	GCPC	PRC	5324760	2009.10.14-2019.10.13	37
	GCPC	PRC	5324759	2009.10.14-2019.10.13	38
	GCPC	PRC	5324757	2009.10.14-2019.10.13	40
	GCPC	PRC	5324756	2010.04.21-2020.04.20	41
	GCPC	PRC	5324755	2009.08.21-2019.08.20	42
GCPC	PRC	5324754	2009.12.21-2019.12.20	43	
GCPC	PRC	5324752	2009.10.14-2019.10.13	45	

Trademark	Registrant	Place of Registration	Registration Number	Validity Period	Class
哈比龙	GCPC	PRC	5394498	2009.08.28-2019.08.27	3
	GCPC	PRC	5394499	2009.05.14-2019.05.13	10
	GCPC	PRC	5394500	2009.05.14-2019.05.13	12
	GCPC	PRC	5394501	2009.08.07-2019.08.06	16
	GCPC	PRC	5394502	2009.08.14-2019.08.13	18
	GCPC	PRC	5394503	2009.07.28-2019.07.27	20
	GCPC	PRC	5394504	2009.08.07-2019.08.06	21
	GCPC	PRC	5394505	2009.07.28-2019.07.27	24
	GCPC	PRC	5394506	2009.09.28-2019.09.27	25
	GCPC	PRC	5394487	2009.09.28-2019.09.27	28
	GCPC	PRC	5394488	2009.09.07-2019.09.06	35
哈比小龙	GCPC	PRC	5394507	2009.08.28-2019.08.27	3
	GCPC	PRC	5394508	2009.05.14-2019.05.13	10
	GCPC	PRC	5394509	2009.05.14-2019.05.13	12
	GCPC	PRC	5394510	2009.08.07-2019.08.06	16
	GCPC	PRC	5394511	2009.08.14-2019.08.13	18
	GCPC	PRC	5394512	2009.07.28-2019.07.27	20
	GCPC	PRC	5394513	2009.08.07-2019.08.06	21
	GCPC	PRC	5394514	2009.07.28-2019.07.27	24
	GCPC	PRC	5394515	2009.09.28-2019.09.27	25
	GCPC	PRC	5394516	2009.09.28-2019.09.27	28
	GCPC	PRC	5394497	2009.09.07-2019.09.06	35
哈彼龙	GCPC	PRC	5394489	2009.08.28-2019.08.27	3
	GCPC	PRC	5394490	2009.05.14-2019.05.13	10
	GCPC	PRC	5394491	2009.05.14-2019.05.13	12
	GCPC	PRC	5394492	2009.08.07-2019.08.06	16
	GCPC	PRC	5394493	2009.08.14-2019.08.13	18
	GCPC	PRC	5394494	2009.07.28-2019.07.27	20
哈彼龙	GCPC	PRC	5394495	2009.08.07-2019.08.06	21
	GCPC	PRC	5394496	2009.07.28-2019.07.27	24
	GCPC	PRC	5394480	2009.09.28-2019.09.27	25
	GCPC	PRC	5394479	2009.09.28-2019.09.27	28
	GCPC	PRC	5394478	2009.09.07-2019.09.06	35

Trademark	Registrant	Place of Registration	Registration Number	Validity Period	Class
好 儿 童	GCPC	PRC	925242	2007.01.07-2017.01.06	25
	GCPC	PRC	925784	2007.01.07-2017.01.06	28
globe claims	GCPC	PRC	5790583	2009.11.21-2019.11.20	3
	GCPC	PRC	5790584	2009.09.21-2019.09.20	10
	GCPC	PRC	5790586	2009.10.21-2019.10.20	16
	GCPC	PRC	5790587	2009.12.28-2019.12.27	18
	GCPC	PRC	5790147	2009.10.21-2019.10.20	20
	GCPC	PRC	5790146	2009.12.14-2019.12.13	24
	GCPC	PRC	5790145	2010.01.07-2020.01.06	25
	GCPC	PRC	5790144	2009.12.14-2019.12.13	26
	GCPC	PRC	5790143	2009.12.21-2019.12.20	28
	GCPC	PRC	5790142	2010.01.07-2020.01.06	35
純の星	GCPC	PRC	6080310	2009.12.07-2019.12.06	10
	GCPC	PRC	6080309	2009.12.07-2019.12.06	12
	GCPC	PRC	6080308	2010.01.21-2020.01.20	16
	GCPC	PRC	6080306	2010.01.07-2020.01.06	20
	GCPC	PRC	6080287	2010.05.14-2020.05.13	35
妈咪兜兜	GCPC	PRC	6112857	2009.12.14-2019.12.13	10
	GCPC	PRC	6112783	2009.12.14-2019.12.13	12
	GCPC	PRC	6112780	2010.01.14-2020.01.13	20
	GCPC	Taiwan	00757897	2007.04.16-2017.04.15	12
	GCPC	Germany	39624211	2006.05.31-2016.05.30	12
	GCPC	France	96623511	2006.05.01-2016.05.01	12
	GCPC	Argentina	1638773	2007.07.24-2017.07.24	12
	GCPC	Canada	TMA512646	1997.05.16-2012.05.15	12


Trademark	Registrant	Place of Registration	Registration Number	Validity Period	Class
GOODBABY	GCPC	Madrid applications (37 countries): Austria, Bulgaria, Benelux countries, Belarus, Switzerland, Cuba, Czech Republic, Germany, Egypt, Spain, France, Croatia, Hungary, Italy, Mongolia, Poland, Portugal, Romania, Russia, Syria, Ukraine, Vietnam, Serbia and Montenegro, Iran, Britain, Denmark, Finland, Norway, Sweden, Turkey, Greece, Singapore, Australia, Ireland, South Korea, the European Union	870453	2005.08.08-2015.08.07	12
	GCPC	United States of America	3150756	2006.10.03-2016.10.03	12
	GCPC	United States of America	3545291	2008.12.09-2018.12.09	20
Goodbaby	GCPC	Madrid applications (22 countries): Japan, United States of America, South Korea, Turkmenistan, Netherlands, the European Union, Lithuania, Antigua and Barbuda, Zambia, Georgia, Estonia, Iceland, Singapore, Turkey, Greece, Britain, Sweden, Denmark, Finland, Norway, Ireland, Australia	927345	2007.07.19-2017.07.18	3, 10, 12, 16, 18, 20, 24, 25, 26, 28
	GCPC	Switzerland	552525	2006.09.29-2016.09.28	12, 20
	GCPC	France	063453893	2006.10.02-2016.10.01	12, 20
	GCPC	Hong Kong	300732177	2006.09.29-2016.09.28	35


Trademark	Registrant	Place of Registration	Registration Number	Validity Period	Class
	GCPC	Hong Kong	300732140	2006.09.29-2016.09.28	3, 10, 12, 16, 18, 20, 24, 25, 26, 28
	GCPC	Peru	00128553	2007.06.26-2017.06.26	20
	GCPC	Korea	33995	2007.07.09-2017.07.08	3, 12, 16, 26
	GCPC	Spain	2733396	2006.10.03-2016.10.02	12, 20
	GCPC	Mexico	975788	2006.09.26-2016.09.28	12
	GCPC	Mexico	983077	2006.09.26-2016.09.28	20
	GCPC	Germany	30660514	2006.10.31-2016.10.31	12, 20
	GCPC	Afghanistan	8098	2006.11.01-2016.11.01	12, 20
	GCPC	Iran	142909	2006.10.14-2016.10.14	12, 20
	GCPC	Austria	238831	2006.10.02-2016.10.02	12, 20
	GCPC	New Zealand	756125	2006.03.31-2016.03.31	12, 20
	GCPC	Portugal	406876	2007.03.27-2017.03.27	12, 20
	GCPC	Chile	792770	2007.07.23-2017.07.23	20
	GCPC	Chile	810613	2008.03.10-2018.03.10	12
	GCPC	Hungary	192067	2006.09.26-2016.09.26	12, 20
	GCPC	Taiwan	1282017	2007.10.01-2017.09.30	12
	GCPC	Taiwan	1287669	2007.11.16-2017.11.15	24
	GCPC	Taiwan	1282303	2007.10.01-2017.09.30	26
	GCPC	Taiwan	1282736	2007.10.01-2017.09.30	35
	GCPC	Syria	12745	2006.11.20-2016.11.20	12
	GCPC	Syria	12747	2006.11.20-2016.11.20	20
	GCPC	Israel	194090	2006.09.28-2016.09.28	12
	GCPC	Israel	194091	2006.09.28-2016.09.28	20
	GCPC	Macau	N/025772	2007.09.03-2014.09.03	3
	GCPC	Macau	N/025773	2007.09.03-2014.09.03	10
	GCPC	Macau	N/025774	2007.09.03-2014.09.03	12
	GCPC	Macau	N/025775	2007.09.03-2014.09.03	16
	GCPC	Macau	N/025776	2007.09.03-2014.09.03	18
	GCPC	Macau	N/025777	2007.09.03-2014.09.03	20
	GCPC	Macau	N/025778	2007.09.03-2014.09.03	24
	GCPC	Macau	N/025779	2007.09.03-2014.09.03	25
	GCPC	Macau	N/025780	2007.09.03-2014.09.03	26
	GCPC	Macau	N/025781	2007.09.03-2014.09.03	28



Trademark	Registrant	Place of Registration	Registration Number	Validity Period	Class
	GCPC	Macau	N/025782	2007.09.03-2014.09.03	35
	GCPC	Kuwait	81177	2006.11.27-2016.11.26	12
	GCPC	Kuwait	81178	2006.11.27-2016.11.26	20
	GCPC	United States of America	36352419	2007.03.22-2017.03.22	3, 10, 12, 16, 18, 20, 26
	GCPC	Canada	1318550	2008.10.27-2023.10.27	12, 20
	GCPC	Philippines	4-2006-500320	2007.07.30-2017.07.30	3
	GCPC	Philippines	4-2006-500322	2007.07.30-2017.07.30	10
	GCPC	Philippines	4-2006-500323	2007.07.30-2017.07.30	12
	GCPC	Philippines	4-2006-500324	2007.07.30-2017.07.30	16
	GCPC	Philippines	4-2006-500326	2007.07.30-2017.07.30	18
	GCPC	Philippines	4-2006-500327	2007.07.30-2017.07.30	20
	GCPC	Philippines	4-2006-500328	2007.07.30-2017.07.30	24
	GCPC	Philippines	4-2006-500329	2007.07.30-2017.07.30	25
	GCPC	Philippines	4-2006-500330	2007.10.22-2017.10.22	26
	GCPC	Philippines	4-2006-500332	2007.10.22-2017.10.22	28
	GCPC	Philippines	4-2006-500334	2007.05.21-2017.05.21	35
	GCPC	Vietnam	96078	2006.10.30-2016.10.29	35
	GCPC	Vietnam	112062	2006.10.30-2016.10.29	10, 12, 16, 18, 20, 24, 25, 26, 28
	GCPC	Saudi Arabia	1000/78	2007.01.15-2016.09.21	12
	GCPC	Saudi Arabia	1000/95	2007.01.15-2016.09.22	20
	GCPC	Malaysia	06017789	2006.03.31-2016.03.31	24
	GCPC	Malaysia	06017790	2006.03.31-2016.03.31	25
	GCPC	Malaysia	06017792	2006.03.31-2016.03.31	28
	GCPC	Malaysia	06017793	2006.09.29-2016.09.29	35
	GCPC	Malaysia	06017788	2006.09.29-2016.09.29	20
	GCPC	Malaysia	06017787	2006.09.29-2016.09.29	18
	GCPC	Malaysia	06017786	2006.09.29-2016.09.29	16
	GCPC	Malaysia	06017785	2006.09.29-2016.09.29	12
	GCPC	Malaysia	06017784	2006.09.29-2016.09.29	10
	GCPC	Malaysia	06017783	2006.09.29-2016.09.29	3
	GCPC	Kazakhstan	25907	2006.10.27-2016.10.27	12, 20
	GCPC	India	1495151	2006.10.06-2016.10.06	35






Trademark	Registrant	Place of Registration	Registration Number	Validity Period	Class
	GCPC	Indonesia	D00-2006032325	2006.12.28-2016.12.28	3
	GCPC	Indonesia	D00-2006032321	2006.12.28-2016.12.28	18
	GCPC	Indonesia	D00-2006032319	2006.12.28-2016.12.28	20
	GCPC	Indonesia	D00-2006032317	2006.12.28-2016.12.28	26
	GCPC	Indonesia	D00-2006032315	2006.12.28-2016.12.28	35
	GCPC	Russia	315849	2005.08.26-2015.08.26	20
	GCPC	Ukraine	75428	2005.08.12-2015.08.12	12, 20
好孩子	GCPC	Hong Kong	300904356	2007.07.04-2017.07.03	3, 10, 12, 16, 18, 20, 24, 25, 26, 28, 35
	GCPC	Taiwan	01339503	2008.12.01-2018.11.30	10
	GCPC	Taiwan	01311062	2008.05.16-2018.05.15	12
	GCPC	Taiwan	01311133	2008.05.16-2018.05.15	18
	GCPC	Taiwan	01311149	2008.05.16-2018.05.15	20
	GCPC	Taiwan	01311179	2008.05.16-2018.05.15	24
	GCPC	Taiwan	01311230	2008.05.16-2018.05.15	26
	GCPC	Taiwan	01333305	2008.10.16-2018.10.15	28
globe clairs	GCPC	Peru	00127475	2007.05.21-2017.05.21	12
	GCPC	Peru	00127298	2007.05.16-2017.05.16	20
	GCPC	Mexico	983199	2007.02.01-2017.01.31	20
	GCPC	Mexico	1011591	2007.02.01-2017.01.31	12
	GCPC	Japan	5082059	2007.10.05-2017.10.05	10, 12, 20, 25, 28
	GCPC	Japan	5262326	2009.09.04-2019.09.04	35
	GCPC	Taiwan	1281526	2007.10.01-2017.09.30	3
	GCPC	Taiwan	1281965	2007.10.01-2017.09.30	10
	GCPC	Taiwan	1289789	2007.12.01-2017.11.30	12
	GCPC	Taiwan	1289893	2007.12.01-2017.11.30	16
	GCPC	Taiwan	1282114	2007.10.01-2017.09.30	18
	GCPC	Taiwan	1282166	2007.10.01-2017.09.30	20
	GCPC	Taiwan	1282200	2007.10.01-2017.09.30	24
	GCPC	Taiwan	1282284	2007.10.01-2017.09.30	25
	GCPC	Taiwan	1282304	2007.10.01-2017.09.30	26


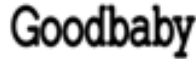
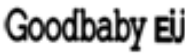
Trademark	Registrant	Place of Registration	Registration Number	Validity Period	Class
	GCPC	Taiwan	1282334	2007.10.01-2017.09.30	28
	GCPC	Taiwan	1290930	2007.12.01-2017.11.30	35
	GCPC	Hong Kong	300805275	2007.01.29-2017.01.28	3, 10, 12, 16, 18, 20, 24, 25, 26, 28, 35
	GCPC	Germany	30713870	2007.03.02-2017.03.30	12, 20
	GCPC	Singapore	T0703632C	2007.01.29-2017.01.29	12
	GCPC	Singapore	T0703633A	2007.01.29-2017.01.29	20
	GCPC	Singapore	T0703634Z	2007.01.29-2017.01.29	35
	GCPC	Korea	34562	2007.01.30-2017.01.29	3, 10, 12, 16, 18, 20, 26, 28, 35
	GCPC	Turkey	200709867	2007.02.28-2017.02.28	12, 20
	GCPC	France	073476722	2007.01.24-2017.01.24	12, 20
	GCPC	Chile	810.561	2008.03.10-2018.03.10	12, 20
	GCPC	Britain	2444898	2007.01.27-2017.01.27	12, 20
	GCPC	Russia	349936	2007.01.30-2017.01.30	12, 20
	GCPC	Ukraine	94959	2007.01.29-2017.01.29	12, 20
	GCPC	Vietnam	109868	2008.03.10-2018.03.10	3, 10, 12, 16, 18, 20, 24, 25, 26, 28, 35
	GCPC	Malaysia	07001546	2007.01.29-2017.01.29	10
	GCPC	Malaysia	07001547	2007.01.29-2017.01.29	12
	GCPC	Malaysia	07001548	2007.01.29-2017.01.29	16
	GCPC	Malaysia	07001550	2007.01.29-2017.01.29	20
	GCPC	Malaysia	07001552	2007.01.29-2017.01.29	28
	GCPC	Malaysia	07001549	2007.01.29-2017.01.29	18
	GCPC	Malaysia	07001555	2007.01.29-2017.01.29	26
	GCPC	Spain	2751931	2007.01.26-2017.01.25	12, 20
	GCPC	Argentina	2288315	2009.05.21-2019.05.21	12
	GCPC	Brazil	900203072	2009.11.10-2019.11.10	12
	GCPC	Madrid	971504	2008.06.24-2018.06.24	3, 10, 12, 16, 18, 20, 24, 25, 28, 35




Trademark	Registrant	Place of Registration	Registration Number	Validity Period	Class
	GCPC	Hong Kong	301034054	2008.01.17-2018.01.16	3, 10, 12, 16, 18, 20, 24, 25, 26, 28, 35
MAMA'S GOODBABY	GCPC	Madrid	966019	2008.04.02-2018.04.02	35
MAMA'S GOODBABY	GCPC	Hong Kong	301034063	2008.01.17-2018.01.16	3, 10, 12, 16, 18, 20, 24, 25, 26, 28, 35
<b>MAMA'S GOODBABY</b>	GCPC	Madrid	988885	2008.08.26-2018.08.26	3, 10, 12, 16, 18, 20, 24, 25, 26, 28
妈妈好孩子	GCPC	Hong Kong	300995383	2007.11.19-2017.11.18	3, 10, 12, 16, 18, 20, 24, 25, 26, 28, 35
	GCPC	Macau	N/032285	2008.05.26-2015.05.26	3
	GCPC	Macau	N/032286	2008.05.26-2015.05.26	10
	GCPC	Macau	N/032287	2008.05.26-2015.05.26	12
	GCPC	Macau	N/032288	2008.05.26-2015.05.26	16
	GCPC	Macau	N/032289	2008.05.26-2015.05.26	18
	GCPC	Macau	N/032290	2008.05.26-2015.05.26	20
	GCPC	Macau	N/032291	2008.05.26-2015.05.26	24
	GCPC	Macau	N/032292	2008.05.26-2015.05.26	25
	GCPC	Macau	N/032293	2008.05.26-2015.05.26	26
	GCPC	Macau	N/032294	2008.05.26-2015.05.26	28
	GCPC	Macau	N/032295	2008.05.26-2015.05.26	35
	GCPC	Taiwan	01325538	2008.09.01-2018.08.31	3
	GCPC	Taiwan	01326094	2008.09.01-2018.08.31	10
	GCPC	Taiwan	01332847	2008.09.01-2018.08.31	12
	GCPC	Taiwan	01332932	2008.09.01-2018.08.31	16
	GCPC	Taiwan	01326319	2008.09.01-2018.08.31	18
	GCPC	Taiwan	01326363	2008.09.01-2018.08.31	20
	GCPC	Taiwan	01326415	2008.09.01-2018.08.31	24
	GCPC	Taiwan	01326486	2008.09.01-2018.08.31	25


Trademark	Registrant	Place of Registration	Registration Number	Validity Period	Class
	GCPC	Taiwan	01326551	2008.09.01-2018.08.31	26
	GCPC	Taiwan	01326569	2008.09.01-2018.08.31	28
	GCPC	Taiwan	01340394	2008.12.01-2018.11.30	35
	GCPC	Taiwan	01343305	2009.01.01-2019.12.31	3
	GCPC	Taiwan	01346280	2009.01.16-2019.01.15	10
	GCPC	Taiwan	01346358	2009.01.16-2019.01.15	12
	GCPC	Taiwan	01346448	2009.01.16-2019.01.15	16
	GCPC	Taiwan	01346543	2009.01.16-2019.01.15	20
	GCPC	Taiwan	01346605	2009.01.16-2019.01.15	24
	GCPC	Taiwan	01346770	2009.01.16-2019.01.15	25
	GCPC	Madrid	1020122	2009.05.05-2019.05.05	3, 10, 12, 16, 20, 24, 25
	GCPC	Taiwan	01346359	2009.01.16-2019.01.15	12
	GCPC	Taiwan	01346449	2009.01.16-2019.01.15	16
	GCPC	Mexico	1057330	2008.05.21-2018.05.21	3
	GCPC	Mexico	1058470	2008.05.21-2018.05.21	10
	GCPC	Mexico	1058471	2008.05.21-2018.05.21	12
	GCPC	Mexico	1057331	2008.05.21-2018.05.21	16
	GCPC	Mexico	1057332	2008.05.21-2018.05.21	20
	GCPC	Mexico	1049576	2008.05.21-2018.05.21	24
	GCPC	Mexico	1046751	2008.05.21-2018.05.21	25
	GCPC	Peru	00146543	2008.12.31-2018.12.31	3
	GCPC	Peru	00147291	2009.01.09-2019.01.09	10
	GCPC	Peru	00147292	2009.01.09-2019.01.09	12
	GCPC	Peru	00146877	2008.12.31-2018.12.31	16
	GCPC	Peru	00146544	2008.12.31-2018.12.31	20
	GCPC	Peru	00146545	2008.12.31-2018.12.31	24
	GCPC	Peru	00147293	2009.01.09-2019.01.11	25
	GCPC	Benelux countries	0845976	2008.05.21-2018.05.21	3, 10, 12, 16, 18 20, 24, 25
	GCPC	France	083577017	2008.05.22-2018.05.22	3, 10, 12, 16, 18 20, 24, 25

Trademark	Registrant	Place of Registration	Registration Number	Validity Period	Class
	GCPC	Spain	2829211	2008.05.21-2018.05.21	3, 10, 12, 16, 18 20, 24, 25
	GCPC	Argentina	2291096	2009.05.27-2019.05.27	3
	GCPC	Argentina	2291095	2009.05.27-2019.05.27	10
	GCPC	Argentina	2291094	2009.05.27-2019.05.27	16
	GCPC	Malaysia	08010397	2009.05.28-2019.05.28	25
	GCPC	Russia	390222	2008.05.23-2018.05.23	3, 10, 12, 16, 20, 24, 25
	GCPC	Kazakhstan	29985	2008.05.20-2018.05.20	3, 10, 12, 16, 20, 24, 25
	GCPC	Czech Republic	309901	2008.05.12-2018.05.12	3, 10, 12, 16, 20, 24, 25
	GCPC	Israel	211638	2008.5.19-2018.5.18	10
	GCPC	Israel	211639	2008.5.19-2018.5.18	12
	GCPC	Israel	211641	2008.5.19-2018.5.18	16
	GCPC	Israel	211642	2008.5.19-2018.5.18	20
	GCPC	Israel	211643	2008.5.19-2018.5.18	24
	GCPC	Israel	211644	2008.5.19-2018.5.18	25
	GCPC	Mexico	1155877	2010.1.15-2020.1.14	3
	GCPC	Mexico	1155878	2010.1.15-2020.1.14	3

As at the Latest Practicable Date, the Group has filed application for the following trademarks:


Trademark	Applicant	Class	Place of Application	Application Number	Application Date
	GCPC	29	PRC	5252912	2006.7.20
	GCPC	33	PRC	5252916	2006.7.20
	GCPC	12	PRC	5253700	2006.7.20
	GCPC	20	PRC	5253704	2006.7.20
	GCPC	29	PRC	5253445	2006.8.14
	GCPC	33	PRC	5253441	2006.8.14
	GCPC	29	PRC	5248162	2006.7.20
	GCPC	33	PRC	5248167	2006.7.20

Trademark	Applicant	Class	Place of Application	Application Number	Application Date
	GCPC	3	PRC	5216438	2006.6.26
	GCPC	14	PRC	5216430	2006.6.26
	GCPC	15	PRC	5216656	2006.6.26
	GCPC	23	PRC	5210616	2006.7.20
	GCPC	24	PRC	5216740	2006.6.26
	GCPC	25	PRC	5216659	2006.6.26
	GCPC	26	PRC	5216658	2006.6.26
	GCPC	28	PRC	5216378	2006.6.26
	GCPC	33	PRC	5210614	2006.7.20
	GCPC	39	PRC	5216371	2006.6.26
	GCPC	41	PRC	5216389	2006.6.26
LITTLE DINOSAUR	GCPC	15	PRC	5324619	2006.8.25
	GCPC	24	PRC	5324612	2006.8.25
	GCPC	26	PRC	5324610	2006.8.25
	GCPC	27	PRC	5324609	2006.8.25
	GCPC	39	PRC	5324758	2006.8.25
	GCPC	44	PRC	5324753	2006.8.25
globe clairs	GCPC	12	PRC	5790585	2007.5.30
	GCPC	12	PRC	7989343	2010.1.18
	GCPC	20	PRC	7989400	2010.1.18
	GCPC	28	PRC	7989452	2010.1.18
	GCPC	12	PRC	7985496	2010.1.18
	GCPC	20	PRC	7985421	2010.1.18
	GCPC	28	PRC	7985447	2010.1.18
純の星	GCPC	3	PRC	6080311	2007.10.11
	GCPC	18	PRC	6080307	2007.10.11
	GCPC	24	PRC	6080305	2007.10.11
	GCPC	25	PRC	6080304	2007.10.11
	GCPC	26	PRC	6080303	2007.10.11
	GCPC	28	PRC	6080302	2007.10.11

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妈咪兜兜	GCPC	3	PRC	6112784	2007.11.22
	GCPC	16	PRC	6112782	2007.11.22
	GCPC	18	PRC	6112781	2007.11.22
	GCPC	24	PRC	6112779	2007.10.11
	GCPC	25	PRC	6112778	2007.10.11
	GCPC	26	PRC	6112777	2007.10.11
	GCPC	28	PRC	6112776	2007.10.11
	GCPC	35	PRC	6112775	2007.10.11
Goodbaby	GCPC	12, 20	Iraq	50635, 50634	2007.04.10
	GCPC	12, 20	Egypt	194072, 194073	2006.11.20
	GCPC	3, 10, 12, 16, 18, 20, 24, 25, 26, 28, 35	Pakistan	227796	2006.09.29
	GCPC	12, 20	Romania	M 200610954	2006.10.02
	GCPC	12, 20	Poland	Z316369	2006.10.09
	GCPC	12, 20	Venezuela	2006-027250, 2006-027249	2006.11.21
	GCPC	12, 20	Argentina	2.704.945, 2.704.946	2006.10.02
 MAMA'S GOODBABY 妈妈好孩子	GCPC	12	Argentina	2.826.948	2008.05.26
	GCPC	20		2.826.950	2008.05.26
	GCPC	24		2.826.951	2008.05.26
	GCPC	25		2.826.952	2008.05.26
	GCPC	3	Venezuela	2008-009866	2008.05.22
	GCPC	10		2008-009869	2008.05.22
	GCPC	12		2008-009865	2008.05.22
	GCPC	16		2008-009867	2008.05.22
	GCPC	20		2008-009868	2008.05.22
	GCPC	24		2008-009863	2008.05.22
	GCPC	25		2008-009864	2008.05.22
	GCPC	3		Chile	354599
	GCPC	10	354600		2008.05.22
	GCPC	12	354601		2008.05.22
	GCPC	16	354602		2008.05.22
	GCPC	20	354603		2008.05.22
	GCPC	24	354604		2008.05.22
	GCPC	25	354605		2008.05.22
	GCPC	3	Indonesia		D002008018427

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	GCPC	3	Malaysia	8010391	2008.05.28
	GCPC	10		8010392	2008.05.28
	GCPC	12		8010393	2008.05.28
	GCPC	16		8010394	2008.05.28
	GCPC	20		8010395	2008.05.28
	GCPC	24		8010396	2008.05.28
	GCPC	3, 10, 12, 16, 20, 24, 25	India	1754005	2008.11.14
	GCPC	3, 10, 12, 16, 20, 24, 25	Vietnam	4-2008-11042	2008.05.26
	GCPC	3	Thailand	760740	2008.05.22
	GCPC	10		760741	2008.05.26
	GCPC	12		760742	2008.05.26
	GCPC	16		760743	2008.05.26
	GCPC	20		760744	2008.05.26
	GCPC	24		760745	2008.05.26
	GCPC	25		760746	2008.05.26
	GCPC	3, 10, 12, 16, 20, 24, 25	Saudi Arabia	412093605-SA	2008.06.10
	GCPC	3, 10, 12, 16, 20, 24, 25	Kuwait	412093605-KW	2008.06.10
	GCPC	3	Israel	211636	2008.05.19
	GCPC	3, 10, 12, 16, 20, 24, 25	Egypt	412093605-EG	2008.06.10
	GCPC	3	South Africa	2008/11828	2008.06.11
	GCPC	10		2008/11829	2008.06.11
	GCPC	12		2008/11830	2008.06.11
	GCPC	16		2008/11831	2008.06.11
	GCPC	20		2008/11832	2008.06.11
	GCPC	24		2008/11833	2008.06.11
	GCPC	25		2008/11834	2008.06.11
	GCPC	3	Brazil	900.933.143	2008.05.28
	GCPC	10		900.932.970	2008.05.27
	GCPC	12		900.932.937	2008.05.27
	GCPC	16		900.931.965	2008.05.26
	GCPC	20		900.929.200	2008.05.23
	GCPC	24		900.929.090	2008.05.23
	GCPC	25		900.929.170	2008.05.23




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	GCPC	3, 10, 12, 16, 20, 24, 25	Canada	1397264	2008.05.28
	GCPC	3, 10, 12, 16, 20, 24, 25	Hungary	M0801824	2008.05.30
	GCPC	3, 10, 12, 16, 20, 24, 25	Germany	30 2008 033 291.3/03	2008.05.21
	GCPC	3, 10, 12, 16, 20, 24, 25	Italy	RM 2008 C 003458	2008.06.05
	GCPC	3, 10, 12, 16, 20, 24, 25	Romania	M2008 04634	2008.05.21
	GCPC	3, 10, 12, 16, 20, 24, 25	Ukraine	m 2008 13163	2008.06.03
 妈妈好孩子	GCPC	10	Indonesia	D00208018423	2008.05.22
	GCPC	12			
	GCPC	16			
	GCPC	20		D002008018426	2008.05.22
	GCPC	24			
	GCPC	25			
MAMA'S GOODBABY	GCPC	10	Indonesia	D2008018402	2008.05.22
	GCPC	12			
	GCPC	16			
	GCPC	20		D2008018412	2008.05.22
	GCPC	24			
	GCPC	25			
Goodbaby	GCPC	12	Iraq	50635	2007.04.10
	GCPC	20		50634	2007.04.10
	GCPC	12	Egypt	194072	2006.11.20
	GCPC	20		194073	2006.11.20
	GCPC	3, 10, 12, 16, 18, 20, 24, 25, 26, 28, 35	Pakistan	227796	2006.09.29
	GCPC	12, 20	Romania	M 200610954	2006.10.02
	GCPC	12, 20	Poland	Z316369	2006.10.09
	GCPC	12	Venezuela	2006-027250	2006.11.21
	GCPC	20		2006-027249	2006.11.21

Trademark	Applicant	Class	Place of Application	Application Number	Application Date
	GCPC	12	Argentina	2.704.945	2006.10.02
	GCPC	20		2.704.946	2006.10.02
	GCPC	12, 20	Italy	RM 2006c 006569	2006.11.17
	GCPC	12	South Africa	2006/23263	2006.09.29
	GCPC	20		2006/23264	2006.09.29
	GCPC	10	Indonesia	D00 2006 002324	2006.12.28
	GCPC	16		D00 2006 002322	2006.12.28
	GCPC	3, 10, 12, 16, 18, 20, 24, 25, 26, 28, 35	Thailand	640624-34	2006.09.29
	GCPC	3, 10, 12, 16, 18, 20, 24, 25, 26, 28	India	1492693	2006.09.28
	GCPC	12, 20	Benelux countries	1120009	2006.09.29
	GCPC	12	Peru	292790	2006.09.29
	GCPC	12	Brazil	900.095.318	2006.11.24
	GCPC	20		900.095.253	2006.11.24
	GCPC	3, 10, 12, 16, 18, 20, 24, 25, 26, 28, 35	Myanmar	6761/2007	2007.10.15
	GCPC	3, 10, 12, 16, 18, 20, 24, 25, 26, 28	Bangladesh	101538-101546\48	2006.10.08
	GCPC	12, 20	Czech Republic	O-442241	2006.10.03
	GCPC	3, 10, 16, 18, 20, 24, 25, 26, 28, 35	Russia	20088735115	2008.11.07
	GCPC	3, 16, 18, 25, 35	Madrid Applications (8 countries): Singapore, Turkey, Iran, Egypt, Ukraine, Syria, Belarus	<i>Note</i>	2010.02.11

*Note: Trademark application is being reviewed. Application number pending.*

Trademark	Applicant	Class	Place of Application	Application Number	Application Date
	GCPC	9	Madrid Applications (8 countries): Singapore, Turkey, Iran, Egypt, Ukraine, Syria, Belarus	<i>Note</i>	2010.06.29
	GCPC	3	United Arab Emirates	140387	2010.03.24
	GCPC	9		140386	2010.03.24
	GCPC	12		140385	2010.03.24
	GCPC	16		140384	2010.03.24
	GCPC	18		140383	2010.03.24
	GCPC	20		140382	2010.03.24
	GCPC	25		140381	2010.03.24
	GCPC	35		140380	2010.03.24
	GCPC	9	India	1927765	2010.02.25
	GCPC	9	Pakistan	279063	2010.02.23
	GCPC	9	Philippines	4-2010-500236	2010.02.15
	GCPC	9	Thailand	769521	2010.06.11
	GCPC	9	Malaysia	2010002693	2010.02.12
	GCPC	9	Vietnam	4-2010-0374	2010.03.01
	GCPC	9	Indonesia	D002010006746	2010.02.23
	GCPC	3, 9, 16, 18, 25, 35	Saudi Arabia	153841 153842 153843 153844 153845 153846	2010.03.15
	GCPC	3, 10, 16, 18, 24, 25, 26, 28, 35	Madrid (Ukraine)	1031471	2009.09.14
	GCPC	16,15,28	Madrid (Syria)	1031471	2009.09.14
globe clairs	GCPC	20	Argentina	2.726.905	2007.02.02
	GCPC	12	Egypt	196165	2007.02.04
	GCPC	20		196166	2007.02.04
	GCPC	12, 20	Australia	1158561	2007.01.30
	GCPC	12, 20	Italy	RM 2007C0001638	2007.03.13
	GCPC	3, 10, 12, 16, 18, 20, 24, 25, 26, 28, 35	India	1530683	2007.02.13


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	GCPC	3, 10, 12, 16, 18, 20, 24, 25, 26, 28, 35	Thailand	652262-652272	2007.02.02
	GCPC	3	Venezuela	2007-001903	2007.02.02
	GCPC	10		2007-001904	2007.02.02
	GCPC	12, 20, 28, 35	Korea	40-2007-0001026	2007.01.24
	GCPC	12, 20	United States of America	77/091, 152	2007.01.25
	GCPC	12, 20	Canada	1333379	2007.01.29
	GCPC	12, 20	The European Union	5642236	2007.01.25
	GCPC	12, 20	Algeria	70214	2007.01.31
	GCPC	12, 20	South Africa	2007/01509	2007.01.27
<b>Goodbaby EIJ</b>	GCPC	12, 20, 28	Madrid application (1 country): Russia	1029115	2009.09.08
	GCPC	12, 20, 28	Canada	1465947	2010.01.15
	GCPC	12, 20, 28	New Zealand	818284	2010.01.15
	GCPC	12, 20, 28	Hong Kong	301522250	2010.01.14
	GCPC	12	Macau	N/047175(614)	2010.01.14
	GCPC	20		N/047176(615)	
	GCPC	28		N/047177(270)	
	GCPC	12, 20, 28	Taiwan	99001983	2010.01.15
	GCPC	3, 10, 12, 16, 18, 20, 24, 25, 26, 28, 35	Philippines	4-2010-000555	2010.01.15
	GCPC	3	Thailand	755947	2010.01.15
	GCPC	10		755948	
	GCPC	12		755949	
	GCPC	16		755950	
	GCPC	18		755951	
	GCPC	20		755952	
	GCPC	24		755953	
	GCPC	25		755954	
	GCPC	26		755955	
	GCPC	28		755956	
	GCPC	35		755957	
GCPC	3	Malaysia		2010/00813	
GCPC	10		2010/00814		

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	GCPC	12		2010/00815	
	GCPC	16		2010/00816	
	GCPC	18		2010/00817	
	GCPC	20		2010/00818	
	GCPC	24		2010/00819	
	GCPC	25		2010/00820	
	GCPC	26		2010/00821	
	GCPC	28		2010/00822	
	GCPC	35		2010/00823	
	GCPC	3	Indonesia	D00 2001.002320	2010.01.20
	GCPC	10		D00 2001.002321	
	GCPC	12		D00 2001.002322	
	GCPC	16		D00 2001.002304	
	GCPC	18		D00 2001.002305	
	GCPC	20		D00 2001.002307	
	GCPC	24		D00 2001.002314	
	GCPC	25		D00 2001.002310	
	GCPC	26		D00 2001.002316	
	GCPC	28		D00 2001.002319	
	GCPC	35		J00 2001.002312	
	GCPC	3, 10, 12, 16, 18, 20, 24, 25, 26, 28, 35	India	1909520	2010.01.15
	GCPC	3	Saudi Arabia	150864	2010.01.16
	GCPC	10		150865	
	GCPC	12		150866	
	GCPC	16		150867	
	GCPC	18		150868	
	GCPC	20		150869	
	GCPC	24		150870	
	GCPC	25		150871	
	GCPC	26		150872	
	GCPC	28		150873	
	GCPC	35		150874	
	GCPC	3	The United Arab Emirates	138099	2010.01.14
	GCPC	10		138100	
	GCPC	12		138101	
	GCPC	16		138102	
	GCPC	18		138103	
	GCPC	20		138104	

Trademark	Applicant	Class	Place of Application	Application Number	Application Date
	GCPC	24		138105	
	GCPC	25		138106	
	GCPC	26		138107	
	GCPC	28		138108	
	GCPC	35		138109	
	GCPC	3, 10, 12, 16, 18, 20, 24, 25, 26, 28, 35	Afghanistan	1-2889	2010.01.19
	GCPC	3, 10, 12, 16, 18, 20, 24, 25, 26, 28, 35	Iraq	55712	2010.01.17
	GCPC	3	Israel	226711	2010.01.14
	GCPC	10		226710	
	GCPC	12		226709	
	GCPC	16		226708	
	GCPC	18		226706	
	GCPC	20		226705	
	GCPC	24		226704	
	GCPC	25		226703	
	GCPC	26		226702	
	GCPC	28		226700	
	GCPC	35		226699	
	GCPC	3	South Africa	2010/00587	2010.01.14
	GCPC	10		2010/00588	
	GCPC	12		2010/00589	
	GCPC	16		2010/00590	
	GCPC	18		2010/00591	
	GCPC	20		2010/00592	
	GCPC	24		2010/00593	
	GCPC	25		2010/00594	
	GCPC	26		2010/00595	
	GCPC	28		2010/00596	
	GCPC	35		2010/00597	
	GCPC	3	Brazil	902.253.387	2010.01.15
	GCPC	10		902.253.425	
	GCPC	12		902.253.433	
	GCPC	16		902.253.450	
	GCPC	18		902.253.468	
	GCPC	20		902.253.476	
	GCPC	24		902.253.484	

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	GCPC	25		902.253.492	
	GCPC	26		902.253.506	
	GCPC	28		902.253.514	
	GCPC	35		902.253.522	
	GCPC	10	Mexico	1060610	2010.01.15
	GCPC	12		1060613	
	GCPC	16		1060615	
	GCPC	18		1060623	
	GCPC	20		1060625	
	GCPC	24		1060627	
	GCPC	25		1060629	
	GCPC	26		1060634	
	GCPC	28		1060635	
	GCPC	35		1060638	
	GCPC	3	Colombia	10-003533	2010.01.15
	GCPC	10		10-003550	
	GCPC	12		10-003551	
	GCPC	16		10-003555	
	GCPC	18		10-003557	
	GCPC	20		10-003558	
	GCPC	24		10-003560	
	GCPC	25		10-003561	
	GCPC	26		10-003563	
	GCPC	28		10-003564	
	GCPC	35		10-003565	
	GCPC	3	Argentina	2972344	2010.01.15
	GCPC	10		2972346	
	GCPC	12		2972348	
	GCPC	16		2972350	
	GCPC	18		2972352	
	GCPC	20		2972356	
	GCPC	24		2972358	
	GCPC	25		2972360	
	GCPC	26		2972361	
	GCPC	28		2972363	
	GCPC	35		2972365	
	GCPC	3, 10, 12, 16, 18, 24, 25, 28, 35	Peru	410221	2010.01.15
	GCPC	3	Venezuela	432/10	2010.01.15

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	GCPC	10		433/10	
	GCPC	12		434/10	
	GCPC	16		435/10	
	GCPC	18		436/10	
	GCPC	20		437/10	
	GCPC	24		438/10	
	GCPC	25		439/10	
	GCPC	26		440/10	
	GCPC	28		441/10	
	GCPC	35		442/10	
	GCPC	3, 10, 12, 16, 18, 20, 24, 25, 26, 28	Chile	891959	2010.01.15
	GCPC	35		891957	
	GCPC	12, 20, 28	Madrid (26 countries)	<i>Note</i>	2010.02.10
	GCPC	3, 10, 12, 16, 18, 20, 24, 25, 26, 28, 35	Madrid (11 countries)	<i>Note</i>	2010.02.11
	GCPC	12, 20, 28	Canada	1465948	2010.01.15
	GCPC	12, 20, 28	Hong Kong	301522241	2010.01.14
	GCPC	12	Macao	N/047178(266)	2010.01.14
	GCPC	20		N/047179(593)	
	GCPC	28		N/047180(415)	
	GCPC	12, 20, 28	Taiwan	99001985	2010.01.15
	GCPC	3, 10, 12, 16, 18, 20, 24, 25, 26, 28, 35	Philippines	4-2010-000557	2010.01.15
	GCPC	3	Thailand	755958	2010.01.15
	GCPC	10		755959	
	GCPC	12		755960	
	GCPC	16		755961	
	GCPC	18		755962	
	GCPC	20		755963	
	GCPC	24		755964	
GCPC	25	755965			
GCPC	26	755966			

*Note: Trademark application is being reviewed. Application number pending.*



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	GCPC	28		755967	
	GCPC	35		755968	
	GCPC	3	Malaysia	2010/00799	2010.01.15
	GCPC	10		2010/00809	
	GCPC	12		2010/00808	
	GCPC	18		2010/00806	
	GCPC	20		2010/00805	
	GCPC	24		2010/00804	
	GCPC	25		2010/00803	
	GCPC	26		2010/00802	
	GCPC	28		2010/00801	
	GCPC	35		2010/00800	
	GCPC	3	Indonesia	D00 2001.002300	2010.01.20
	GCPC	10		D00 2001.002301	
	GCPC	12		D00 2001.002303	
	GCPC	16		D00 2001.002306	
	GCPC	18		D00 2001.002308	
	GCPC	20		D00 2001.002309	
	GCPC	24		D00 2001.002311	
	GCPC	25		D00 2001.002313	
	GCPC	26		D00 2001.002318	
	GCPC	28		D00 2001.002317	
	GCPC	35		J00 2001.002315	
	GCPC	3, 10, 12, 16, 18, 20, 24, 25, 26, 28, 35	India	1909519	2010.01.15
	GCPC	3	Saudi Arabia	150875	2010.01.16
	GCPC	10		150876	
	GCPC	12		150877	
	GCPC	16		150878	
	GCPC	18		150879	
	GCPC	20		150880	
	GCPC	24		150881	
	GCPC	25		150882	
	GCPC	26		150883	
	GCPC	28		150884	
	GCPC	35		150885	
	GCPC	3	The United Arab Emirates	138088	2010.01.14
	GCPC	10		138089	
	GCPC	12		138090	

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	GCPC	16		138091	
	GCPC	18		138092	
	GCPC	20		138093	
	GCPC	24		138094	
	GCPC	25		138095	
	GCPC	26		138096	
	GCPC	28		138097	
	GCPC	35		138098	
	GCPC	3, 10, 12, 16, 18, 20, 24, 25, 26, 28, 35	Afghanistan	1-2890	2010.01.19
	GCPC	3, 10, 12, 16, 18, 20, 24, 25, 26, 28, 35	Iraq	55711	2010.01.17
	GCPC	3, 10, 12, 16, 18, 20, 24, 25, 26, 28, 35	Israel	226712 226713 226714 226715 226716 226717 226718 226719 226720 226721 226722	2010.01.14
	GCPC	3	South Africa	2010/00598	2010.01.14
	GCPC	10		2010/00599	
	GCPC	12		2010/00600	
	GCPC	16		2010/00601	
	GCPC	18		2010/00602	
	GCPC	20		2010/00603	
	GCPC	24		2010/00604	
	GCPC	25		2010/00605	
	GCPC	26		2010/00606	
	GCPC	28		2010/00607	
	GCPC	35		2010/00608	
	GCPC	10	Mexico	1060642	2010.01.15
	GCPC	12		1060645	
	GCPC	16		1060648	
	GCPC	18		1060649	
	GCPC	20		1060651	
	GCPC	24		1060654	

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	GCPC	25		1060657	
	GCPC	26		1060658	
	GCPC	28		1060659	
	GCPC	35		1060660	
	GCPC	3	Colombia	10-003566	2010.01.15
	GCPC	10		10-003568	
	GCPC	12		10-003569	
	GCPC	16		10-003570	
	GCPC	18		10-003574	
	GCPC	20		10-003575	
	GCPC	24		10-003576	
	GCPC	25		10-003579	
	GCPC	26		10-003581	
	GCPC	28		10-003582	
	GCPC	35		10-003584	
	GCPC	3	Argentina	2972327	2010.01.15
	GCPC	10		2972328	
	GCPC	12		2972329	
	GCPC	16		2972330	
	GCPC	18		2972332	
	GCPC	20		2972333	
	GCPC	24		2972335	
	GCPC	25		2972337	
	GCPC	26		2972339	
	GCPC	28		2972341	
	GCPC	35		2972343	
	GCPC	3, 10, 12, 16, 18, 24, 25, 28, 35	Peru	410222	2010.01.15
	GCPC	3	Venezuela	443/10	2010.01.15
	GCPC	10		444/10	
	GCPC	12		445/10	
	GCPC	16		446/10	
	GCPC	18		447/10	
	GCPC	20		448/10	
	GCPC	24		449/10	
	GCPC	25		450/10	
	GCPC	26		451/10	
	GCPC	28		452/10	
	GCPC	35		453/10	

Trademark	Applicant	Class	Place of Application	Application Number	Application Date
	GCPC	3, 10, 12, 16, 18, 20, 24, 25, 26, 28	Chile	891958	2010.01.15
	GCPC	35		891956	
	GCPC	12, 20, 28	Madrid (26 countries)	1039123	2010.02.10
	GCPC	3, 10, 12, 16, 18, 20, 24, 25, 26, 28, 35	Madrid (11 countries)	<i>Note</i>	2010.02.11

**(b) Patents**

As at the Latest Practicable Date, the Group was the registered proprietor and beneficial owner of the following patents that are material to the business of the Group:

Patent	Patent No.	Type	Name of Registered Proprietor	Place of Registration	Date of Application	Expiry Date
Tool case of bicycle (5)	01310830.1	Design	GCPC	PRC	2001.02.27	2011.02.27
Front basket of bicycle (1)	01310829.8	Design	GCPC	PRC	2001.02.27	2011.02.27
Decorating parts of bicycle (1)	01310832.8	Design	GCPC	PRC	2001.02.27	2011.02.27
Decorating parts (for children's bicycles/tricycles)	01310868.9	Design	GCPC	PRC	2001.03.01	2011.03.01
Wheel of children's car (1)	01334008.5	Design	GCPC	PRC	2001.07.05	2011.07.05
Baby's stroller	01334522.2	Design	GCPC	PRC	2001.08.21	2011.08.21
Wheel hub (crab claw wheel)	02317183.9	Design	GCPC	PRC	2002.02.04	2012.02.04
Wheel hub (Mickey wheel)	02317182.0	Design	GCPC	PRC	2002.02.04	2012.02.04
Wheel hub (whirlwind wheel)	02317184.7	Design	GCPC	PRC	2002.02.04	2012.02.04
Front armrest of tricycle	02333608.0	Design	GCPC	PRC	2002.08.05	2012.08.05
Push knob sheath of children's car	02371169.8	Design	GCPC	PRC	2002.11.22	2012.11.22
Handle bar of tricycle	02371136.1	Design	GCPC	PRC	2002.11.21	2012.11.21
Handle bar sheath of children's car	02371133.7	Design	GCPC	PRC	2002.11.21	2012.11.21
Handle bar of umbrella car	02371159.0	Design	GCPC	PRC	2002.11.22	2012.11.22
Handle bar of tricycle (SR86)	02371160.4	Design	GCPC	PRC	2002.11.22	2012.11.22
Tool case	02371163.9	Design	GCPC	PRC	2002.11.22	2012.11.22
Basket of bicycle	02371161.2	Design	GCPC	PRC	2002.11.22	2012.11.22

*Note: Trademark application is being reviewed. Application number pending.*

Patent	Patent No.	Type	Name of Registered Proprietor	Place of Registration	Date of Application	Expiry Date
Car tyre (bamboo tyre)	02371131.0	Design	GCPC	PRC	2002.11.21	2012.11.21
Saddle of tricycle	02371140.X	Design	GCPC	PRC	2002.11.21	2012.11.21
Toy tray of tricycle	02371281.3	Design	GCPC	PRC	2002.11.26	2012.11.26
Head end of tricycle (SR86)	02371280.5	Design	GCPC	PRC	2002.11.26	2012.11.26
Push knob sheath of car	02378323.0	Design	GCPC	PRC	2002.12.11	2012.12.11
Wheel hub of children's car	03314128.2	Design	GCPC	PRC	2003.01.10	2013.01.10
Baby's stroller (2)P400Q	03316205.0	Design	GCPC	PRC	2003.04.29	2013.04.29
Baby's stroller (3)P330Q	03316206.9	Design	GCPC	PRC	2003.04.29	2013.04.29
Inner wheel hub (atom wheel)	03316288.3	Design	GCPC	PRC	2003.05.04	2013.05.04
Safety belt buckle of baby's stroller	03316902.0	Design	GCPC	PRC	2003.06.03	2013.06.03
Children's stroller (1)	03346638.6	Design	GCPC	PRC	2003.08.18	2013.08.18
Children's stroller (3)	03346636.X	Design	GCPC	PRC	2003.08.18	2013.08.18
Children's stroller (2)	03346637.8	Design	GCPC	PRC	2003.08.18	2013.08.18
Baby's stroller	03347323.4	Design	GCPC	PRC	2003.09.04	2013.09.04
Push knob of children's car (C801)	03367779.4	Design	GCPC	PRC	2003.09.25	2013.09.25
Armrest of children's car (C801)	03367780.8	Design	GCPC	PRC	2003.09.25	2013.09.25
Umbrella	03347324.2	Design	GCPC	PRC	2003.09.04	2013.09.04
Headboard of crib (TLY632)	200330111640.2	Design	GCPC	PRC	2003.10.30	2013.10.30
Wheel hub (bamboo wheel 20)	200330112223.X	Design	GCPC	PRC	2003.11.17	2013.11.17
Wheel hub (five-hole wheel)	200330112225.9	Design	GCPC	PRC	2003.11.21	2013.11.21
Wheel hub (blade wheel)	200330112226.3	Design	GCPC	PRC	2003.11.21	2013.11.21
Children's car (1)	200330121376.0	Design	GCPC	PRC	2003.12.04	2013.12.04
Children's car (2)	200330121382.6	Design	GCPC	PRC	2003.12.04	2013.12.04
Children's car (3)	200330121380.7	Design	GCPC	PRC	2003.12.04	2013.12.04
Sling of children's car	200330121448.1	Design	GCPC	PRC	2003.12.08	2013.12.08
Car seat on children's car	200330121447.7	Design	GCPC	PRC	2003.12.08	2013.12.08
Children's car (4)	200330121520.0	Design	GCPC	PRC	2003.12.09	2013.12.09
Satchel on children's car	200330121519.8	Design	GCPC	PRC	2003.12.09	2013.12.09
Wheel hub (1)	200330121828.5	Design	GCPC	PRC	2003.12.17	2013.12.17
Front pallet of baby's stroller	200430016153.2	Design	GCPC	PRC	2004.02.13	2014.02.13
Wheel hub (five-spoke wheel)	200430016096.8	Design	GCPC	PRC	2004.02.03	2014.02.03
Footrest of baby's stroller	200430016152.8	Design	GCPC	PRC	2004.02.13	2014.02.13
Wheel hub (trident wheel)	200330112040.8	Design	GCPC	PRC	2003.11.12	2013.11.12
Armrest of baby's stroller	200430016151.3	Design	GCPC	PRC	2004.02.13	2014.02.13
Headboard of crib (3)	200430016963.8	Design	GCPC	PRC	2004.03.19	2014.03.19

Patent	Patent No.	Type	Name of Registered Proprietor	Place of Registration	Date of Application	Expiry Date
Seat of children's car	200430016974.6	Design	GCPC	PRC	2004.03.17	2014.03.17
Chassis of children's walker	200430017143.0	Design	GCPC	PRC	2004.03.22	2014.03.22
Sling of children's car	200430018125.4	Design	GCPC	PRC	2004.04.22	2014.04.22
Seat pocket (1)	200430018351.2	Design	GCPC	PRC	2004.04.30	2014.04.30
Seat pocket (2)	200430018353.1	Design	GCPC	PRC	2004.04.30	2014.04.30
Frame of children's car	200430018861.X	Design	GCPC	PRC	2004.05.18	2014.05.18
Tent buckle	200430019146.8	Design	GCPC	PRC	2004.05.28	2014.05.28
Headboard	200430019135.X	Design	GCPC	PRC	2004.05.28	2014.05.28
Basket of bicycle	200430057577.3	Design	GCPC	PRC	2004.06.04	2014.06.04
Seat pocket on Children's stroller	200430058111.5	Design	GCPC	PRC	2004.06.21	2014.06.21
Trunk	200430057998.6	Design	GCPC	PRC	2004.06.18	2014.06.18
Bracket of crib	200430058110.0	Design	GCPC	PRC	2004.06.21	2014.06.21
Basket	200430057887.5	Design	GCPC	PRC	2004.06.14	2014.06.14
Trunk	200430057888.X	Design	GCPC	PRC	2004.06.14	2014.06.14
Children's stroller (1)	200430058514.X	Design	GCPC	PRC	2004.07.05	2014.07.05
Children's stroller	200430058168.5	Design	GCPC	PRC	2004.06.25	2014.06.25
Basket	200430068516.7	Design	GCPC	PRC	2004.07.19	2014.07.19
Swing	200430068550.4	Design	GCPC	PRC	2004.07.23	2014.07.23
Crib	200430068551.9	Design	GCPC	PRC	2004.07.20	2014.07.20
Tricycle (1)	200430068834.3	Design	GCPC	PRC	2004.08.02	2014.08.02
Tricycle (2)	200430068835.8	Design	GCPC	PRC	2004.08.02	2014.08.02
Tricycle (4)	200430068836.2	Design	GCPC	PRC	2004.08.02	2014.08.02
Tricycle (5)	200430068833.9	Design	GCPC	PRC	2004.08.02	2014.08.02
Head end of tricycle (2)	200430068829.2	Design	GCPC	PRC	2004.08.02	2014.08.02
Push knob of tricycle	200430069029.2	Design	GCPC	PRC	2004.08.09	2014.08.09
Wheel (2)	200430069028.8	Design	GCPC	PRC	2004.08.09	2014.08.09
Wheel	200430100910.4	Design	GCPC	PRC	2004.10.11	2014.10.11
Decorating parts	200430100705.8	Design	GCPC	PRC	2004.10.09	2014.10.09
Tricycle (1)	200430100702.4	Design	GCPC	PRC	2004.10.09	2014.10.09
Tricycle (2)	200430100912.3	Design	GCPC	PRC	2004.10.11	2014.10.11
Basket	200430100704.3	Design	GCPC	PRC	2004.10.09	2014.10.09
Basket (1)	200430100914.2	Design	GCPC	PRC	2004.10.11	2014.10.11
Push knob of children's car	200430100913.8	Design	GCPC	PRC	2004.10.11	2014.10.11
Head end of children's car	200430100911.9	Design	GCPC	PRC	2004.10.11	2014.10.11
Children's stroller (1)	200430101221.5	Design	GCPC	PRC	2004.10.18	2014.10.18
Children's stroller (2)	200430101226.8	Design	GCPC	PRC	2004.10.21	2014.10.21

Patent	Patent No.	Type	Name of Registered Proprietor	Place of Registration	Date of Application	Expiry Date
Children's stroller (3)	200430101225.3	Design	GCPC	PRC	2004.10.18	2014.10.18
Basket	200430101224.9	Design	GCPC	PRC	2004.10.18	2014.10.18
Bicycle	200430101227.2	Design	GCPC	PRC	2004.10.18	2014.10.18
Car sling	200430101228.7	Design	GCPC	PRC	2004.10.18	2014.10.18
Children's stroller (1)	200430101456.4	Design	GCPC	PRC	2004.10.25	2014.10.25
Children's stroller (2)	200430101496.9	Design	GCPC	PRC	2004.10.26	2014.10.26
Children's stroller (3)	200430101498.8	Design	GCPC	PRC	2004.10.26	2014.10.26
Children's stroller (4)	200430101497.3	Design	GCPC	PRC	2004.10.26	2014.10.26
Children's dining chair	200430101499.2	Design	GCPC	PRC	2004.10.26	2014.10.26
Bicycle	200430101495.4	Design	GCPC	PRC	2004.10.26	2014.10.26
Seat pocket of children's car	200430101838.7	Design	GCPC	PRC	2004.11.01	2014.11.01
Bicycle	200430101837.2	Design	GCPC	PRC	2004.11.01	2014.11.01
Children's stroller	200430101836.8	Design	GCPC	PRC	2004.11.01	2014.11.01
Basket	200430107945.0	Design	GCPC	PRC	2004.11.12	2014.11.12
Bicycle (1)	200430107944.6	Design	GCPC	PRC	2004.11.12	2014.11.12
Basket (1)	200430108663.2	Design	GCPC	PRC	2004.11.24	2014.11.24
Wheel	200430108668.5	Design	GCPC	PRC	2004.11.24	2014.11.24
Bicycle (1)	200430108666.6	Design	GCPC	PRC	2004.11.24	2014.11.24
Bicycle (2)	200430108658.1	Design	GCPC	PRC	2004.11.24	2014.11.24
Bicycle (3)	200430108667.0	Design	GCPC	PRC	2004.11.24	2014.11.24
Head end decorating parts (1)	200430108664.7	Design	GCPC	PRC	2004.11.24	2014.11.24
Head end decorating parts (2)	200430108665.1	Design	GCPC	PRC	2004.11.24	2014.11.24
Children's tricycle (1)	200430108660.9	Design	GCPC	PRC	2004.11.24	2014.11.24
Children's tricycle (2)	200430108662.8	Design	GCPC	PRC	2004.11.24	2014.11.24
Children's tricycle (3)	200430108657.7	Design	GCPC	PRC	2004.11.24	2014.11.24
Children's tricycle (4)	200430108661.3	Design	GCPC	PRC	2004.11.24	2014.11.24
Head end of children's car	200430108659.6	Design	GCPC	PRC	2004.11.24	2014.11.24
Basket (1)	200430054488.3	Design	GCPC	PRC	2004.12.13	2014.12.13
Basket (2)	200430054486.4	Design	GCPC	PRC	2004.12.13	2014.12.13
Children's car seat (PLAY2-3)	200430054714.8	Design	GCPC	PRC	2004.12.21	2014.12.21
Children's tricycle (1)	200530080900.3	Design	GCPC	PRC	2005.02.21	2015.02.21
Children's tricycle (2)	200530080899.4	Design	GCPC	PRC	2005.02.21	2015.02.21
Children's stroller (6)	200530081030.1	Design	GCPC	PRC	2005.03.01	2015.03.01
Children's stroller (7)	200530081029.9	Design	GCPC	PRC	2005.03.01	2015.03.01
Children's stroller (1)	200530080991.0	Design	GCPC	PRC	2005.02.28	2015.02.28
Children's stroller (2)	200530080993.X	Design	GCPC	PRC	2005.02.28	2015.02.28
Children's stroller (3)	200530080994.4	Design	GCPC	PRC	2005.02.28	2015.02.28

Patent	Patent No.	Type	Name of Registered Proprietor	Place of Registration	Date of Application	Expiry Date
Children's stroller (4)	200530080990.6	Design	GCPC	PRC	2005.02.28	2015.02.28
Seat pocket of children's stroller	200530080995.9	Design	GCPC	PRC	2005.02.28	2015.02.28
Wheel	200530081232.6	Design	GCPC	PRC	2005.03.10	2015.03.10
Playpen	200530081364.9	Design	GCPC	PRC	2005.03.15	2015.03.15
Wheel hub	200530081363.4	Design	GCPC	PRC	2005.03.15	2015.03.15
Children's stroller (5)	200530080992.5	Design	GCPC	PRC	2005.02.28	2015.02.28
Head end decorating parts	200530081764.X	Design	GCPC	PRC	2005.03.31	2015.03.31
Children's tricycle (1)	200530081781.3	Design	GCPC	PRC	2005.03.31	2015.03.31
Children's tricycle (2)	200530081765.4	Design	GCPC	PRC	2005.03.31	2015.03.31
Backbone of playpen (1)	200530081768.8	Design	GCPC	PRC	2005.03.31	2015.03.31
Backbone of playpen (2)	200530081767.3	Design	GCPC	PRC	2005.03.31	2015.03.31
Bicycle (2)	200530081766.9	Design	GCPC	PRC	2005.03.31	2015.03.31
Bicycle (3)	200530081774.3	Design	GCPC	PRC	2005.03.31	2015.03.31
Bicycle (4)	200530081773.9	Design	GCPC	PRC	2005.03.31	2015.03.31
Bicycle (5)	200530081778.1	Design	GCPC	PRC	2005.03.31	2015.03.31
Bicycle (6)	200530081769.2	Design	GCPC	PRC	2005.03.31	2015.03.31
Bicycle (7)	200530081779.6	Design	GCPC	PRC	2005.03.31	2015.03.31
Bicycle (10)	200530081776.2	Design	GCPC	PRC	2005.03.31	2015.03.31
Bicycle (12)	200530081771.X	Design	GCPC	PRC	2005.03.31	2015.03.31
Bicycle (13)	200530081770.5	Design	GCPC	PRC	2005.03.31	2015.03.31
Frame of bicycle	200530082327.X	Design	GCPC	PRC	2005.04.09	2015.04.09
Scooter	200530082766.0	Design	GCPC	PRC	2005.04.19	2015.04.19
Basket of children's car	200530084014.8	Design	GCPC	PRC	2005.05.23	2015.05.23
Children's tricycle (1)	200530084018.6	Design	GCPC	PRC	2005.05.23	2015.05.23
Wheel of children's car (1)	200530084051.9	Design	GCPC	PRC	2005.05.26	2015.05.26
Wheel of children's car (2)	200530084052.3	Design	GCPC	PRC	2005.05.26	2015.05.26
Basket of children's car (1)	200530084056.1	Design	GCPC	PRC	2005.05.26	2015.05.26
Children's tricycle (2)	200530084055.7	Design	GCPC	PRC	2005.05.26	2015.05.26
Tyre of children's car (1)	200530084057.6	Design	GCPC	PRC	2005.05.26	2015.05.26
Pedal of children's car (1)	200530084048.7	Design	GCPC	PRC	2005.05.26	2015.05.26
Footrest of children's car (1)	200530084054.2	Design	GCPC	PRC	2005.05.26	2015.05.26
Pedal of children's car (2)	200530084050.4	Design	GCPC	PRC	2005.05.26	2015.05.26
Push knob of children's car	200530084049.1	Design	GCPC	PRC	2005.05.26	2015.05.26
Handle bar sheath of children's car	200530084304.2	Design	GCPC	PRC	2005.06.03	2015.06.03
Decorating parts of children's car	200530084305.7	Design	GCPC	PRC	2005.06.03	2015.06.03



Patent	Patent No.	Type	Name of Registered Proprietor	Place of Registration	Date of Application	Expiry Date
Head end of children's car	200530084303.8	Design	GCPC	PRC	2005.06.03	2015.06.03
Tricycle seat	200530084306.1	Design	GCPC	PRC	2005.06.03	2015.06.03
Backrest of children's tricycle	200530084740.X	Design	GCPC	PRC	2005.06.07	2015.06.07
Footrest of children's stroller	200530085471.9	Design	GCPC	PRC	2005.06.21	2015.06.21
Car basket (basket)	200530085996.2	Design	GCPC	PRC	2005.06.29	2015.06.29
Backrest of children's tricycle (1)	200530085998.1	Design	GCPC	PRC	2005.06.29	2015.06.29
Tricycle seat (1)	200530086002.9	Design	GCPC	PRC	2005.06.29	2015.06.29
Push knob	200530086003.3	Design	GCPC	PRC	2005.06.29	2015.06.29
Children's tricycle	200530085999.6	Design	GCPC	PRC	2005.06.29	2015.06.29
Handle bar sheath	200530086000.X	Design	GCPC	PRC	2005.06.29	2015.06.29
Handle bar of baby's stroller	200530085997.7	Design	GCPC	PRC	2005.06.29	2015.06.29
Rear basket of children's tricycle	200530085995.8	Design	GCPC	PRC	2005.06.29	2015.06.29
Pedal	200530086142.6	Design	GCPC	PRC	2005.07.04	2015.07.04
Front fender of children's tricycle	200530086763.4	Design	GCPC	PRC	2005.07.18	2015.07.18
Decorating parts	200530086762.X	Design	GCPC	PRC	2005.07.18	2015.07.18
Wheel	200530086761.5	Design	GCPC	PRC	2005.07.18	2015.07.18
Swing	200530089545.6	Design	GCPC	PRC	2005.09.16	2015.09.16
Playpen	200530089548.X	Design	GCPC	PRC	2005.09.16	2015.09.16
Children's dining chair	200530089546.0	Design	GCPC	PRC	2005.09.16	2015.09.16
Tent	200530153621.5	Design	GCPC	PRC	2005.11.29	2015.11.29
Decorating parts (toy)	200530153742.X	Design	GCPC	PRC	2005.12.01	2015.12.01
Children's tricycle (5)	200530154261.0	Design	GCPC	PRC	2005.12.08	2015.12.08
Children's stroller	200530154266.3	Design	GCPC	PRC	2005.12.08	2015.12.08
Basket of children's tricycle	200530171220.2	Design	GCPC	PRC	2005.12.20	2015.12.20
Front pallet of children's stroller	200530171235.9	Design	GCPC	PRC	2005.12.20	2015.12.20
Storage box	200530171231.0	Design	GCPC	PRC	2005.12.20	2015.12.20
Wheel	200530171221.7	Design	GCPC	PRC	2005.12.20	2015.12.20
Car seat	200530171229.3	Design	GCPC	PRC	2005.12.20	2015.12.20
Frame of children's stroller (1)	200530171225.5	Design	GCPC	PRC	2005.12.20	2015.12.20
Frame of children's stroller (2)	200530171237.8	Design	GCPC	PRC	2005.12.20	2015.12.20
Frame of children's stroller (3)	200530171236.3	Design	GCPC	PRC	2005.12.20	2015.12.20
Children's stroller (1)	200530171929.2	Design	GCPC	PRC	2005.12.27	2015.12.27
Toy	200530171924.X	Design	GCPC	PRC	2005.12.27	2015.12.27
Children's bicycle (2)	200530171986.0	Design	GCPC	PRC	2005.12.30	2015.12.30

Patent	Patent No.	Type	Name of Registered Proprietor	Place of Registration	Date of Application	Expiry Date
Children's bicycle (3)	200530171984.1	Design	G CPC	PRC	2005.12.30	2015.12.30
Basket	200530171983.7	Design	G CPC	PRC	2005.12.30	2015.12.30
Children's stroller	200530171975.2	Design	G CPC	PRC	2005.12.30	2015.12.30
Frame of children's stroller (1)	200530171971.4	Design	G CPC	PRC	2005.12.30	2015.12.30
Frame of children's stroller (2)	200530171982.2	Design	G CPC	PRC	2005.12.30	2015.12.30
Toy tray	200630080625.X	Design	G CPC	PRC	2006.02.09	2016.02.09
Wheel	200630080627.9	Design	G CPC	PRC	2006.02.08	2016.02.08
Wheel hub	200630080628.3	Design	G CPC	PRC	2006.02.08	2016.02.08
Toy (1)	200630081034.4	Design	G CPC	PRC	2006.02.27	2016.02.27
Toy (2)	200630081033.X	Design	G CPC	PRC	2006.02.27	2016.02.27
Toy (3)	200630081035.9	Design	G CPC	PRC	2006.02.27	2016.02.27
Car seat	200630081036.3	Design	G CPC	PRC	2006.02.27	2016.02.27
Children's stroller (1)	200630081038.2	Design	G CPC	PRC	2006.02.27	2016.02.27
Children's stroller (2)	200630081032.5	Design	G CPC	PRC	2006.02.27	2016.02.27
Frame of children's stroller (1)	200630081037.8	Design	G CPC	PRC	2006.02.27	2016.02.27
Frame of children's stroller (2)	200630081030.6	Design	G CPC	PRC	2006.02.27	2016.02.27
Children's tricycle (6)	200630083695.0	Design	G CPC	PRC	2006.04.10	2016.04.10
Children's tricycle (7)	200630083705.0	Design	G CPC	PRC	2006.04.10	2016.04.10
Children's tricycle (8)	200630083696.5	Design	G CPC	PRC	2006.04.10	2016.04.10
Children's tricycle (13)	200630083665.X	Design	G CPC	PRC	2006.04.10	2016.04.10
Children's tricycle (14)	200630083673.4	Design	G CPC	PRC	2006.04.10	2016.04.10
Frame of bicycle (1)	200630083688.0	Design	G CPC	PRC	2006.04.10	2016.04.10
Frame of bicycle (2)	200630083702.7	Design	G CPC	PRC	2006.04.10	2016.04.10
Frame of bicycle (3)	200630083838.8	Design	G CPC	PRC	2006.04.10	2016.04.10
Toy (1)	200630083684.2	Design	G CPC	PRC	2006.04.10	2016.04.10
Bathtub	200630083683.8	Design	G CPC	PRC	2006.04.10	2016.04.10
Tent of children's tricycle	200630083687.6	Design	G CPC	PRC	2006.04.10	2016.04.10
Frame of bicycle (4)	200630084490.4	Design	G CPC	PRC	2006.04.12	2016.04.12
Bath chair	200630084533.9	Design	G CPC	PRC	2006.04.12	2016.04.12
Handle bar sheath	200630084604.5	Design	G CPC	PRC	2006.04.17	2016.04.17
Children's stroller (1)	200630084506.1	Design	G CPC	PRC	2006.04.12	2016.04.12
Children's stroller (2)	200630084536.2	Design	G CPC	PRC	2006.04.12	2016.04.12
Adjuster of children's dining chair	200630085231.3	Design	G CPC	PRC	2006.04.24	2016.04.24
Play car	200630085125.5	Design	G CPC	PRC	2006.04.22	2016.04.22
Footrest of children's dining car	200630085229.6	Design	G CPC	PRC	2006.04.24	2016.04.24

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Safety belt buckle	200630085227.7	Design	G CPC	PRC	2006.04.24	2016.04.24
Frame of children's stroller (6)	200630085230.9	Design	G CPC	PRC	2006.04.24	2016.04.24
Frame of children's stroller (I)	200630087710.9	Design	G CPC	PRC	2006.2006.09	2016.06.09
Frame of children's stroller (II)	200630087709.6	Design	G CPC	PRC	2006.2006.09	2016.06.09
Seat pocket of children's stroller	200630087706.2	Design	G CPC	PRC	2006.2006.09	2016.06.09
Chassis of baby's walker	200630088126.5	Design	G CPC	PRC	2006.06.22	2016.06.22
Panel of baby's walker	200630088127.X	Design	G CPC	PRC	2006.06.22	2016.06.22
Tent of children's tricycle (1)	200630121331.7	Design	G CPC	PRC	2006.2007.04	2016.07.04
Tent of children's tricycle (2)	200630121330.2	Design	G CPC	PRC	2006.2007.04	2016.07.04
Front armrest of children's tricycle	200630141961.0	Design	G CPC	PRC	2006.08.16	2016.08.16
Side armrest of children's tricycle	200630141968.2	Design	G CPC	PRC	2006.08.16	2016.08.16
Scooter (3)	200630128210.5	Design	G CPC	PRC	2006.08.21	2016.08.21
Scooter (4)	200630128211.X	Design	G CPC	PRC	2006.08.11	2016.08.11
Scooter (11)	200630141958.9	Design	G CPC	PRC	2006.08.16	2016.08.16
Children's bicycle (4)	200630127796.3	Design	G CPC	PRC	2006.08.09	2016.08.09
Children's bicycle (5)	200630128110.2	Design	G CPC	PRC	2006.08.09	2016.08.09
Children's bicycle (15)	200630128123.X	Design	G CPC	PRC	2006.08.09	2016.08.09
Toy (1)	200630128114.0	Design	G CPC	PRC	2006.08.09	2016.08.09
Toy (2)	200630127791.0	Design	G CPC	PRC	2006.08.09	2016.08.09
Toy (5)	200630128118.9	Design	G CPC	PRC	2006.08.09	2016.08.09
Toy (6)	200630127792.5	Design	G CPC	PRC	2006.08.09	2016.08.09
Toy tray	200630128125.9	Design	G CPC	PRC	2006.08.09	2016.08.09
Walker (1)	200630127793.X	Design	G CPC	PRC	2006.08.09	2016.08.09
Walker (2)	200630127790.6	Design	G CPC	PRC	2006.08.09	2016.08.09
Walker (3)	200630128218.1	Design	G CPC	PRC	2006.08.11	2016.08.11
Children's tricycle (8)	200630128126.3	Design	G CPC	PRC	2006.08.09	2016.08.09
Scooter (5)	200630128220.9	Design	G CPC	PRC	2006.08.11	2016.08.11
Seat of children's tricycle	200630127785.5	Design	G CPC	PRC	2006.08.09	2016.08.09
Frame of electric bicycle	200630083691.2	Design	G CPC	PRC	2006.04.10	2016.04.10
Head end of children's car (3)	200630188557.9	Design	G CPC	PRC	2006.11.02	2016.11.02
Head end of children's car (1)	200630188562.X	Design	G CPC	PRC	2006.11.01	2016.11.01
Toy tray (1)	200630188561.5	Design	G CPC	PRC	2006.11.01	2016.11.01
Head end of children's car (2)	200630188559.8	Design	G CPC	PRC	2006.11.01	2016.11.01
Children's tricycle (1)	200630188554.5	Design	G CPC	PRC	2006.11.03	2016.11.03
Toy tray (2)	200630188556.4	Design	G CPC	PRC	2006.11.02	2016.11.02

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Handle bar of children's car	200630188555.X	Design	GCPC	PRC	2006.11.03	2016.11.03
Head end of children's car (5)	200630188558.3	Design	GCPC	PRC	2006.11.02	2016.11.02
Footrest of children's car	200630186905.9	Design	GCPC	PRC	2006.11.07	2016.11.07
Children's tricycle (2)	200630186904.4	Design	GCPC	PRC	2006.11.07	2016.11.07
Side armrest of children's car	200630186902.5	Design	GCPC	PRC	2006.11.07	2016.11.07
Armrest of children's car	200630188510.2	Design	GCPC	PRC	2006.10.31	2016.10.31
Head end of children's car (4)	200630188512.1	Design	GCPC	PRC	2006.10.31	2016.10.31
Children's car (2)	200630188553.0	Design	GCPC	PRC	2006.11.01	2016.11.01
Children's car (3)	200630188560.0	Design	GCPC	PRC	2006.11.01	2016.11.01
Children's car (n201)	200630188473.5	Design	GCPC	PRC	2006.10.30	2016.10.30
Walker panel	200630188511.7	Design	GCPC	PRC	2006.10.31	2016.10.31
Walker chassis	200630188509.X	Design	GCPC	PRC	2006.10.31	2016.10.31
Frame of children's stroller (1)	200630187994.9	Design	GCPC	PRC	2006.11.13	2016.11.13
Frame of children's stroller (2)	200630187995.3	Design	GCPC	PRC	2006.11.13	2016.11.13
Armrest of children's car	200630187086.X	Design	GCPC	PRC	2006.11.10	2016.11.10
Children's tricycle (3)	200630187085.5	Design	GCPC	PRC	2006.11.10	2016.11.10
Children's playpen	200630193620.8	Design	GCPC	PRC	2006.11.30	2016.11.30
Frame of children's stroller (3)	200630193029.2	Design	GCPC	PRC	2006.11.22	2016.11.22
Children's sleeping basket	200630193031.X	Design	GCPC	PRC	2006.11.22	2016.11.22
Children's stroller (3)	200630193030.5	Design	GCPC	PRC	2006.11.22	2016.11.22
Safety belt buckle	200630310699.8	Design	GCPC	PRC	2006.12.18	2016.12.18
Children's scooter (5)	200630310700.7	Design	GCPC	PRC	2006.12.18	2016.12.18
Children's bicycle (1)	200630310708.3	Design	GCPC	PRC	2006.12.18	2016.12.18
Children's toy (1)	200630310688.X	Design	GCPC	PRC	2006.12.18	2016.12.18
Children's toy (2)	200630310716.8	Design	GCPC	PRC	2006.12.18	2016.12.18
Children's toy (3)	200630310727.6	Design	GCPC	PRC	2006.12.18	2016.12.18
Children's toy (4)	200630310703.0	Design	GCPC	PRC	2006.12.18	2016.12.18
Children's tricycle (12)	200630164789.0	Design	GCPC	PRC	2006.12.28	2016.12.28
Children's tricycle (14)	200630164792.2	Design	GCPC	PRC	2006.12.28	2016.12.28
Children's car (1)	200730025051.0	Design	GCPC	PRC	2007.01.23	2017.01.23
Children's tricycle (1)	200730030015.3	Design	GCPC	PRC	2007.04.10	2017.04.10
Children's tricycle (2)	200730030013.4	Design	GCPC	PRC	2007.04.10	2017.04.10
Children's tricycle (3)	200730030014.9	Design	GCPC	PRC	2007.04.10	2017.04.10
Children's tricycle (4)	200730029994.0	Design	GCPC	PRC	2007.04.10	2017.04.10
Children's tricycle (5)	200730030006.4	Design	GCPC	PRC	2007.04.10	2017.04.10
Children's tricycle (6)	200730030005.X	Design	GCPC	PRC	2007.04.10	2017.04.10
Children's tricycle (7)	200730029995.5	Design	GCPC	PRC	2007.04.10	2017.04.10

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Children's tricycle (8)	200730029996.X	Design	G CPC	PRC	2007.04.10	2017.04.10
Children's tricycle (9)	200730029997.4	Design	G CPC	PRC	2007.04.10	2017.04.10
Children's tricycle (10)	200730029998.9	Design	G CPC	PRC	2007.04.10	2017.04.10
Children's tricycle (11)	200730029999.3	Design	G CPC	PRC	2007.04.10	2017.04.10
Children's tricycle (12)	200730030056.2	Design	G CPC	PRC	2007.04.11	2017.04.11
Children's tricycle (13)	200730030055.8	Design	G CPC	PRC	2007.04.11	2017.04.11
Children's tricycle (14)	200730030054.3	Design	G CPC	PRC	2007.04.11	2017.04.11
Children's tricycle (15)	200730030053.9	Design	G CPC	PRC	2007.04.11	2017.04.11
Children's bicycle (1)	200730030008.3	Design	G CPC	PRC	2007.04.10	2017.04.10
Children's bicycle (2)	200730030009.8	Design	G CPC	PRC	2007.04.10	2017.04.10
Children's bicycle (3)	200730030010.0	Design	G CPC	PRC	2007.04.10	2017.04.10
Children's bicycle (4)	200730030052.4	Design	G CPC	PRC	2007.04.11	2017.04.11
Head end of children's tricycle (1)	200730027924.1	Design	G CPC	PRC	2007.03.30	2017.03.30
Head end of children's tricycle (2)	200730027923.7	Design	G CPC	PRC	2007.03.30	2017.03.30
Pedestal of rocking chair	200730030011.5	Design	G CPC	PRC	2007.04.10	2017.04.10
Basket of children's tricycle	200730030012.X	Design	G CPC	PRC	2007.04.10	2017.04.10
Footrest of children's tricycle	200730030004.5	Design	G CPC	PRC	2007.04.10	2017.04.10
Playpen	200730029631.7	Design	G CPC	PRC	2007.04.03	2017.04.03
Baby's rocking chair	200730027921.8	Design	G CPC	PRC	2007.03.30	2017.03.30
Front turret sheath of children's tricycle	200730027922.2	Design	G CPC	PRC	2007.03.30	2017.03.30
Wheel cap of children's car	200730027920.3	Design	G CPC	PRC	2007.03.30	2017.03.30
Toy	200730027919.0	Design	G CPC	PRC	2007.03.30	2017.03.30
Wheel of children's car (1)	200730031080.8	Design	G CPC	PRC	2007.04.19	2017.04.19
Basket of children's car (6)	200730031079.5	Design	G CPC	PRC	2007.04.19	2017.04.19
Wheel of children's car (2)	200730031098.8	Design	G CPC	PRC	2007.04.19	2017.04.19
Saddle of children's tricycle (1)	200730031081.2	Design	G CPC	PRC	2007.04.19	2017.04.19
Children's bicycle (18)	200730031082.7	Design	G CPC	PRC	2007.04.19	2017.04.19
Children's stroller (3)	200730031097.3	Design	G CPC	PRC	2007.04.19	2017.04.19
Children's bicycle (6)	200730031095.4	Design	G CPC	PRC	2007.04.19	2017.04.19
Children's bicycle (8)	200730031094.X	Design	G CPC	PRC	2007.04.19	2017.04.19
Wheel cap of children's tricycle (2)	200730031093.5	Design	G CPC	PRC	2007.04.19	2017.04.19
Footrest of children's car	200730031092.0	Design	G CPC	PRC	2007.04.19	2017.04.19
Armrest of children's tricycle	200730031090.1	Design	G CPC	PRC	2007.04.19	2017.04.19

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Children's stroller (5)	200730031089.9	Design	GCPC	PRC	2007.04.19	2017.04.19
Children's bicycle (13)	200730030991.9	Design	GCPC	PRC	2007.04.19	2017.04.19
Scooter (2)	200730031804.9	Design	GCPC	PRC	2007.04.19	2017.04.19
Children's tricycle (20)	200730031734.7	Design	GCPC	PRC	2007.04.19	2017.04.19
Children's bicycle (7)	200730031743.6	Design	GCPC	PRC	2007.04.19	2017.04.19
Children's tricycle(21)	200730031732.8	Design	GCPC	PRC	2007.04.19	2017.04.19
Basket of children's car (3)	200730031701.2	Design	GCPC	PRC	2007.04.19	2017.04.19
Basket of children's car (2)	200730031100.1	Design	GCPC	PRC	2007.04.19	2017.04.19
Basket of children's car (5)	200730031076.1	Design	GCPC	PRC	2007.04.19	2017.04.19
Wheel cap of children's tricycle (1)	200730031832.0	Design	GCPC	PRC	2007.04.19	2017.04.19
Scooter (1)	200730031802.X	Design	GCPC	PRC	2007.04.19	2017.04.19
Children's bicycle (9)	200730031801.5	Design	GCPC	PRC	2007.04.19	2017.04.19
Children's bicycle (10)	200730031800.0	Design	GCPC	PRC	2007.04.19	2017.04.19
Walker (1)	200730031733.2	Design	GCPC	PRC	2007.04.19	2017.04.19
Walker (2)	200730031799.1	Design	GCPC	PRC	2007.04.19	2017.04.19
Children's stroller (2)	200730031797.2	Design	GCPC	PRC	2007.04.19	2017.04.19
Children's bicycle (14)	200730031086.5	Design	GCPC	PRC	2007.04.19	2017.04.19
Children's bicycle (15)	200730031085.0	Design	GCPC	PRC	2007.04.19	2017.04.19
Children's bicycle (16)	200730031084.6	Design	GCPC	PRC	2007.04.19	2017.04.19
Children's bicycle (17)	200730031083.1	Design	GCPC	PRC	2007.04.19	2017.04.19
Hold knob of children's car (1)	200730031830.1	Design	GCPC	PRC	2007.04.19	2017.04.19
Decorating parts of children's car (1)	200730031763.3	Design	GCPC	PRC	2007.04.19	2017.04.19
Children's tricycle(24)	200730031765.2	Design	GCPC	PRC	2007.04.19	2017.04.19
Children's tricycle(25)	200730031766.7	Design	GCPC	PRC	2007.04.19	2017.04.19
Children's tricycle(23)	200730031767.1	Design	GCPC	PRC	2007.04.19	2017.04.19
Head end of children's car	200730031099.2	Design	GCPC	PRC	2007.04.19	2017.04.19
Children's tricycle(22)	200730031768.6	Design	GCPC	PRC	2007.04.19	2017.04.19
Children's bicycle (12)	200730031769.0	Design	GCPC	PRC	2007.04.19	2017.04.19
Children's stroller (4)	200730031770.3	Design	GCPC	PRC	2007.04.19	2017.04.19
Dining chair	200730031764.8	Design	GCPC	PRC	2007.04.19	2017.04.19
Frame of children's bicycle	200730031703.1	Design	GCPC	PRC	2007.04.19	2017.04.19
Push knob of children's car (1)	200730031796.8	Design	GCPC	PRC	2007.04.19	2017.04.19
Decorating parts of children's car (2)	200730031795.3	Design	GCPC	PRC	2007.04.19	2017.04.19
Saddle of children's tricycle (2)	200730031808.7	Design	GCPC	PRC	2007.04.19	2017.04.19

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Children's stroller (1)	200730031807.2	Design	GCPC	PRC	2007.04.19	2017.04.19
Basket of children's car (4)	200730031077.6	Design	GCPC	PRC	2007.04.19	2017.04.19
Children's bicycle (11)	200730031078.0	Design	GCPC	PRC	2007.04.19	2017.04.19
Basket of children's car (1)	200730031806.8	Design	GCPC	PRC	2007.04.19	2017.04.19
Decorating parts of children's car (4)	200730031805.3	Design	GCPC	PRC	2007.04.19	2017.04.19
Decorating parts of children's car (3)	200730031833.5	Design	GCPC	PRC	2007.04.19	2017.04.19
Handle bar of children's car (2)	200730031829.9	Design	GCPC	PRC	2007.04.19	2017.04.19
Backrest of children's car (1)	200730031828.4	Design	GCPC	PRC	2007.04.19	2017.04.19
Backrest of children's car (2)	200730031827.X	Design	GCPC	PRC	2007.04.19	2017.04.19
Children's bicycle (5)	200730031935.7	Design	GCPC	PRC	2007.04.23	2017.04.23
Playpen (1)	200730032047.7	Design	GCPC	PRC	2007.04.23	2017.04.23
Backbone of playpen	200730033120.2	Design	GCPC	PRC	2007.04.30	2017.04.30
Children's stroller	200730033106.2	Design	GCPC	PRC	2007.04.30	2017.04.30
Hose (1)	200730033110.9	Design	GCPC	PRC	2007.04.30	2017.04.30
Hose (2)	200730033109.6	Design	GCPC	PRC	2007.04.30	2017.04.30
Hose (3)	200730033108.1	Design	GCPC	PRC	2007.04.30	2017.04.30
Bottle (1)	20073003312017.0	Design	GCPC	PRC	2007.04.30	2017.04.30
Bottle (2)	200730033118.5	Design	GCPC	PRC	2007.04.30	2017.04.30
Bottle (3)	200730033121.7	Design	GCPC	PRC	2007.04.30	2017.04.30
Bottle (4)	200730033119.X	Design	GCPC	PRC	2007.04.30	2017.04.30
Bottle (6)	200730033113.2	Design	GCPC	PRC	2007.04.30	2017.04.30
Bottle (7)	200730033115.1	Design	GCPC	PRC	2007.04.30	2017.04.30
Bottle (8)	200730033122.1	Design	GCPC	PRC	2007.04.30	2017.04.30
Bottle (9)	200730033111.3	Design	GCPC	PRC	2007.04.30	2017.04.30
Bottle (10)	200730033116.6	Design	GCPC	PRC	2007.04.30	2017.04.30
Frame of children's stroller	200730033699.2	Design	GCPC	PRC	2007.05.08	2017.05.08
Backbone of playpen	200730033697.3	Design	GCPC	PRC	2007.05.08	2017.05.08
Wheel hub (1)	200730040298.X	Design	GCPC	PRC	2007.06.20	2017.06.20
Wheel hub (2)	200730040299.4	Design	GCPC	PRC	2007.06.20	2017.06.20
Children's swing (1)	200730039400.4	Design	GCPC	PRC	2007.06.18	2017.06.18
Children's swing (2)	200730039403.8	Design	GCPC	PRC	2007.06.18	2017.06.18
Children's swing (3)	200730039402.3	Design	GCPC	PRC	2007.06.18	2017.06.18
Children's swing (4)	200730039395.7	Design	GCPC	PRC	2007.06.18	2017.06.18
Children's swing (5)	200730039396.1	Design	GCPC	PRC	2007.06.18	2017.06.18
Children's swing (6)	200730039397.6	Design	GCPC	PRC	2007.06.18	2017.06.18



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Frame of children's stroller	200730039266.8	Design	GCPC	PRC	2007.06.14	2017.06.14
Children's tricycle	200730039267.2	Design	GCPC	PRC	2007.06.14	2017.06.14
Lift knob of seat pocket of children's car	200730039393.8	Design	GCPC	PRC	2007.06.18	2017.06.18
Pedestal shell of children's car seat	200730039394.2	Design	GCPC	PRC	2007.06.18	2017.06.18
Children's car seat	200730039398.0	Design	GCPC	PRC	2007.06.18	2017.06.18
Seat pocket of children's car	200730039401.9	Design	GCPC	PRC	2007.06.18	2017.06.18
Seat pocket shell of children's car	200730039399.5	Design	GCPC	PRC	2007.06.18	2017.06.18
Pedestal shell of children's car seat	200730045148.8	Design	GCPC	PRC	2007.08.02	2017.08.02
Seat pocket of children's car	200730045193.3	Design	GCPC	PRC	2007.08.02	2017.08.02
Seat pocket shell of children's car	200730045149.2	Design	GCPC	PRC	2007.08.02	2017.08.02
Push knob of seat pocket of children's car	200730045150.5	Design	GCPC	PRC	2007.08.02	2017.08.02
Children's car seat	200730045151.X	Design	GCPC	PRC	2007.08.02	2017.08.02
Children's bicycle (1)	200730176979.9	Design	GCPC	PRC	2007.08.08	2017.08.08
Children's bicycle (2)	200730177019.4	Design	GCPC	PRC	2007.08.08	2017.08.08
Children's bicycle (3)	200730177024.5	Design	GCPC	PRC	2007.08.08	2017.08.08
Children's bicycle (4)	200730176982.0	Design	GCPC	PRC	2007.08.08	2017.08.08
Children's bicycle (5)	200730176991.X	Design	GCPC	PRC	2007.08.08	2017.08.08
Children's bicycle (6)	200730176987.3	Design	GCPC	PRC	2007.08.08	2017.08.08
Children's bicycle (7)	200730177017.5	Design	GCPC	PRC	2007.08.08	2017.08.08
Children's bicycle (8)	200730177018.X	Design	GCPC	PRC	2007.08.08	2017.08.08
Children's bicycle (9)	200730176978.4	Design	GCPC	PRC	2007.08.08	2017.08.08
Children's bicycle (10)	200730176977.X	Design	GCPC	PRC	2007.08.08	2017.08.08
Children's bicycle (11)	200730176976.5	Design	GCPC	PRC	2007.08.08	2017.08.08
Front basket of children's car	200730176990.5	Design	GCPC	PRC	2007.08.08	2017.08.08
Children's tricycle(1)	200730179281.2	Design	GCPC	PRC	2007.08.15	2017.08.15
Children's tricycle(2)	200730179277.6	Design	GCPC	PRC	2007.08.15	2017.08.15
Children's tricycle(3)	200730179276.1	Design	GCPC	PRC	2007.08.15	2017.08.15
Children's tricycle(4)	200730179274.2	Design	GCPC	PRC	2007.08.15	2017.08.15
Children's tricycle(5)	200730179273.8	Design	GCPC	PRC	2007.08.15	2017.08.15
Children's tricycle(6)	200730179263.4	Design	GCPC	PRC	2007.08.15	2017.08.15
Children's tricycle(7)	200730179270.4	Design	GCPC	PRC	2007.08.15	2017.08.15
Children's tricycle(8)	200730179265.3	Design	GCPC	PRC	2007.08.15	2017.08.15
Children's tricycle(9)	200730179275.7	Design	GCPC	PRC	2007.08.15	2017.08.15



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Children's tricycle(10)	200730179264.9	Design	GCPC	PRC	2007.08.15	2017.08.15
Children's tricycle(11)	200730179267.2	Design	GCPC	PRC	2007.08.15	2017.08.15
Children's tricycle(12)	200730179279.5	Design	GCPC	PRC	2007.08.15	2017.08.15
Children's tricycle(13)	200730179278.0	Design	GCPC	PRC	2007.08.15	2017.08.15
Children's tricycle(14)	200730179280.8	Design	GCPC	PRC	2007.08.15	2017.08.15
Children's tricycle(15)	200730179269.1	Design	GCPC	PRC	2007.08.15	2017.08.15
Children's tricycle(16)	200730179268.7	Design	GCPC	PRC	2007.08.15	2017.08.15
Footrest of children's tricycle	200730179266.8	Design	GCPC	PRC	2007.08.15	2017.08.15
Seat of children's tricycle	200730179258.3	Design	GCPC	PRC	2007.08.15	2017.08.15
Front wheel cover of children's tricycle	200730179260.0	Design	GCPC	PRC	2007.08.15	2017.08.15
Rear wheel cover of children's tricycle	200730179261.5	Design	GCPC	PRC	2007.08.15	2017.08.15
Backrest of children's tricycle	200730179262.X	Design	GCPC	PRC	2007.08.15	2017.08.15
Head end decorating parts of children's car	200730179248.X	Design	GCPC	PRC	2007.08.15	2017.08.15
Children's bicycle (12)	200730179259.8	Design	GCPC	PRC	2007.08.15	2017.08.15
Children's bicycle (13)	200730179272.3	Design	GCPC	PRC	2007.08.15	2017.08.15
Head end of children's car (1)	200730179254.5	Design	GCPC	PRC	2007.08.15	2017.08.15
Head end of children's car (2)	200730179255.X	Design	GCPC	PRC	2007.08.15	2017.08.15
Head end of children's car (3)	200730179256.4	Design	GCPC	PRC	2007.08.15	2017.08.15
Head end of children's car (4)	200730179257.9	Design	GCPC	PRC	2007.08.15	2017.08.15
Children's scooter (1)	200730179249.4	Design	GCPC	PRC	2007.08.15	2017.08.15
Children's scooter (2)	200730179271.9	Design	GCPC	PRC	2007.08.15	2017.08.15
Children's scooter (3)	200730179250.7	Design	GCPC	PRC	2007.08.15	2017.08.15
Children's scooter (4)	200730179253.0	Design	GCPC	PRC	2007.08.15	2017.08.15
Children's scooter (5)	200730179252.6	Design	GCPC	PRC	2007.08.15	2017.08.15
Children's scooter (6)	200730179251.1	Design	GCPC	PRC	2007.08.15	2017.08.15
Children's stroller	200730181934.0	Design	GCPC	PRC	2007.08.31	2017.08.31
Walker chassis	200730181945.9	Design	GCPC	PRC	2007.08.31	2017.08.31
Walker panel	200730181944.4	Design	GCPC	PRC	2007.08.31	2017.08.31
Frame of children's tricycle	200730181939.3	Design	GCPC	PRC	2007.08.31	2017.08.31
Frame of children's stroller	200730181935.5	Design	GCPC	PRC	2007.08.31	2017.08.31
Children's car (1)	200730181942.5	Design	GCPC	PRC	2007.08.31	2017.08.31
Children's car (2)	200730181943.X	Design	GCPC	PRC	2007.08.31	2017.08.31
Children's tricycle(1)	200730181928.5	Design	GCPC	PRC	2007.08.31	2017.08.31
Children's tricycle(2)	200730181929.X	Design	GCPC	PRC	2007.08.31	2017.08.31
Children's tricycle(3)	200730181933.6	Design	GCPC	PRC	2007.08.31	2017.08.31

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Children's scooter (1)	200730181930.2	Design	GCPC	PRC	2007.08.31	2017.08.31
Children's scooter (2)	200730181932.1	Design	GCPC	PRC	2007.08.31	2017.08.31
Children's scooter (3)	200730181931.7	Design	GCPC	PRC	2007.08.31	2017.08.31
Children's scooter (4)	200730181936.X	Design	GCPC	PRC	2007.08.31	2017.08.31
Children's scooter (5)	200730181937.4	Design	GCPC	PRC	2007.08.31	2017.08.31
Children's scooter (6)	200730181938.9	Design	GCPC	PRC	2007.08.31	2017.08.31
Side armrest of children's stroller	200730187720.4	Design	GCPC	PRC	2007.09.26	2017.09.26
Footrest of children's stroller	200730187712.X	Design	GCPC	PRC	2007.09.26	2017.09.26
Front footrest of children's stroller	200730187719.1	Design	GCPC	PRC	2007.09.26	2017.09.26
Front pallet of children's stroller (1)	200730187718.7	Design	GCPC	PRC	2007.09.26	2017.09.26
Front pallet of children's stroller (2)	200730187717.2	Design	GCPC	PRC	2007.09.26	2017.09.26
Side armrest of children's auxiliary carrying vehicle	200730187706.4	Design	GCPC	PRC	2007.09.26	2017.09.26
Backrest of children's auxiliary carrying vehicle	200730187716.8	Design	GCPC	PRC	2007.09.26	2017.09.26
Wheel cap of children's auxiliary carrying vehicle	200730187715.3	Design	GCPC	PRC	2007.09.26	2017.09.26
Seat cushion of children's auxiliary carrying vehicle	200730187714.9	Design	GCPC	PRC	2007.09.26	2017.09.26
Push knob of children's auxiliary carrying vehicle	200730187713.4	Design	GCPC	PRC	2007.09.26	2017.09.26
Children's auxiliary carrying vehicle (1)	200730187710.0	Design	GCPC	PRC	2007.09.26	2017.09.26
Children's auxiliary carrying vehicle (2)	200730187711.5	Design	GCPC	PRC	2007.09.26	2017.09.26
Frame of children's stroller (1)	200730187707.9	Design	GCPC	PRC	2007.09.26	2017.09.26
Frame of children's stroller (2)	200730187708.3	Design	GCPC	PRC	2007.09.26	2017.09.26
Frame of children's stroller (3)	200730187722.3	Design	GCPC	PRC	2007.09.26	2017.09.26
Frame of children's stroller (4)	200730187721.9	Design	GCPC	PRC	2007.09.26	2017.09.26
Footrest of children's auxiliary carrying vehicle	200730188451.3	Design	GCPC	PRC	2007.09.27	2017.09.27
Body shell of children's auxiliary carrying vehicle	200730188450.9	Design	GCPC	PRC	2007.09.27	2017.09.27
Wheel body of children's auxiliary carrying vehicle	200730188441.X	Design	GCPC	PRC	2007.09.27	2017.09.27
Children's car seat	200730188442.4	Design	GCPC	PRC	2007.09.27	2017.09.27
Backbone of children's rocking chair	200730188443.9	Design	GCPC	PRC	2007.09.27	2017.09.27

Patent	Patent No.	Type	Name of Registered Proprietor	Place of Registration	Date of Application	Expiry Date
Scooter (1)	200730188436.9	Design	GCPC	PRC	2007.09.27	2017.09.27
Scooter (2)	200730188435.4	Design	GCPC	PRC	2007.09.27	2017.09.27
Scooter (3)	200730188447.7	Design	GCPC	PRC	2007.09.27	2017.09.27
Scooter (4)	200730188448.1	Design	GCPC	PRC	2007.09.27	2017.09.27
Scooter (5)	200730188434.X	Design	GCPC	PRC	2007.09.27	2017.09.27
Scooter (6)	200730188446.2	Design	GCPC	PRC	2007.09.27	2017.09.27
Scooter (7)	200730188444.3	Design	GCPC	PRC	2007.09.27	2017.09.27
Scooter (8)	200730188445.8	Design	GCPC	PRC	2007.09.27	2017.09.27
Frame of baby's stroller (1)	200730190197.0	Design	GCPC	PRC	2007.09.30	2017.09.30
Pedestal shell of children's car seat	200730190214.0	Design	GCPC	PRC	2007.09.30	2017.09.30
Footrest of children's stroller (1)	200730190171.6	Design	GCPC	PRC	2007.09.30	2017.09.30
Footrest of children's stroller (2)	200730190198.5	Design	GCPC	PRC	2007.09.30	2017.09.30
Frame of children's rocking chair (1)	200730190212.1	Design	GCPC	PRC	2007.09.30	2017.09.30
Frame of children's rocking chair (2)	200730190213.6	Design	GCPC	PRC	2007.09.30	2017.09.30
Children's stroller	200730189249.2	Design	GCPC	PRC	2007.09.29	2017.09.29
Frame of children's stroller	200730189248.8	Design	GCPC	PRC	2007.09.29	2017.09.29
Frame of dining chair	200730193985.5	Design	GCPC	PRC	2007.10.30	2017.10.30
Toy	200730196426.X	Design	GCPC	PRC	2007.11.19	2017.11.19
Footrest of children's tricycle	200730196425.5	Design	GCPC	PRC	2007.11.19	2017.11.19
Children's bicycle (1)	200730198322.2	Design	GCPC	PRC	2007.11.29	2017.11.29
Children's bicycle (2)	200730198323.7	Design	GCPC	PRC	2007.11.29	2017.11.29
Children's bicycle (3)	200730198320.3	Design	GCPC	PRC	2007.11.29	2017.11.29
Children's bicycle (4)	200730198321.8	Design	GCPC	PRC	2007.11.29	2017.11.29
Children's bicycle (5)	200730198325.6	Design	GCPC	PRC	2007.11.29	2017.11.29
Children's bicycle (6)	200730198324.1	Design	GCPC	PRC	2007.11.29	2017.11.29
Children's bicycle (7)	200730198316.7	Design	GCPC	PRC	2007.11.29	2017.11.29
Children's bicycle (100)	200730198317.1	Design	GCPC	PRC	2007.11.29	2017.11.29
Children's bicycle (101)	200730198330.7	Design	GCPC	PRC	2007.11.29	2017.11.29
Front armrest of children's stroller	200730198329.4	Design	GCPC	PRC	2007.11.29	2017.11.29
Section (1)	200730198318.6	Design	GCPC	PRC	2007.11.29	2017.11.29
Section (2)	200730198326.0	Design	GCPC	PRC	2007.11.29	2017.11.29
Section (3)	200730198327.5	Design	GCPC	PRC	2007.11.29	2017.11.29
Section (4)	200730198319.0	Design	GCPC	PRC	2007.11.29	2017.11.29

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Children's stroller	200730195054.9	Design	GCPC	PRC	2007.11.27	2017.11.27
Chair desk	200730198328.X	Design	GCPC	PRC	2007.11.29	2017.11.29
Wheel hub (1)	200730198611.2	Design	GCPC	PRC	2007.12.03	2017.12.03
Wheel hub (2)	200730198613.1	Design	GCPC	PRC	2007.12.03	2017.12.03
Wheel hub (3)	200730198612.7	Design	GCPC	PRC	2007.12.03	2017.12.03
Wheel hub (4)	200730198618.4	Design	GCPC	PRC	2007.12.03	2017.12.03
Wheel hub (5)	200730198617.X	Design	GCPC	PRC	2007.12.03	2017.12.03
Wheel hub (6)	200730198616.5	Design	GCPC	PRC	2007.12.03	2017.12.03
Wheel hub (7)	200730198619.9	Design	GCPC	PRC	2007.12.03	2017.12.03
Wheel hub (8)	200730198615.0	Design	GCPC	PRC	2007.12.03	2017.12.03
Wheel hub (9)	200730198614.6	Design	GCPC	PRC	2007.12.03	2017.12.03
Wheel hub (10)	200730198797.1	Design	GCPC	PRC	2007.12.06	2017.12.06
Wheel hub (11)	200730198799.0	Design	GCPC	PRC	2007.12.06	2017.12.06
Frame of children's stroller	200730198800.X	Design	GCPC	PRC	2007.12.06	2017.12.06
Children's bicycle (8)	200730197880.7	Design	GCPC	PRC	2007.12.17	2017.12.17
Children's tricycle(8)	200730197883.0	Design	GCPC	PRC	2007.12.17	2017.12.17
Children's tricycle(1)	200730197890.0	Design	GCPC	PRC	2007.12.17	2017.12.17
Children's tricycle(2)	200730197882.6	Design	GCPC	PRC	2007.12.17	2017.12.17
Children's tricycle(3)	200730197887.9	Design	GCPC	PRC	2007.12.17	2017.12.17
Children's tricycle(5)	200730197885.X	Design	GCPC	PRC	2007.12.17	2017.12.17
Children's tricycle(6)	200730197884.5	Design	GCPC	PRC	2007.12.17	2017.12.17
Children's scooter (1)	200730197881.1	Design	GCPC	PRC	2007.12.17	2017.12.17
Children's scooter (2)	200730197894.9	Design	GCPC	PRC	2007.12.17	2017.12.17
Children's scooter (3)	200730197892.X	Design	GCPC	PRC	2007.12.17	2017.12.17
Toy tray	200730197893.4	Design	GCPC	PRC	2007.12.17	2017.12.17
Toy kit	200730197891.5	Design	GCPC	PRC	2007.12.17	2017.12.17
Decorating parts of children's tricycle	200730197888.3	Design	GCPC	PRC	2007.12.17	2017.12.17
Baby's walker	200730197889.8	Design	GCPC	PRC	2007.12.17	2017.12.17
Children's tricycle(9)	200730297081.7	Design	GCPC	PRC	2007.12.24	2017.12.24
Children's stroller	200730297082.1	Design	GCPC	PRC	2007.12.24	2017.12.24
Children's tricycle(4)	200730197886.4	Design	GCPC	PRC	2007.12.17	2017.12.17
Children's scooter (4)	200730197966.X	Design	GCPC	PRC	2007.12.19	2017.12.19
Frame of children's stroller	200730297142.X	Design	GCPC	PRC	2007.12.27	2017.12.27
Toy tray	200730297140.0	Design	GCPC	PRC	2007.12.27	2017.12.27
Children's scooter (5)	200830020245.6	Design	GCPC	PRC	2008.01.10	2018.01.10
Children's scooter (6)	200830020238.6	Design	GCPC	PRC	2008.01.10	2018.01.10

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Children's scooter (7)	200830020239.0	Design	GCPC	PRC	2008.01.10	2018.01.10
Frame of children's stroller	200830022685.5	Design	GCPC	PRC	2008.02.21	2018.02.21
Wheel hub	200830022686.X	Design	GCPC	PRC	2008.02.21	2018.02.21
Drink tray of children's car	200830022725.6	Design	GCPC	PRC	2008.02.22	2018.02.22
Decorating parts of children's tricycle (2)	200830025845.1	Design	GCPC	PRC	2008.04.07	2018.04.07
Rear basket of children's tricycle	200830025842.8	Design	GCPC	PRC	2008.04.07	2018.04.07
Cup holder of children's stroller	200830026903.2	Design	GCPC	PRC	2008.04.09	2018.04.09
Rear basket of children's tricycle	200830026916.X	Design	GCPC	PRC	2008.04.09	2018.04.09
Decorating shell of children's car	200830026936.7	Design	GCPC	PRC	2008.04.09	2018.04.09
Head end decorating parts of children's car (2)	200830026933.3	Design	GCPC	PRC	2008.04.09	2018.04.09
Armrest base of children's tricycle	200830026889.6	Design	GCPC	PRC	2008.04.09	2018.04.09
Seat of children's car	200830026906.6	Design	GCPC	PRC	2008.04.09	2018.04.09
Armrest of children's tricycle (2)	200830026923.X	Design	GCPC	PRC	2008.04.09	2018.04.09
Decorating cap of children's car	200830026938.6	Design	GCPC	PRC	2008.04.09	2018.04.09
Footrest of children's car (2)	200830026909.X	Design	GCPC	PRC	2008.04.09	2018.04.09
Children's bicycle (1)	200830028496.9	Design	GCPC	PRC	2008.04.21	2018.04.21
Children's bicycle (8)	200830028476.1	Design	GCPC	PRC	2008.04.21	2018.04.21
Children's bicycle (13)	200830028486.5	Design	GCPC	PRC	2008.04.21	2018.04.21
Wheel hub of children's car (daisy wheel)	00350020.9	Design	GCPC	PRC	2000.12.20	2010.12.20
Footrest of children's car (2)	00350136.1	Design	GCPC	PRC	2000.12.26	2010.12.26
Footrest of children's car (1)	00350135.3	Design	GCPC	PRC	2000.12.26	2010.12.26
Chain guard of bicycle	00350084.5	Design	GCPC	PRC	2000.12.25	2010.12.25
Case of children's bicycle	00350085.3	Design	GCPC	PRC	2000.12.25	2010.12.25
Tool case of children's bicycle (2)	00350089.6	Design	GCPC	PRC	2000.12.25	2010.12.25
Decorating parts of children's car (2)	02333614.5	Design	GCPC	PRC	2002.08.05	2012.08.05
Front pallet of children's stroller	200530153739.8	Design	GCPC	PRC	2005.12.01	2015.12.01
Steering wheel shell of children's auxiliary carrying vehicle	200730188449.6	Design	GCPC	PRC	2007.09.27	2017.09.27

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Children's tricycle(2)	200830026939.0	Design	G CPC	PRC	2008.04.09	2018.04.09
Head end decorating parts of children's car (1)	200830026935.2	Design	G CPC	PRC	2008.04.09	2018.04.09
Decorating parts of children's tricycle (1)	200830025837.7	Design	G CPC	PRC	2008.04.07	2018.04.07
Children's tricycle	200830025841.3	Design	G CPC	PRC	2008.04.07	2018.04.07
Armrest of children's tricycle (1)	200830026937.1	Design	G CPC	PRC	2008.04.09	2018.04.09
Armrest of children's tricycle	200830025840.9	Design	G CPC	PRC	2008.04.07	2018.04.07
Backrest of children's tricycle	200830025839.6	Design	G CPC	PRC	2008.04.07	2018.04.07
Seat of children's tricycle	200830025843.2	Design	G CPC	PRC	2008.04.07	2018.04.07
Footrest of children's stroller	200830026902.8	Design	G CPC	PRC	2008.04.09	2018.04.09
Children's stroller	200830026904.7	Design	G CPC	PRC	2008.04.09	2018.04.09
Children's tricycle(1)	200830026920.6	Design	G CPC	PRC	2008.04.09	2018.04.09
Front wheel cover of children's tricycle	200830026922.5	Design	G CPC	PRC	2008.04.09	2018.04.09
Handle bar sheath of children's car (2)	200830026921.0	Design	G CPC	PRC	2008.04.09	2018.04.09
Decorating parts of children's car (1)	200830026910.2	Design	G CPC	PRC	2008.04.09	2018.04.09
Push knob of children's car	200830026907.0	Design	G CPC	PRC	2008.04.09	2018.04.09
Rear wheel cover of children's tricycle	200830026911.7	Design	G CPC	PRC	2008.04.09	2018.04.09
Children's toy car	200830026942.2	Design	G CPC	PRC	2008.04.09	2018.04.09
Bodywork of children's toy car	200830026941.8	Design	G CPC	PRC	2008.04.09	2018.04.09
Handle bar sheath of children's car (1)	200830026934.8	Design	G CPC	PRC	2008.04.09	2018.04.09
Footrest of children's car (1)	200830026932.9	Design	G CPC	PRC	2008.04.09	2018.04.09
Children's swing (1)	200830025838.1	Design	G CPC	PRC	2008.04.07	2018.04.07
Children's swing (2)	200830025844.7	Design	G CPC	PRC	2008.04.07	2018.04.07
Children's bicycle (2)	200830028489.9	Design	G CPC	PRC	2008.04.21	2018.04.21
Children's bicycle (3)	200830028487.X	Design	G CPC	PRC	2008.04.21	2018.04.21
Children's bicycle (4)	200830028482.7	Design	G CPC	PRC	2008.04.21	2018.04.21
Children's bicycle (5)	200830028481.2	Design	G CPC	PRC	2008.04.21	2018.04.21
Children's bicycle (6)	200830028480.8	Design	G CPC	PRC	2008.04.21	2018.04.21
Children's bicycle (7)	200830028479.5	Design	G CPC	PRC	2008.04.21	2018.04.21
Children's bicycle (9)	200830028483.1	Design	G CPC	PRC	2008.04.21	2018.04.21
Children's bicycle (10)	200830028488.4	Design	G CPC	PRC	2008.04.21	2018.04.21
Children's bicycle (11)	200830028484.6	Design	G CPC	PRC	2008.04.21	2018.04.21

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Children's bicycle (12)	200830028485.0	Design	GCPC	PRC	2008.04.21	2018.04.21
Children's tricycle(1)	200830028493.5	Design	GCPC	PRC	2008.04.21	2018.04.21
Children's tricycle(2)	200830028497.3	Design	GCPC	PRC	2008.04.21	2018.04.21
Children's tricycle(3)	200830028498.8	Design	GCPC	PRC	2008.04.21	2018.04.21
Children's tricycle(4)	200830028495.4	Design	GCPC	PRC	2008.04.21	2018.04.21
Children's tricycle(5)	200830028494.X	Design	GCPC	PRC	2008.04.21	2018.04.21
Children's scooter (1)	200830028502.0	Design	GCPC	PRC	2008.04.21	2018.04.21
Children's scooter (2)	200830028503.5	Design	GCPC	PRC	2008.04.21	2018.04.21
Children's scooter (3)	200830028508.8	Design	GCPC	PRC	2008.04.21	2018.04.21
Children's scooter (4)	200830028478.0	Design	GCPC	PRC	2008.04.21	2018.04.21
Frame of children's stroller	200830031355.2	Design	GCPC	PRC	2008.05.16	2018.05.16
Children's tricycle(1)	200830031360.3	Design	GCPC	PRC	2008.05.16	2018.05.16
Frame of children's tricycle	200830031353.3	Design	GCPC	PRC	2008.05.16	2018.05.16
Decorating parts of children's tricycle (1)	200830031354.8	Design	GCPC	PRC	2008.05.16	2018.05.16
Decorating parts of children's tricycle (2)	200830031359.0	Design	GCPC	PRC	2008.05.16	2018.05.16
Armrest of children's tricycle	200830031356.7	Design	GCPC	PRC	2008.05.16	2018.05.16
Seat of children's tricycle	200830031352.9	Design	GCPC	PRC	2008.05.16	2018.05.16
Backrest of children's tricycle	200830031351.4	Design	GCPC	PRC	2008.05.16	2018.05.16
Backbone of playpen	200830032964.X	Design	GCPC	PRC	2008.05.29	2018.05.29
Front fork of children's car	200830032963.5	Design	GCPC	PRC	2008.05.29	2018.05.29
Rear fork of children's car	200830032962.0	Design	GCPC	PRC	2008.05.29	2018.05.29
Tent buckle of children's car	200830032961.6	Design	GCPC	PRC	2008.05.29	2018.05.29
Wheel hub (1)	200830032960.1	Design	GCPC	PRC	2008.05.29	2018.05.29
Wheel hub (2)	200830032959.9	Design	GCPC	PRC	2008.05.29	2018.05.29
Frame of children's stroller	200830035513.1	Design	GCPC	PRC	2008.06.13	2018.06.13
Frame of children's car	200830198345.8	Design	GCPC	PRC	2008.06.30	2018.06.30
Frame of children's car (1)	200830197708.6	Design	GCPC	PRC	2008.07.04	2018.07.04
Frame of children's car (2)	200830197709.0	Design	GCPC	PRC	2008.07.04	2018.07.04
Frame of children's car (3)	200830197710.3	Design	GCPC	PRC	2008.07.04	2018.07.04
Frame of dining chair	200830197713.7	Design	GCPC	PRC	2008.07.04	2018.07.04
Front armrest of children's car	200830197714.1	Design	GCPC	PRC	2008.07.04	2018.07.04
Push knob of children's stroller	200830206437.6	Design	GCPC	PRC	2008.07.23	2018.07.23
Cup holder of children's stroller	200830206436.1	Design	GCPC	PRC	2008.07.23	2018.07.23
Footrest of children's stroller	200830206435.7	Design	GCPC	PRC	2008.07.23	2018.07.23



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Front pallet of children's stroller	200830206434.2	Design	GCPC	PRC	2008.07.23	2018.07.23
Frame of children's stroller (1)	200830206439.5	Design	GCPC	PRC	2008.07.23	2018.07.23
Frame of children's stroller (2)	200830206438.0	Design	GCPC	PRC	2008.07.23	2018.07.23
Drink tray of children's stroller	200830206433.8	Design	GCPC	PRC	2008.07.23	2018.07.23
Frame of children's stroller	200830204833.5	Design	GCPC	PRC	2008.07.30	2018.07.30
Frame of dining chair (1)	200830204834.X	Design	GCPC	PRC	2008.07.30	2018.07.30
Desk (1)	200830204835.4	Design	GCPC	PRC	2008.07.30	2018.07.30
Desk (2)	200830204836.9	Design	GCPC	PRC	2008.07.30	2018.07.30
Frame of rocking chair	200830204832.0	Design	GCPC	PRC	2008.07.30	2018.07.30
Children's tricycle(1)	200830183844.X	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's tricycle(2)	200830183809.8	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's tricycle(6)	200830183812.X	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's tricycle(7)	200830183810.0	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's tricycle(8)	200830183811.5	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's tricycle(9)	200830183813.4	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's tricycle(10)	200830183843.5	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's tricycle(11)	200830183842.0	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's tricycle(12)	200830183841.6	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's tricycle(13)	200830183840.1	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's tricycle(14)	200830183839.9	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's tricycle(16)	200830183837.X	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's tricycle(17)	200830183838.4	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's scooter (1)	200830183848.8	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's scooter (2)	200830183847.3	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's scooter (3)	200830183846.9	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's scooter (4)	200830183849.2	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's scooter (5)	200830183850.5	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's scooter (6)	200830183851.X	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's bicycle (1)	200830183871.7	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's bicycle (2)	200830183870.2	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's bicycle (3)	200830183869.X	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's bicycle (4)	200830183868.5	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's bicycle (5)	200830183867.0	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's bicycle (6)	200830183866.6	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's bicycle (7)	200830183865.1	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's bicycle (8)	200830183857.7	Design	GCPC	PRC	2008.08.20	2018.08.20



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Children's bicycle (9)	200830183856.2	Design	G CPC	PRC	2008.08.20	2018.08.20
Children's bicycle (10)	200830183855.8	Design	G CPC	PRC	2008.08.20	2018.08.20
Children's bicycle (11)	200830183854.3	Design	G CPC	PRC	2008.08.20	2018.08.20
Children's bicycle (12)	200830183853.9	Design	G CPC	PRC	2008.08.20	2018.08.20
Children's bicycle (13)	200830183852.4	Design	G CPC	PRC	2008.08.20	2018.08.20
Children's bicycle (14)	200830183815.3	Design	G CPC	PRC	2008.08.20	2018.08.20
Children's bicycle (15)	200830183814.9	Design	G CPC	PRC	2008.08.20	2018.08.20
Children's walker (1)	200830183861.3	Design	G CPC	PRC	2008.08.20	2018.08.20
Children's walker (2)	200830183862.8	Design	G CPC	PRC	2008.08.20	2018.08.20
Children's walker (3)	200830183863.2	Design	G CPC	PRC	2008.08.20	2018.08.20
Trunk of children's bicycle	200830182586.3	Design	G CPC	PRC	2008.08.20	2018.08.20
Front basket of children's bicycle	200830182587.8	Design	G CPC	PRC	2008.08.20	2018.08.20
Chassis of children's walker	200830183864.7	Design	G CPC	PRC	2008.08.20	2018.08.20
Head end decorating parts of children's car	200830183858.1	Design	G CPC	PRC	2008.08.20	2018.08.20
Skateboard rack of children's scooter	200830183845.4	Design	G CPC	PRC	2008.08.20	2018.08.20
Footrest of children's tricycle	200830183836.5	Design	G CPC	PRC	2008.08.20	2018.08.20
Frame of children's stroller (1)	200830182588.2	Design	G CPC	PRC	2008.08.20	2018.08.20
Frame of children's stroller (2)	200830182589.7	Design	G CPC	PRC	2008.08.20	2018.08.20
Seat pocket frame of children's stroller	200830182590.X	Design	G CPC	PRC	2008.08.20	2018.08.20
Front pallet of children's stroller	200830182591.4	Design	G CPC	PRC	2008.08.20	2018.08.20
Footrest of children's stroller	200830182592.9	Design	G CPC	PRC	2008.08.20	2018.08.20
Children's car (1)	200830183860.9	Design	G CPC	PRC	2008.08.20	2018.08.20
Children's car (2)	200830183859.6	Design	G CPC	PRC	2008.08.20	2018.08.20
Head end decorating parts of children's car (1)	200830182593.3	Design	G CPC	PRC	2008.08.20	2018.08.20
Pedal of children's tricycle	200830183829.5	Design	G CPC	PRC	2008.08.20	2018.08.20
Backrest of children's tricycle	200830183830.8	Design	G CPC	PRC	2008.08.20	2018.08.20
Push knob of children's tricycle	200830183831.2	Design	G CPC	PRC	2008.08.20	2018.08.20
Wheel cap of children's tricycle	200830183833.1	Design	G CPC	PRC	2008.08.20	2018.08.20
Head end decorating parts of children's car (2)	200830182594.8	Design	G CPC	PRC	2008.08.20	2018.08.20
Seat of children's tricycle (2)	200830183805.X	Design	G CPC	PRC	2008.08.20	2018.08.20

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Handle bar of children's tricycle	200830183807.9	Design	G CPC	PRC	2008.08.20	2018.08.20
Front armrest of children's tricycle	200830183808.3	Design	G CPC	PRC	2008.08.20	2018.08.20
Footrest of children's tricycle	200830183834.6	Design	G CPC	PRC	2008.08.20	2018.08.20
Rear basket of children's tricycle	200830183832.7	Design	G CPC	PRC	2008.08.20	2018.08.20
Backrest of children's tricycle	200830183835.0	Design	G CPC	PRC	2008.08.20	2018.08.20
Seat of children's tricycle (1)	200830183806.4	Design	G CPC	PRC	2008.08.20	2018.08.20
Children's tricycle (18)	200830231126.5	Design	G CPC	PRC	2008.09.22	2018.09.22
Push knob of children's car (1)	200830231121.2	Design	G CPC	PRC	2008.09.22	2018.09.22
Push knob of children's car (2)	200830231120.8	Design	G CPC	PRC	2008.09.22	2018.09.22
Bath chair	200830231122.7	Design	G CPC	PRC	2008.09.22	2018.09.22
Seat pocket of children's stroller	200830231123.1	Design	G CPC	PRC	2008.09.22	2018.09.22
Frame of children's stroller	200830231125.0	Design	G CPC	PRC	2008.09.22	2018.09.22
Children's stroller	200830231124.6	Design	G CPC	PRC	2008.09.22	2018.09.22
Baby's stroller	200830231127.X	Design	G CPC	PRC	2008.09.22	2018.09.22
Footrest sheath of children's car (1)	200830228481.7	Design	G CPC	PRC	2008.09.28	2018.09.28
Footrest sheath of children's car (2)	200830228402.2	Design	G CPC	PRC	2008.09.28	2018.09.28
Footrest sheath of children's car (3)	200830228403.7	Design	G CPC	PRC	2008.09.28	2018.09.28
Children's dining chair	200830228480.2	Design	G CPC	PRC	2008.09.28	2018.09.28
Front armrest of children's car	200830228479.X	Design	G CPC	PRC	2008.09.28	2018.09.28
Frame of children's stroller (2)	200830228404.1	Design	G CPC	PRC	2008.09.28	2018.09.28
Seat pocket backrest of children's car	200830299101.9	Design	G CPC	PRC	2008.11.11	2018.11.11
Front wheel joint of children's car	200830299102.3	Design	G CPC	PRC	2008.11.11	2018.11.11
Rod parts fittings of children's car	200830299103.8	Design	G CPC	PRC	2008.11.11	2018.11.11
Frame of children's car	200830299495.8	Design	G CPC	PRC	2008.11.11	2018.11.11
Frame of children's stroller	200830299497.7	Design	G CPC	PRC	2008.11.11	2018.11.11
Seat pocket of children's car	200830299498.1	Design	G CPC	PRC	2008.11.11	2018.11.11
Footrest of children's car	200830299499.6	Design	G CPC	PRC	2008.11.11	2018.11.11
Front armrest of children's car	200830299100.4	Design	G CPC	PRC	2008.11.11	2018.11.11
Children's swing	200830299496.2	Design	G CPC	PRC	2008.11.11	2018.11.11
Section (1)	200830340123.5	Design	G CPC	PRC	2008.12.02	2018.12.02

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Frame of children's stroller (1)	200830340124.X	Design	GCPC	PRC	2008.12.02	2018.12.02
Service plate of dining chair (1)	200830340127.3	Design	GCPC	PRC	2008.12.02	2018.12.02
Footrest of dining chair (1)	200830340128.8	Design	GCPC	PRC	2008.12.02	2018.12.02
Seat pocket of dining chair (1)	200830340129.2	Design	GCPC	PRC	2008.12.02	2018.12.02
Seat pocket of dining chair (2)	200830340126.9	Design	GCPC	PRC	2008.12.02	2018.12.02
Children's dining chair (2)	200830340130.5	Design	GCPC	PRC	2008.12.02	2018.12.02
Desktop of children's desk	200830340131.X	Design	GCPC	PRC	2008.12.02	2018.12.02
Service plate of children's dining chair (2)	200830340132.4	Design	GCPC	PRC	2008.12.02	2018.12.02
Toy tray of walker (1)	200830340101.9	Design	GCPC	PRC	2008.12.02	2018.12.02
Toy tray of walker (2)	200830340102.3	Design	GCPC	PRC	2008.12.02	2018.12.02
Frame of children's walker (1)	200830340099.5	Design	GCPC	PRC	2008.12.02	2018.12.02
Frame of children's walker (2)	200830340100.4	Design	GCPC	PRC	2008.12.02	2018.12.02
Children's walker (1)	200830340097.6	Design	GCPC	PRC	2008.12.02	2018.12.02
Children's walker (2)	200830340098.0	Design	GCPC	PRC	2008.12.02	2018.12.02
Rocking horse (1)	200830340849.9	Design	GCPC	PRC	2008.12.16	2018.12.16
Rocking horse (2)	200830340848.4	Design	GCPC	PRC	2008.12.16	2018.12.16
Rocking horse (3)	200830340847.X	Design	GCPC	PRC	2008.12.16	2018.12.16
Rocking horse (4)	200830340846.5	Design	GCPC	PRC	2008.12.16	2018.12.16
Frame of children's dining chair	200830340842.7	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's scooter (1)	200830340877.0	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's scooter (2)	200830340876.6	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's scooter (3)	200830340875.1	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's scooter (4)	200830340874.7	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's scooter (5)	200830340873.2	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's scooter (6)	200830340872.8	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's tricycle(1)	200830340856.9	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's tricycle(2)	200830340855.4	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's tricycle(3)	200830340854.X	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's tricycle(4)	200830340893.X	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's tricycle(5)	200830340892.5	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's tricycle(6)	200830340891.0	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's tricycle(7)	200830340890.6	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's tricycle(8)	200830340889.3	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's tricycle(9)	200830340888.9	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's tricycle(10)	200830340887.4	Design	GCPC	PRC	2008.12.16	2018.12.16

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Children's tricycle(11)	200830340886.X	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's tricycle(12)	200830340853.5	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's tricycle(13)	200830340869.6	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's tricycle(14)	200830340868.1	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's tricycle(15)	200830340867.7	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's tricycle(16)	200830340870.9	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's tricycle(17)	200830340844.6	Design	GCPC	PRC	2008.12.16	2018.12.16
Decorating parts of children's tricycle (1)	200830340915.2	Design	GCPC	PRC	2008.12.16	2018.12.16
Seat of children's tricycle (1)	200830340871.3	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's stroller (1)	200830340839.5	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's stroller (2)	200830340840.8	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's stroller (3)	200830340841.2	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's stroller (4)	200830340859.2	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's stroller (5)	200830340858.8	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's stroller (6)	200830340857.3	Design	GCPC	PRC	2008.12.16	2018.12.16
Front pallet of children's stroller (1)	200830340919.0	Design	GCPC	PRC	2008.12.16	2018.12.16
Front pallet of children's stroller (2)	200830340918.6	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's toy (1)	200830340913.3	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's toy (2)	200830340912.9	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's walker (3)	200830340845.0	Design	GCPC	PRC	2008.12.16	2018.12.16
Toy tray of children's walker (3)	200830340916.7	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's bicycle (1)	200830340866.2	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's bicycle (2)	200830340865.8	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's bicycle (3)	200830340864.3	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's bicycle (4)	200830340863.9	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's bicycle (5)	200830340862.4	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's bicycle (6)	200830340861.X	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's bicycle (7)	200830340860.5	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's bicycle (8)	200830340911.4	Design	GCPC	PRC	2008.12.16	2018.12.16
Panel frame of children's walker (1)	200830340838.0	Design	GCPC	PRC	2008.12.15	2018.12.15
Panel frame of children's walker (2)	200830340837.6	Design	GCPC	PRC	2008.12.15	2018.12.15
Chassis of children's walker (1)	200830340834.2	Design	GCPC	PRC	2008.12.15	2018.12.15

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Chassis of children's walker (2)	200830340835.7	Design	GCPC	PRC	2008.12.15	2018.12.15
Frame of children's rocking chair	200830340836.1	Design	GCPC	PRC	2008.12.15	2018.12.15
Children's scooter (1) (Deer)	200830340830.4	Design	GCPC	PRC	2008.12.15	2018.12.15
Children's tricycle (1)(Dog)	200830340832.3	Design	GCPC	PRC	2008.12.15	2018.12.15
Children's tricycle (2)(Dragon)	200830340833.8	Design	GCPC	PRC	2008.12.15	2018.12.15
Children's tricycle (3)(Horse)	200830340828.7	Design	GCPC	PRC	2008.12.15	2018.12.15
Children's tricycle (4)(Kangaroo)	200830340829.1	Design	GCPC	PRC	2008.12.15	2018.12.15
Playpen	200830340831.9	Design	GCPC	PRC	2008.12.15	2018.12.15
Children's bicycle (9)	200830340910.X	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's bicycle (10)	200830340909.7	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's bicycle (11)	200830340908.2	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's bicycle (12)	200830340906.3	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's bicycle (13)	200830340907.8	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's bicycle (14)	200830340905.9	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's bicycle (15)	200830340904.4	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's bicycle (16)	200830340903.X	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's bicycle (17)	200830340885.5	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's bicycle (18)	200830340843.1	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's car (1)	200830340902.5	Design	GCPC	PRC	2008.12.16	2018.12.16
Backbone of playpen (1)	200830340914.8	Design	GCPC	PRC	2008.12.16	2018.12.16
Front pallet of children's stroller (3)	200830340917.1	Design	GCPC	PRC	2008.12.16	2018.12.16
Frame of baby's stroller(1)	200930175709.5	Design	GCPC	PRC	2009.01.23	2019.01.23
Children's swing	200930175710.8	Design	GCPC	PRC	2009.01.23	2019.01.23
Frame of children's car seat	200930175820.4	Design	GCPC	PRC	2009.02.26	2019.02.26
Frame of golf cart	200930175821.9	Design	GCPC	PRC	2009.02.26	2019.02.26
Frame of children's stroller	200930175822.3	Design	GCPC	PRC	2009.02.26	2019.02.26
Frame of children's stroller	200930176355.6	Design	GCPC	PRC	2009.03.17	2019.03.17
Frame of children's stroller (1)	200930176353.7	Design	GCPC	PRC	2009.03.17	2019.03.17
Children's car seat	200930176352.2	Design	GCPC	PRC	2009.03.17	2019.03.17
Chain guard of children's bicycle	200930176351.8	Design	GCPC	PRC	2009.03.17	2019.03.17
Wheel hub of children's car (drop wheel)	200930177635.9	Design	GCPC	PRC	2009.03.30	2019.03.30
Wheel hub of children's car (Mars wheel)	200930177636.3	Design	GCPC	PRC	2009.03.30	2019.03.30

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Tyre of children's car (groove tyre)	200930177634.4	Design	GCPC	PRC	2009.03.30	2019.03.30
Children's dining chair (1)	200930178371.9	Design	GCPC	PRC	2009.04.02	2019.04.02
Children's dining chair (2)	200930178372.3	Design	GCPC	PRC	2009.04.02	2019.04.02
Children's walker (1)	200930178393.5	Design	GCPC	PRC	2009.04.02	2019.04.02
Children's walker (2)	200930178392.0	Design	GCPC	PRC	2009.04.02	2019.04.02
Children's bicycle (1)	200930216911.8	Design	GCPC	PRC	2009.04.15	2019.04.15
Children's bicycle (2)	200930216910.3	Design	GCPC	PRC	2009.04.15	2019.04.15
Children's bicycle (3)	200930216909.0	Design	GCPC	PRC	2009.04.15	2019.04.15
Children's bicycle (4)	200930216908.6	Design	GCPC	PRC	2009.04.15	2019.04.15
Children's bicycle (5)	200930216907.1	Design	GCPC	PRC	2009.04.15	2019.04.15
Children's tricycle(1)	200930177806.8	Design	GCPC	PRC	2009.03.31	2019.03.31
Children's tricycle(2)	200930177807.2	Design	GCPC	PRC	2009.03.31	2019.03.31
Children's tricycle(3)	200930177810.4	Design	GCPC	PRC	2009.03.31	2019.03.31
Children's tricycle(4)	200930177811.9	Design	GCPC	PRC	2009.03.31	2019.03.31
Children's tricycle(5)	200930177812.3	Design	GCPC	PRC	2009.03.31	2019.03.31
Children's tricycle(6)	200930178394.X	Design	GCPC	PRC	2009.04.02	2019.04.02
Children's tricycle(7)	200930178395.4	Design	GCPC	PRC	2009.04.02	2019.04.02
Children's tricycle(8)	200930178386.5	Design	GCPC	PRC	2009.04.02	2019.04.02
Children's tricycle(9)	200930178387.X	Design	GCPC	PRC	2009.04.02	2019.04.02
Children's tricycle(10)	200930178379.5	Design	GCPC	PRC	2009.04.02	2019.04.02
Children's tricycle(11)	200930178380.8	Design	GCPC	PRC	2009.04.02	2019.04.02
Children's tricycle(12)	200930178381.2	Design	GCPC	PRC	2009.04.02	2019.04.02
Children's tricycle(13)	200930178382.7	Design	GCPC	PRC	2009.04.02	2019.04.02
Children's car (1)	200930216918.X	Design	GCPC	PRC	2009.04.15	2019.04.15
Children's car (2)	200930216917.5	Design	GCPC	PRC	2009.04.15	2019.04.15
Children's car (3)	200930216916.0	Design	GCPC	PRC	2009.04.15	2019.04.15
Children's car (4)	200930216915.6	Design	GCPC	PRC	2009.04.15	2019.04.15
Children's toy (1)	200930216913.7	Design	GCPC	PRC	2009.04.15	2019.04.15
Children's toy (2)	200930216912.2	Design	GCPC	PRC	2009.04.15	2019.04.15
Children's walker (3)	200930216914.1	Design	GCPC	PRC	2009.04.15	2019.04.15
Children's bicycle (6)	200930216906.7	Design	GCPC	PRC	2009.04.15	2019.04.15
Children's bicycle (7)	200930216905.2	Design	GCPC	PRC	2009.04.15	2019.04.15
Children's bicycle (8)	200930216904.8	Design	GCPC	PRC	2009.04.15	2019.04.15
Frame of children's rocking chair	200930211295.7	Design	GCPC	PRC	2009.05.06	2019.05.06
Push knob of children's stroller	200930212274.7	Design	GCPC	PRC	2009.05.27	2019.05.27

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Chassis of children's walker	200930212276.6	Design	GCPC	PRC	2009.05.27	2019.05.27
Trunk of children's car	200930212544.4	Design	GCPC	PRC	2009.06.13	2019.06.13
Children's electric car (1)	01334319.X	Design	GCPC	PRC	2001.08.02	2011.08.02
Children's electric car (2)	01334322.X	Design	GCPC	PRC	2001.08.02	2011.08.02
Electric car	01334518.4	Design	GCPC	PRC	2001.08.21	2011.08.21
Electric car	01356565.6	Design	GCPC	PRC	2001.12.13	2011.12.13
Electric motorcycle (1)	01356564.8	Design	GCPC	PRC	2001.12.13	2011.12.13
Electric motorcycle (2)	01356566.4	Design	GCPC	PRC	2001.12.13	2011.12.13
Electric motorcycle (3)	01356727.6	Design	GCPC	PRC	2001.12.24	2011.12.24
Electric car (2)	02318220.2	Design	GCPC	PRC	2002.04.25	2012.04.25
Accessories of electric car (2)	02349733.5	Design	GCPC	PRC	2002.06.28	2012.06.28
Accessories of electric car (1)	02349730.0	Design	GCPC	PRC	2002.06.28	2012.06.28
Wheel of electric car	02350285.1	Design	GCPC	PRC	2002.08.02	2012.08.02
Electric car (1)	02350284.3	Design	GCPC	PRC	2002.08.02	2012.08.02
Electric car (2)	02350286.X	Design	GCPC	PRC	2002.08.02	2012.08.02
Electric car (mantis car 2)	02350289.4	Design	GCPC	PRC	2002.08.02	2012.08.02
Steering wheel of electric car	02333611.0	Design	GCPC	PRC	2002.08.05	2012.08.05
Steering wheel of electric car (1)	02333616.1	Design	GCPC	PRC	2002.08.05	2012.08.05
Seat of electric car (1)	02333612.9	Design	GCPC	PRC	2002.08.05	2012.08.05
Seat of electric car (2)	02333619.6	Design	GCPC	PRC	2002.08.05	2012.08.05
Gear knob of electric car	02333613.7	Design	GCPC	PRC	2002.08.05	2012.08.05
Battery car (small beach car)	02371127.2	Design	GCPC	PRC	2002.11.21	2012.11.21
Battery car (prince car)	02371126.4	Design	GCPC	PRC	2002.11.21	2012.11.21
Battery car	02378322.2	Design	GCPC	PRC	2002.12.11	2012.12.11
Battery car (2)	03314051.0	Design	GCPC	PRC	2003.01.03	2013.01.03
Battery car (1)	03314049.9	Design	GCPC	PRC	2003.01.03	2013.01.03
Battery car (3)	03314047.2	Design	GCPC	PRC	2003.01.03	2013.01.03
Battery car (4)	03314046.4	Design	GCPC	PRC	2003.01.03	2013.01.03
Bodywork of battery car	03314287.4	Design	GCPC	PRC	2003.01.16	2013.01.16
Children's electric car (1)	03347134.7	Design	GCPC	PRC	2003.08.27	2013.08.27
Children's electric car (2)	03347135.5	Design	GCPC	PRC	2003.08.27	2013.08.27
Children's electric car (3)	03347136.3	Design	GCPC	PRC	2003.08.27	2013.08.27
Children's electric car (4)	03347131.2	Design	GCPC	PRC	2003.08.27	2013.08.27
Children's electric car (5)	03347133.9	Design	GCPC	PRC	2003.08.27	2013.08.27
Children's electric car (6)	03347132.0	Design	GCPC	PRC	2003.08.27	2013.08.27
Children's electric car (7)	03347129.0	Design	GCPC	PRC	2003.08.27	2013.08.27



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Children's electric car (8)	03347130.4	Design	GCPC	PRC	2003.08.27	2013.08.27
Head end of electric motorcycle (W313)	03367777.8	Design	GCPC	PRC	2003.09.25	2013.09.25
Tool case of children's electric car (W433)	03368170.8	Design	GCPC	PRC	2003.09.27	2013.09.27
Front cap of children's electric car (W433)	03368177.5	Design	GCPC	PRC	2003.09.27	2013.09.27
Wheel of children's electric car (W433)	03368158.9	Design	GCPC	PRC	2003.09.29	2013.09.29
Front fender of children's electric car (W423)	03368166.X	Design	GCPC	PRC	2003.09.29	2013.09.29
Enclosure of children's electric car (1)	03339991.3	Design	GCPC	PRC	2003.09.30	2013.09.30
Tail lamp of children's electric car (1)	03339992.1	Design	GCPC	PRC	2003.09.30	2013.09.30
Decorating parts of children's electric car (3)	200330110956.X	Design	GCPC	PRC	2003.10.09	2013.10.09
Enclosure of children's electric car (2)	200330110964.4	Design	GCPC	PRC	2003.10.08	2013.10.08
Windshield of children's electric car (1)	200330110963.X	Design	GCPC	PRC	2003.10.08	2013.10.08
Decorating parts of children's electric car (4)	200330111184.1	Design	GCPC	PRC	2003.10.15	2013.10.15
Front cap of children's electric car (1)	200330111183.7	Design	GCPC	PRC	2003.10.15	2013.10.15
Diversion kerb of children's electric car (1)	200330111191.1	Design	GCPC	PRC	2003.10.15	2013.10.15
Diversion kerb of children's electric car (2)	200330111185.6	Design	GCPC	PRC	2003.10.15	2013.10.15
Diversion kerb of children's electric car (3)	200330111190.7	Design	GCPC	PRC	2003.10.15	2013.10.15
Seat of children's electric car (1)	200330111186.0	Design	GCPC	PRC	2003.10.15	2013.10.15
Front lampshade of children's electric car (1)	200330111366.9	Design	GCPC	PRC	2003.10.21	2013.10.21
Toy electric car (train)	200430101223.4	Design	GCPC	PRC	2004.10.18	2014.10.18
Children's electric car	200530080470.5	Design	GCPC	PRC	2005.01.29	2015.01.29
Body shell of children's electric car	200530086885.3	Design	GCPC	PRC	2005.07.22	2015.07.22
Children's electric car (3)	200530153731.1	Design	GCPC	PRC	2005.12.01	2015.12.01
Children's electric car (5)	200530154255.5	Design	GCPC	PRC	2005.12.08	2015.12.08
Children's electric tricycle	200530154245.1	Design	GCPC	PRC	2005.12.08	2015.12.08
Children's electric car (9)	200530171223.6	Design	GCPC	PRC	2005.12.20	2015.12.20



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Children's electric car (10)	200530171234.4	Design	GCPC	PRC	2005.12.20	2015.12.20
Children's electric car (12)	200530171242.9	Design	GCPC	PRC	2005.12.20	2015.12.20
Children's motorcycle (10)	200630084573.3	Design	GCPC	PRC	2006.04.12	2016.04.12
Children's electric car	200630087708.1	Design	GCPC	PRC	2006.06.09	2016.06.09
Body shell of children's electric car	200630087707.7	Design	GCPC	PRC	2006.06.09	2016.06.09
Steering wheel of children's electric car	200630141956.X	Design	GCPC	PRC	2006.08.16	2016.08.16
Children's electric car (16)	200630141951.7	Design	GCPC	PRC	2006.08.16	2016.08.16
Children's electric car (24)	200630141930.5	Design	GCPC	PRC	2006.08.16	2016.08.16
Children's electric car (32)	200630141955.5	Design	GCPC	PRC	2006.08.16	2016.08.16
Children's electric car (19)	200630141946.6	Design	GCPC	PRC	2006.08.16	2016.08.16
Children's motorcycle (21)	200630141929.2	Design	GCPC	PRC	2006.08.16	2016.08.16
Children's motorcycle (22)	200630141947.0	Design	GCPC	PRC	2006.08.16	2016.08.16
Children's motorcycle (23)	200630141948.5	Design	GCPC	PRC	2006.08.16	2016.08.16
Children's electric car (9)	200630127800.6	Design	GCPC	PRC	2006.08.09	2016.08.09
Bodywork of children's electric car	200630128141.8	Design	GCPC	PRC	2006.08.09	2016.08.09
Steering wheel (children's electric car)	200630186903.X	Design	GCPC	PRC	2006.11.07	2016.11.07
Children's electric car (2)	200630188563.4	Design	GCPC	PRC	2006.11.01	2016.11.01
Children's electric car (1)	200630188474.X	Design	GCPC	PRC	2006.10.30	2016.10.30
Children's electric car (3)	200630193619.5	Design	GCPC	PRC	2006.11.30	2016.11.30
Children's electric car (1)	200730030007.9	Design	GCPC	PRC	2007.04.10	2017.04.10
Children's electric car (2)	200730030051.X	Design	GCPC	PRC	2007.04.11	2017.04.11
Children's electric car (3)	200730030050.5	Design	GCPC	PRC	2007.04.11	2017.04.11
Children's electric motorcycle (1)	200730030000.7	Design	GCPC	PRC	2007.04.10	2017.04.10
Children's electric motorcycle (2)	200730030001.1	Design	GCPC	PRC	2007.04.10	2017.04.10
Children's electric motorcycle (3)	200730030016.8	Design	GCPC	PRC	2007.04.10	2017.04.10
Children's electric motorcycle (4)	200730030002.6	Design	GCPC	PRC	2007.04.10	2017.04.10
Children's electric motorcycle (5)	200730030003.0	Design	GCPC	PRC	2007.04.10	2017.04.10
Children's electric car (6)	200730031096.9	Design	GCPC	PRC	2007.04.19	2017.04.19
Trunk of children's car	200730031091.6	Design	GCPC	PRC	2007.04.19	2017.04.19
Children's electric car (4)	200730031088.4	Design	GCPC	PRC	2007.04.19	2017.04.19
Children's electric car (5)	200730031087.X	Design	GCPC	PRC	2007.04.19	2017.04.19

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Children's electric motorcycle (10)	200730031798.7	Design	GCPC	PRC	2007.04.19	2017.04.19
Children's electric motorcycle (11)	200730031702.7	Design	GCPC	PRC	2007.04.19	2017.04.19
Children's electric car	200730034192.9	Design	GCPC	PRC	2007.05.15	2017.05.15
Children's electric car (1)	200730177023.0	Design	GCPC	PRC	2007.08.08	2017.08.08
Children's electric car (2)	200730176989.2	Design	GCPC	PRC	2007.08.08	2017.08.08
Children's electric car (3)	200730176980.1	Design	GCPC	PRC	2007.08.08	2017.08.08
Children's electric car (4)	200730176985.4	Design	GCPC	PRC	2007.08.08	2017.08.08
Children's electric motorcycle (1)	200730176983.5	Design	GCPC	PRC	2007.08.08	2017.08.08
Children's electric motorcycle (2)	200730177025.X	Design	GCPC	PRC	2007.08.08	2017.08.08
Children's electric motorcycle (3)	200730176975.0	Design	GCPC	PRC	2007.08.08	2017.08.08
Children's electric motorcycle (4)	200730176988.8	Design	GCPC	PRC	2007.08.08	2017.08.08
Children's electric motorcycle (5)	200730176986.9	Design	GCPC	PRC	2007.08.08	2017.08.08
Children's electric motorcycle (6)	200730177022.6	Design	GCPC	PRC	2007.08.08	2017.08.08
Children's electric motorcycle (7)	200730176981.6	Design	GCPC	PRC	2007.08.08	2017.08.08
Children's electric motorcycle (8)	200730176984.X	Design	GCPC	PRC	2007.08.08	2017.08.08
Children's electric motorcycle (9)	200730177020.7	Design	GCPC	PRC	2007.08.08	2017.08.08
Children's electric motorcycle (10)	200730176992.4	Design	GCPC	PRC	2007.08.08	2017.08.08
Children's electric motorcycle (11)	200730176974.6	Design	GCPC	PRC	2007.08.08	2017.08.08
Trunk of children's electric car	200730177021.1	Design	GCPC	PRC	2007.08.08	2017.08.08
Crib frame	200730184504.4	Design	GCPC	PRC	2007.09.11	2017.09.11
Crib	200730184505.9	Design	GCPC	PRC	2007.09.11	2017.09.11
Crib body	200730184506.3	Design	GCPC	PRC	2007.09.11	2017.09.11
Children's electric car (1)	200730184434.2	Design	GCPC	PRC	2007.09.10	2017.09.10
Children's electric car (2)	200730184437.6	Design	GCPC	PRC	2007.09.10	2017.09.10
Children's electric car (3)	200730184429.1	Design	GCPC	PRC	2007.09.10	2017.09.10
Decorating parts of children's electric car (1)	200730184430.4	Design	GCPC	PRC	2007.09.10	2017.09.10
Decorating parts of children's electric car (2)	200730184435.7	Design	GCPC	PRC	2007.09.10	2017.09.10

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Body shell of children's electric car (1)	200730184439.5	Design	G CPC	PRC	2007.09.10	2017.09.10
Body shell of children's electric car (2)	200730184432.3	Design	G CPC	PRC	2007.09.10	2017.09.10
Wheel of children's car (1)	200730184431.9	Design	G CPC	PRC	2007.09.10	2017.09.10
Wheel of children's car (2)	200730184433.8	Design	G CPC	PRC	2007.09.10	2017.09.10
Locomotive of children's electric train	200730184436.1	Design	G CPC	PRC	2007.09.10	2017.09.10
Body shell of children's electric car (1)	200730184872.9	Design	G CPC	PRC	2007.09.13	2017.09.13
Body shell of children's electric car (2)	200730184884.1	Design	G CPC	PRC	2007.09.13	2017.09.13
Children's electric car (1)	200730184874.8	Design	G CPC	PRC	2007.09.13	2017.09.13
Children's electric car (2)	200730184873.3	Design	G CPC	PRC	2007.09.13	2017.09.13
Seat of children's electric car (2)	200730184885.6	Design	G CPC	PRC	2007.09.13	2017.09.13
Engine hood of children's electric car (1)	200730184877.1	Design	G CPC	PRC	2007.09.13	2017.09.13
Dashboard shell of children's electric car (1)	200730184876.7	Design	G CPC	PRC	2007.09.13	2017.09.13
Dashboard shell of children's electric car (2)	200730184875.2	Design	G CPC	PRC	2007.09.13	2017.09.13
Steering wheel of children's electric car	200730184893.0	Design	G CPC	PRC	2007.09.13	2017.09.13
Instrument shell of children's electric car	200730188437.3	Design	G CPC	PRC	2007.09.27	2017.09.27
Front cap of children's electric car	200730188438.8	Design	G CPC	PRC	2007.09.27	2017.09.27
Steering wheel of children's electric car	200730188439.2	Design	G CPC	PRC	2007.09.27	2017.09.27
Front lamp holder of children's electric car	200730188440.5	Design	G CPC	PRC	2007.09.27	2017.09.27
Engine hood of children's electric car	200730187709.8	Design	G CPC	PRC	2007.09.26	2017.09.26
Toy fire engine	200730194712.2	Design	G CPC	PRC	2007.11.20	2017.11.20
Dashboard of children's electric car	200730194711.8	Design	G CPC	PRC	2007.11.20	2017.11.20
Seat of children's electric car	200730194713.7	Design	G CPC	PRC	2007.11.20	2017.11.20
Wheel disk of children's electric car	200730194710.3	Design	G CPC	PRC	2007.11.20	2017.11.20
Remote control for children's electric car	200730197965.5	Design	G CPC	PRC	2007.12.19	2017.12.19

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Children's electric motorcycle (1)	200730297076.6	Design	G CPC	PRC	2007.12.24	2017.12.24
Children's electric motorcycle (2)	200730297080.2	Design	G CPC	PRC	2007.12.24	2017.12.24
Children's electric motorcycle (3)	200730297074.7	Design	G CPC	PRC	2007.12.24	2017.12.24
Children's electric motorcycle (4)	200730297075.1	Design	G CPC	PRC	2007.12.24	2017.12.24
Children's electric motorcycle (5)	200730297079.X	Design	G CPC	PRC	2007.12.24	2017.12.24
Children's electric motorcycle (6)	200730297084.0	Design	G CPC	PRC	2007.12.24	2017.12.24
Children's electric car (1)	200730297072.8	Design	G CPC	PRC	2007.12.24	2017.12.24
Children's electric car (2)	200730297073.2	Design	G CPC	PRC	2007.12.24	2017.12.24
Children's electric car (3)	200730297077.0	Design	G CPC	PRC	2007.12.24	2017.12.24
Children's electric car (4)	200730297078.5	Design	G CPC	PRC	2007.12.24	2017.12.24
Children's electric car (5)	200730297085.5	Design	G CPC	PRC	2007.12.24	2017.12.24
Children's electric car (6)	200730297083.6	Design	G CPC	PRC	2007.12.24	2017.12.24
Children's electric car (7)	200730297086.X	Design	G CPC	PRC	2007.12.24	2017.12.24
Children's electric car (8)	200730297071.3	Design	G CPC	PRC	2007.12.24	2017.12.24
Children's electric car (9)	200730297070.9	Design	G CPC	PRC	2007.12.24	2017.12.24
Decorating parts of children's electric car	200830026940.3	Design	G CPC	PRC	2008.04.09	2018.04.09
Children's electric motorcycle (1)	200830026919.3	Design	G CPC	PRC	2008.04.09	2018.04.09
Children's electric motorcycle (2)	200830026918.9	Design	G CPC	PRC	2008.04.09	2018.04.09
Children's electric motorcycle (1)	200830028505.4	Design	G CPC	PRC	2008.04.21	2018.04.21
Children's electric motorcycle (2)	200830028504.X	Design	G CPC	PRC	2008.04.21	2018.04.21
Children's electric motorcycle (3)	200830028506.9	Design	G CPC	PRC	2008.04.21	2018.04.21
Children's electric motorcycle (4)	200830028501.6	Design	G CPC	PRC	2008.04.21	2018.04.21
Children's electric motorcycle (5)	200830028491.6	Design	G CPC	PRC	2008.04.21	2018.04.21
Children's electric motorcycle (6)	200830028490.1	Design	G CPC	PRC	2008.04.21	2018.04.21
Children's electric motorcycle (7)	200830028507.3	Design	G CPC	PRC	2008.04.21	2018.04.21

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Children's electric motorcycle (8)	200830028499.2	Design	GCPC	PRC	2008.04.21	2018.04.21
Children's electric motorcycle (9)	200830028500.1	Design	GCPC	PRC	2008.04.21	2018.04.21
Children's electric car (1)	200830028477.6	Design	GCPC	PRC	2008.04.21	2018.04.21
Children's electric car (2)	200830028475.7	Design	GCPC	PRC	2008.04.21	2018.04.21
Children's electric car (3)	200830028474.2	Design	GCPC	PRC	2008.04.21	2018.04.21
Children's electric car (4)	200830028492.0	Design	GCPC	PRC	2008.04.21	2018.04.21
Children's electric car (5)	200830031357.1	Design	GCPC	PRC	2008.05.16	2018.05.16
Children's electric car (6)	200830031358.6	Design	GCPC	PRC	2008.05.16	2018.05.16
Remote control for children's electric car	200830198346.2	Design	GCPC	PRC	2008.06.30	2018.06.30
Children's electric car	200830197711.8	Design	GCPC	PRC	2008.07.04	2018.07.04
Dashboard components of children's car	200830197712.2	Design	GCPC	PRC	2008.07.04	2018.07.04
Children's electric car (1)	200830182596.7	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's electric car (2)	200830182597.1	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's electric car (3)	200830182598.6	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's electric car (4)	200830182599.0	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's electric car (5)	200830182600.X	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's electric car (6)	200830183872.1	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's electric motorcycle (1)	200830183873.6	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's electric motorcycle (2)	200830183874.0	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's electric motorcycle (3)	200830183875.5	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's electric motorcycle (4)	200830183876.X	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's electric motorcycle (5)	200830183877.4	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's electric motorcycle (6)	200830183878.9	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's electric motorcycle (7)	200830183879.3	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's electric motorcycle (8)	200830183801.1	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's electric motorcycle (9)	200830183802.6	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's electric motorcycle (11)	200830183804.5	Design	GCPC	PRC	2008.08.20	2018.08.20

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Children's electric motorcycle (12)	200830183803.0	Design	GCPC	PRC	2008.08.20	2018.08.20
Children's electric car (1)	200830340125.4	Design	GCPC	PRC	2008.12.02	2018.12.02
Children's electric car (2)	200830340518.5	Design	GCPC	PRC	2008.12.04	2018.12.04
Children's electric motorcycle (1)	200830340901.0	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's electric motorcycle (2)	200830340900.6	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's electric motorcycle (3)	200830340899.7	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's electric motorcycle (4)	200830340898.2	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's electric motorcycle (5)	200830340897.8	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's electric motorcycle (6)	200830340896.3	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's electric motorcycle (7)	200830340895.9	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's electric motorcycle (8)	200830340894.4	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's electric car (1)	200830340884.0	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's electric car (2)	200830340883.6	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's electric car (3)	200830340882.1	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's electric car (4)	200830340881.7	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's electric car (5)	200830340880.2	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's electric car (6)	200830340879.X	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's electric car (7)	200830340878.5	Design	GCPC	PRC	2008.12.16	2018.12.16
Children's electric car (1)	200930178378.0	Design	GCPC	PRC	2009.04.02	2019.04.02
Children's electric car (2)	200930178377.6	Design	GCPC	PRC	2009.04.02	2019.04.02
Children's electric car (3)	200930178376.1	Design	GCPC	PRC	2009.04.02	2019.04.02
Children's electric car (4)	200930178375.7	Design	GCPC	PRC	2009.04.02	2019.04.02
Children's electric car (5)	200930178374.2	Design	GCPC	PRC	2009.04.02	2019.04.02
Children's electric car (6)	200930178383.1	Design	GCPC	PRC	2009.04.02	2019.04.02
Children's electric car (7)	200930178373.8	Design	GCPC	PRC	2009.04.02	2019.04.02
Children's electric motorcycle (1)	200930178391.6	Design	GCPC	PRC	2009.04.02	2019.04.02
Children's electric motorcycle (2)	200930178390.1	Design	GCPC	PRC	2009.04.02	2019.04.02
Children's electric motorcycle (3)	200930178389.9	Design	GCPC	PRC	2009.04.02	2019.04.02

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Children's electric motorcycle (4)	200930178388.4	Design	GCPC	PRC	2009.04.02	2019.04.02
Children's electric motorcycle (5)	200930178384.6	Design	GCPC	PRC	2009.04.02	2019.04.02
Children's electric motorcycle (6)	200930178385.0	Design	GCPC	PRC	2009.04.02	2019.04.02
Children's electric motorcycle (7)	200930216901.4	Design	GCPC	PRC	2009.04.14	2019.04.14
Turning gear handle of children's umbrella car	01218031.9	Utility	GCPC	PRC	2001.03.22	2011.03.22
Back & forth reversing baby's stroller	01218188.9	Utility	GCPC	PRC	2001.04.03	2011.04.03
Push rod structure of stroller	01237557.8	Utility	GCPC	PRC	2001.04.24	2011.04.24
Bicycle trailer	01237606.X	Utility	GCPC	PRC	2001.04.26	2011.04.26
Bicycle trailer being also used as stroller	01237614.0	Utility	GCPC	PRC	2001.04.27	2011.04.27
Stroller	01237775.9	Utility	GCPC	PRC	2001.05.10	2011.05.10
Tricycle treadmill	01237773.2	Utility	GCPC	PRC	2001.05.10	2011.05.10
Fabric bed	01237962.X	Utility	GCPC	PRC	2001.05.23	2011.05.23
Stroller tent	01237977.8	Utility	GCPC	PRC	2001.05.24	2011.05.24
Foldable fabric bed	01245056.1	Utility	GCPC	PRC	2001.07.25	2011.07.25
Stepless adjusting structure of backrest angle for children's car	01245351.X	Utility	GCPC	PRC	2001.08.10	2011.08.10
Footrest of children's car	01245371.4	Utility	GCPC	PRC	2001.08.13	2011.08.13
Push knob structure of baby's foldable stroller	01245372.2	Utility	GCPC	PRC	2001.08.13	2011.08.13
Car structure of bicycle trailer	01245494.X	Utility	GCPC	PRC	2001.08.16	2011.08.16
Wheel disassembling structure	01245492.3	Utility	GCPC	PRC	2001.08.16	2011.08.16
Crib	01262481.0	Utility	GCPC	PRC	2001.08.29	2011.08.29
Cradle	01262518.3	Utility	GCPC	PRC	2001.08.30	2011.08.30
Crib basket	01262514.0	Utility	GCPC	PRC	2001.08.31	2011.08.31
Baby's stroller	01262559.0	Utility	GCPC	PRC	2001.09.03	2011.09.03
Children's dining chair	01262601.5	Utility	GCPC	PRC	2001.09.05	2011.09.05
Children's car	01262708.9	Utility	GCPC	PRC	2001.09.10	2011.09.10
Crib	01263455.7	Utility	GCPC	PRC	2001.10.25	2011.10.25
Baby's tent	01272401.7	Utility	GCPC	PRC	2001.11.19	2011.11.19
Anti-bending pipe fittings of children's car	01272596.X	Utility	GCPC	PRC	2001.11.28	2011.11.28
Turning push knob structure of children's car	01266516.9	Utility	GCPC	PRC	2001.11.09	2011.11.09

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Drink tray of children's car	01272801.2	Utility	GCPC	PRC	2001.12.11	2011.12.11
Drink tray of children's car	01272751.2	Utility	GCPC	PRC	2001.12.07	2011.12.07
Front wheel cushioning structure of children's car	01272846.2	Utility	GCPC	PRC	2001.12.12	2011.12.12
Baby's stroller	02218589.5	Utility	GCPC	PRC	2002.01.24	2012.01.24
Children's double car with tandem seats	02218590.9	Utility	GCPC	PRC	2002.01.24	2012.01.24
Push rod dragging cable structure of children's car	02218304.3	Utility	GCPC	PRC	2002.01.09	2012.01.09
Roof rod fittings of children's stroller	02218361.2	Utility	GCPC	PRC	2002.01.14	2012.01.14
Seat reversing gear of children's car	02218624.7	Utility	GCPC	PRC	2002.01.25	2012.01.25
Fully foldable portable dining chair	02218811.8	Utility	GCPC	PRC	2002.02.05	2012.02.05
Foldable self-support children's car	02218732.4	Utility	GCPC	PRC	2002.01.31	2012.01.31
Connecting structure between seat pocket and frame of children's car	02219522.X	Utility	GCPC	PRC	2002.03.21	2012.03.21
Horizontally & vertically foldable children's car	02220286.2	Utility	GCPC	PRC	2002.04.26	2012.04.26
Combined abreast children's double car	02220854.2	Utility	GCPC	PRC	2002.05.27	2012.05.27
Clutch wheel	02262769.3	Utility	GCPC	PRC	2002.06.26	2012.06.26
Children's tricycle	02263093.7	Utility	GCPC	PRC	2002.07.11	2012.07.11
Baby's play bed	02263364.2	Utility	GCPC	PRC	2002.07.24	2012.07.24
Side bar folding joints of fabric bed	02263368.5	Utility	GCPC	PRC	2002.07.24	2012.07.24
Side guardrail folding pieces of baby's fabric bed	02263509.2	Utility	GCPC	PRC	2002.08.02	2012.08.02
Wheel braking structure of children's car	02263824.5	Utility	GCPC	PRC	2002.08.16	2012.08.16
Children's tricycle	02263865.2	Utility	GCPC	PRC	2002.08.19	2012.08.19
Tricycle	02257709.2	Utility	GCPC	PRC	2002.10.09	2012.10.09
Rear push rod steering tricycle	02258300.9	Utility	GCPC	PRC	2002.11.04	2012.11.04
Chassis folding structure of foldable bed	02258503.6	Utility	GCPC	PRC	2002.11.14	2012.11.14
Turning joints of rod parts	02258557.5	Utility	GCPC	PRC	2002.11.13	2012.11.13
Side bar folding structure of foldable bed	02258627.X	Utility	GCPC	PRC	2002.11.18	2012.11.18
Children's car	02258629.6	Utility	GCPC	PRC	2002.11.18	2012.11.18



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Three-way fixing tricycle with lockable front fork	02258690.3	Utility	GCPC	PRC	2002.11.20	2012.11.20
Children's car with step adjustable backrest angle	02286236.6	Utility	GCPC	PRC	2002.11.22	2012.11.22
Children's car with stepless adjustable backrest angle	02286237.4	Utility	GCPC	PRC	2002.11.22	2012.11.22
Folding structure of supporting desk leg	02286300.1	Utility	GCPC	PRC	2002.11.25	2012.11.25
Wheel bracket cushioning structure of children's car	02286624.8	Utility	GCPC	PRC	2002.12.06	2012.12.06
Front wheel steering structure of children's car	02293007.8	Utility	GCPC	PRC	2002.12.24	2012.12.24
Fixing structure between seat pocket and frame of children's car	02293193.7	Utility	GCPC	PRC	2002.12.30	2012.12.30
Baby's stroller	03219294.0	Utility	GCPC	PRC	2003.01.10	2013.01.10
Connecting structure between seat pocket and frame of children's car	03219534.6	Utility	GCPC	PRC	2003.01.21	2013.01.21
Children's car with basket	03219822.1	Utility	GCPC	PRC	2003.02.08	2013.02.08
Children's stroller	03219891.4	Utility	GCPC	PRC	2003.02.14	2013.02.14
Front wheel orienting structure of children's car	03219998.8	Utility	GCPC	PRC	2003.02.19	2013.02.19
Quick change structure between front fork and frame of children's car	03219959.7	Utility	GCPC	PRC	2003.02.18	2013.02.18
Children's foldable car	03244143.6	Utility	GCPC	PRC	2003.03.31	2013.03.31
Treadmill	03220906.1	Utility	GCPC	PRC	2003.04.01	2013.04.01
Children's foldable car	03221475.8	Utility	GCPC	PRC	2003.04.23	2013.04.23
Bed extension structure	03221478.2	Utility	GCPC	PRC	2003.04.23	2013.04.23
Crib headboard	03221559.2	Utility	GCPC	PRC	2003.04.28	2013.04.28
Baby's foldable stroller	03222212.2	Utility	GCPC	PRC	2003.05.26	2013.05.26
Safety belt buckle of baby's stroller	03222505.9	Utility	GCPC	PRC	2003.06.04	2013.06.04
Backboard of baby's stroller	03222497.4	Utility	GCPC	PRC	2003.06.05	2013.06.05
Foldable self-support umbrella stroller	03259270.1	Utility	GCPC	PRC	2003.06.30	2013.06.30
Children's car with seat bracket	03259094.6	Utility	GCPC	PRC	2003.06.27	2013.06.27
Locking gear for rear wheel bracket supporting rod of umbrella car	03259606.5	Utility	GCPC	PRC	2003.07.14	2013.07.14
Metal tube	03259705.3	Utility	GCPC	PRC	2003.07.18	2013.07.18

Patent	Patent No.	Type	Name of Registered Proprietor	Place of Registration	Date of Application	Expiry Date
Pallet of horizontally foldable car	03259767.3	Utility	GCPC	PRC	2003.07.21	2013.07.21
Overrunning clutch front wheel of tricycle	03259792.4	Utility	GCPC	PRC	2003.07.22	2013.07.22
Fast wheel assembling & disassembling structure of children's car	03277313.7	Utility	GCPC	PRC	2003.07.31	2013.07.31
Disassemble wheel saddle of children's car	03277317.X	Utility	GCPC	PRC	2003.08.01	2013.08.01
Eccentric umbrella	03277683.7	Utility	GCPC	PRC	2003.08.14	2013.08.14
Wheel guard of bicycle trailer	03278340.X	Utility	GCPC	PRC	2003.09.03	2013.09.03
Baby's tricycle stroller	03278337.X	Utility	GCPC	PRC	2003.09.04	2013.09.04
Baby's stroller	03278336.1	Utility	GCPC	PRC	2003.09.04	2013.09.04
Dragging cable structure of children's stroller	03252381.5	Utility	GCPC	PRC	2003.09.28	2013.09.28
Baby's stroller	200320123519.6	Utility	GCPC	PRC	2003.12.25	2013.12.25
Children's car with seat	200320123530.2	Utility	GCPC	PRC	2003.12.24	2013.12.24
Rocking chair	200320120480.2	Utility	GCPC	PRC	2003.11.07	2013.11.07
Stepless adjusting structure of backrest angle for children's car	200320110966.8	Utility	GCPC	PRC	2003.11.18	2013.11.18
Connecting structure between wheel bracket and frame	200320124235.9	Utility	GCPC	PRC	2003.12.31	2013.12.31
Push rod adjusting and locking structure of children's car	200420024147.6	Utility	GCPC	PRC	2004.01.09	2014.01.09
Dragging cable structure of children's stroller	200420024310.9	Utility	GCPC	PRC	2004.01.13	2014.01.13
Connecting structure between front wheel bracket and carriage of children's stroller	200420024441.7	Utility	GCPC	PRC	2004.01.18	2014.01.18
Push rod of children's car	200420024440.2	Utility	GCPC	PRC	2004.01.18	2014.01.18
Stroller with saddlebag	200420024298.1	Utility	GCPC	PRC	2004.01.16	2014.01.16
Baby's foldable stroller	200420024525.0	Utility	GCPC	PRC	2004.02.02	2014.02.02
Front armrest structure of baby's stroller	200420024691.0	Utility	GCPC	PRC	2004.02.13	2014.02.13
Seat pocket structure of children's car	200420024693.X	Utility	GCPC	PRC	2004.02.13	2014.02.13
Backrest adjusting structure of stroller	200420024692.5	Utility	GCPC	PRC	2004.02.13	2014.02.13
Push rod turning control structure	200420025003.2	Utility	GCPC	PRC	2004.02.26	2014.02.26
Locking gear for push rod cross-brace of stroller	200420024946.3	Utility	GCPC	PRC	2004.02.23	2014.02.03

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Suspension stroller	200420024784.3	Utility	GCPC	PRC	2004.02.16	2014.02.16
Locking gear of stroller	200420025116.2	Utility	GCPC	PRC	2004.03.01	2014.03.01
Rollaway bed	200420025358.1	Utility	GCPC	PRC	2004.03.12	2014.03.12
Stroller	200420025527.1	Utility	GCPC	PRC	2004.03.16	2014.03.16
Rollaway bed	200420025563.8	Utility	GCPC	PRC	2004.03.18	2014.03.18
Seat of children's car	200420025561.9	Utility	GCPC	PRC	2004.03.19	2014.03.19
Multifunction cradle	200420025566.1	Utility	GCPC	PRC	2004.03.17	2014.03.17
Fast disassembling structure for front wheel of children's stroller	200420025749.3	Utility	GCPC	PRC	2004.03.24	2014.03.24
Front wheel orienting structure of children's stroller	200420025750.6	Utility	GCPC	PRC	2004.03.24	2014.03.24
Push and rock bed	200420025901.8	Utility	GCPC	PRC	2004.03.29	2014.03.29
Extended crib	200420025924.9	Utility	GCPC	PRC	2004.03.30	2014.03.30
Rocking chair	200420025974.7	Utility	GCPC	PRC	2004.04.01	2014.04.01
Headboard	200420025976.6	Utility	GCPC	PRC	2004.04.02	2014.04.02
Children's rocking chair	200420025975.1	Utility	GCPC	PRC	2004.04.02	2014.04.02
Disassemble rocking chair	200420025978.5	Utility	GCPC	PRC	2004.04.02	2014.04.02
A kind of rocking chair	200420026160.5	Utility	GCPC	PRC	2004.04.07	2014.04.07
children's foldable stroller	200420026299.X	Utility	GCPC	PRC	2004.04.12	2014.04.12
Rollaway bed	200420026372.3	Utility	GCPC	PRC	2004.04.16	2014.04.16
Electric cradle	200420026811.0	Utility	GCPC	PRC	2004.04.28	2014.04.28
Electric cradle	200420026816.3	Utility	GCPC	PRC	2004.04.30	2041.04.30
Releasing structure of dining chair	200420027054.9	Utility	GCPC	PRC	2004.05.12	2014.05.12
Supporting leg sealing structure of dinning chair	200420027053.4	Utility	GCPC	PRC	2004.05.12	2014.05.12
Supporting leg of dinning chair	200420027048.3	Utility	GCPC	PRC	2004.05.14	2014.05.14
Children's stroller	200420027050.0	Utility	GCPC	PRC	2004.05.12	2014.05.12
Foldable dinning chair	200420027350.9	Utility	GCPC	PRC	2004.05.24	2014.05.24
Tent buckle of children's car	200420027901.1	Utility	GCPC	PRC	2004.06.10	2014.06.10
Side armrest sealing structure of children's car	200420062361.0	Utility	GCPC	PRC	2004.07.05	2014.07.05
Children's car with seat fixing structure	200420062360.6	Utility	GCPC	PRC	2004.07.02	2014.07.02
Folding safety structure of children's car	200420062358.9	Utility	GCPC	PRC	2004.07.02	2014.07.02
Footrest structure of children's stroller	200420062955.1	Utility	GCPC	PRC	2004.07.20	2014.07.20
Basket of children's stroller	200420062953.2	Utility	GCPC	PRC	2004.07.20	2014.07.20

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Children's car with seat fixing structure	200420078382.1	Utility	GCPC	PRC	2004.08.02	2014.08.02
Supporting plate of crib	200420078853.9	Utility	GCPC	PRC	2004.08.19	2014.08.19
Children's two-way foldable car	200420079162.0	Utility	GCPC	PRC	2004.08.30	2014.08.30
Children's stroller	200420079202.1	Utility	GCPC	PRC	2004.09.03	2014.09.03
Children's car	200420079378.7	Utility	GCPC	PRC	2004.09.09	2014.09.09
Walker	200420079383.8	Utility	GCPC	PRC	2004.09.09	2014.09.09
Children's dining chair	200420079377.2	Utility	GCPC	PRC	2004.09.09	2014.09.09
Lift dinning chair	200420079564.0	Utility	GCPC	PRC	2004.09.14	2014.09.14
Seat pocket of children's stroller	200420080005.1	Utility	GCPC	PRC	2004.09.30	2014.09.30
Seat pocket of children's stroller	200420080006.6	Utility	GCPC	PRC	2004.09.30	2014.09.30
Elastic structure of locking pin	200420080159.0	Utility	GCPC	PRC	2004.10.09	2014.10.09
Children's tricycle	200420080829.9	Utility	GCPC	PRC	2004.11.02	2014.11.02
Children's stroller	200420080921.5	Utility	GCPC	PRC	2004.11.03	2014.11.03
Foldable playpen	200420108681.5	Utility	GCPC	PRC	2004.11.09	2014.11.09
Fence	200420108736.2	Utility	GCPC	PRC	2004.11.11	2014.11.11
Fence	200420109371.5	Utility	GCPC	PRC	2004.11.30	2014.11.30
Baby's sleeping basket	200420109417.3	Utility	GCPC	PRC	2004.12.01	2014.12.01
Children's stroller	200420109418.8	Utility	GCPC	PRC	2004.12.02	2014.12.02
Car seat	200420054409.3	Utility	GCPC	PRC	2004.12.13	2014.12.13
Dining chair	200420054549.0	Utility	GCPC	PRC	2004.12.15	2014.12.15
Car seat	200420054551.8	Utility	GCPC	PRC	2004.12.16	2014.12.16
Fixing structure of car seat pocket	200420055063.9	Utility	GCPC	PRC	2004.12.21	2014.12.21
Children's stroller	200420054702.x	Utility	GCPC	PRC	2004.12.24	2014.12.24
Foldable crib	200420054888.9	Utility	GCPC	PRC	2004.12.30	2014.12.30
Children's stroller	200520069647.6	Utility	GCPC	PRC	2005.01.04	2015.01.04
Children's stroller	200520069065.8	Utility	GCPC	PRC	2005.02.05	2015.02.05
Dragging cable control structure of children's stroller or dinning chair	200520069414.6	Utility	GCPC	PRC	2005.02.28	2015.02.28
Umbrella fixing structure of children's car	200520069902.7	Utility	GCPC	PRC	2005.03.15	2015.03.15
Seat bracket of children's stroller	200520069997.2	Utility	GCPC	PRC	2005.03.18	2015.03.18
Children's stroller	200520070361.X	Utility	GCPC	PRC	2005.03.31	2015.03.31
Playpen	200520070623.2	Utility	GCPC	PRC	2005.04.06	2015.04.06

Patent	Patent No.	Type	Name of Registered Proprietor	Place of Registration	Date of Application	Expiry Date
Lift dinning chair	200520070625.1	Utility	GCPC	PRC	2005.04.09	2015.04.09
Foldable playpen	200520071211.0	Utility	GCPC	PRC	2005.04.25	2015.04.25
Cross-brace folding structure of children's stroller	200520071232.2	Utility	GCPC	PRC	2005.04.26	2015.04.26
Baby's stroller	200520071118.X	Utility	GCPC	PRC	2005.04.21	2015.04.21
Children's stroller	200520012589.3	Utility	GCPC	PRC	2005.04.08	2015.04.08
Children's stroller	200520071119.4	Utility	GCPC	PRC	2005.04.20	2015.04.20
Dragging cable control structure of children's stroller	200520071534.X	Utility	GCPC	PRC	2005.05.09	2015.05.09
Lift dinning chair	200520071528.4	Utility	GCPC	PRC	2005.04.29	2015.04.29
Baby's stroller	200520071786.2	Utility	GCPC	PRC	2005.05.16	2015.05.16
Foldable playpen	200520071787.7	Utility	GCPC	PRC	2005.05.16	2015.05.16
Children's stroller with adjustable backrest angle	200520072021.0	Utility	GCPC	PRC	2005.05.18	2015.05.18
Cradle and rocking structure thereof	200520072270.X	Utility	GCPC	PRC	2005.05.30	2015.05.30
Children's stroller/C771	200520074175.3	Utility	GCPC	PRC	2005.08.01	2015.08.01
Baby's stroller	200520074538.3	Utility	GCPC	PRC	2005.08.11	2015.08.11
Dragging cable control structure of children's stroller or dinning chair	200520074539.8	Utility	GCPC	PRC	2005.08.11	2015.08.11
Dragging cable control structure of baby's stroller or dinning chair	200520074866.3	Utility	GCPC	PRC	2005.08.22	2015.08.22
Car structure of children's stroller	200520074865.9	Utility	GCPC	PRC	2005.08.22	2015.08.22
Children's stroller	200520074864.4	Utility	GCPC	PRC	2005.08.22	2015.08.22
A kind of foldable bicycle	200520075102.6	Utility	GCPC	PRC	2005.08.29	2015.08.29
A kind of foldable bicycle	200520075101.1	Utility	GCPC	PRC	2005.08.29	2015.08.29
Foldable bicycle	200520075094.5	Utility	GCPC	PRC	2005.08.29	2015.08.29
Foldable bicycle	200520075093.0	Utility	GCPC	PRC	2005.08.29	2015.08.29
Foldable bicycle	200520074940.1	Utility	GCPC	PRC	2005.08.25	2015.08.25
A kind of children's stroller	200520074939.9	Utility	GCPC	PRC	2005.08.25	2015.08.25
Two-way foldable car	200520076144.1	Utility	GCPC	PRC	2005.09.28	2015.09.28
A kind of foldable bicycle	200520075841.5	Utility	GCPC	PRC	2005.09.22	2015.09.22
A kind of baby's stroller	200520076794.6	Utility	GCPC	PRC	2005.10.24	2015.10.24
Baby's stroller	200520076916.1	Utility	GCPC	PRC	2005.10.26	2015.10.26
Old people's stroller	200520077162.1	Utility	GCPC	PRC	2005.11.02	2015.11.02
Children's tricycle	200520077664.4	Utility	GCPC	PRC	2005.11.08	2015.11.08
Children's stroller	200520077661.0	Utility	GCPC	PRC	2005.11.08	2015.11.08

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Two-way foldable self-support car	200520077457.9	Utility	GCPC	PRC	2005.11.21	2015.11.21
Wheel braking structure	200520077458.3	Utility	GCPC	PRC	2005.11.21	2015.11.21
Tent of children's tricycle or children's stroller	200520134120.7	Utility	GCPC	PRC	2005.11.29	2015.11.29
Expansion link structure of children's stroller	200520134121.1	Utility	GCPC	PRC	2005.11.29	2015.11.29
A kind of children's stroller	200520140480.8	Utility	GCPC	PRC	2005.12.27	2015.12.27
Children's car	200520140478.0	Utility	GCPC	PRC	2005.12.27	2015.12.27
Children's stroller	200520140479.5	Utility	GCPC	PRC	2005.12.27	2015.12.27
A kind of children's car	200520140557.1	Utility	GCPC	PRC	2005.12.31	2015.12.31
Dragging cable control structure of children's stroller or dinning chair	200520140566.0	Utility	GCPC	PRC	2005.12.31	2015.12.31
Locking structure for expansion push link of children's stroller	200520140564.1	Utility	GCPC	PRC	2005.12.31	2015.12.31
Dragging cable control structure of children's stroller	200620068434.6	Utility	GCPC	PRC	2006.01.10	2016.01.10
Foldable bicycle	200520140628.8	Utility	GCPC	PRC	2005.12.31	2015.12.31
Foldable dinning chair	200620068960.2	Utility	GCPC	PRC	2006.01.24	2016.01.24
Children's stroller	200620068968.9	Utility	GCPC	PRC	2006.01.24	2016.01.24
A kind of children's stroller	200620068967.4	Utility	GCPC	PRC	2006.01.24	2016.01.24
Wheel installation structure of children's car	200620068957.0	Utility	GCPC	PRC	2006.01.24	2016.01.24
Baby's sleeping basket	200620068959.X	Utility	GCPC	PRC	2006.01.24	2016.01.24
Children's horizontally foldable car	200620069101.5	Utility	GCPC	PRC	2006.01.28	2016.01.28
Push knob of children's stroller	200620069100.0	Utility	GCPC	PRC	2006.01.28	2016.01.28
Children's stroller	200620070281.9	Utility	GCPC	PRC	2006.03.09	2016.03.09
Locking gear of children's stroller	200620070282.3	Utility	GCPC	PRC	2006.03.09	2016.03.09
Backboard of basketball stands	200620070603.X	Utility	GCPC	PRC	2006.03.20	2016.03.20
Foldable dinning chair	200620070604.4	Utility	GCPC	PRC	2006.03.20	2016.03.20
Foldable bicycle	200620071005.4	Utility	GCPC	PRC	2006.03.30	2016.03.30
Security door	200620071010.5	Utility	GCPC	PRC	2006.03.30	2016.03.30
Foldable bicycle	200620072624.5	Utility	GCPC	PRC	2006.04.17	2016.04.17
Tent of children's vehicle	200620072623.0	Utility	GCPC	PRC	2006.04.17	2016.04.17
Push knob structure of bicycle	200620072752.X	Utility	GCPC	PRC	2006.04.20	2016.04.20
Frame locking gear of baby's stroller	200620071372.4	Utility	GCPC	PRC	2006.05.11	2016.05.11

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A kind of security door	200620071616.9	Utility	G CPC	PRC	2006.05.15	2016.05.15
Children's stroller	200620073269.3	Utility	G CPC	PRC	2006.05.26	2016.05.26
A kind of baby's rocking chair	200620118831.X	Utility	G CPC	PRC	2006.05.26	2016.05.26
Baby's trailer	200620073362.4	Utility	G CPC	PRC	2006.05.31	2016.05.31
A kind of baby's trailer	200620073464.6	Utility	G CPC	PRC	2006.06.05	2016.06.05
Children's trailer	200620073466.5	Utility	G CPC	PRC	2006.06.05	2016.06.05
Front wheel structure of vehicle	200620118965.1	Utility	G CPC	PRC	2006.05.30	2016.05.30
A kind of children's trailer	200620074476.0	Utility	G CPC	PRC	2006.06.22	2016.06.22
Trailer with wheel-guard fender	200620074477.5	Utility	G CPC	PRC	2006.06.22	2016.06.22
Safety belt buckle of infant's seat	200620077734.0	Utility	G CPC	PRC	2006.08.10	2016.08.10
Locking gear of children's stroller	200620077733.6	Utility	G CPC	PRC	2006.08.10	2016.08.10
Walker	200620077732.1	Utility	G CPC	PRC	2006.08.09	2016.08.09
Children's trailer	200620135772.7	Utility	G CPC	PRC	2006.08.30	2016.08.30
Children's stroller	200620076476.4	Utility	G CPC	PRC	2006.09.11	2016.09.11
Foldable bicycle	200620076473.0	Utility	G CPC	PRC	2006.09.11	2016.09.11
Tube for children's stroller	200620076568.2	Utility	G CPC	PRC	2006.09.14	2016.09.14
Supporting frame installation structure of children's stroller	200620076653.9	Utility	G CPC	PRC	2006.09.30	2016.09.30
Fast disassembling structure for front wheel of children's stroller	200620077391.8	Utility	G CPC	PRC	2006.09.18	2016.09.18
Expansion push link of children's stroller	200620077583.9	Utility	G CPC	PRC	2006.09.21	2016.09.21
Dining chair	200620077548.7	Utility	G CPC	PRC	2006.09.20	2016.09.20
A kind of baby's stroller	200620077581.X	Utility	G CPC	PRC	2006.09.21	2016.09.21
Walker	200620077580.5	Utility	G CPC	PRC	2006.09.21	2016.09.21
Fence	200620076789.X	Utility	G CPC	PRC	2006.10.09	2016.10.09
Foot-stand of foldable bicycle	200620076794.0	Utility	G CPC	PRC	2006.10.09	2016.10.09
Basket of children's stroller	200620076758.4	Utility	G CPC	PRC	2006.09.28	2016.09.28
Composite unit of sling and sling base	200620076757.X	Utility	G CPC	PRC	2006.09.29	2016.09.29
Wheel orienting structure of children's car	200620126724.1	Utility	G CPC	PRC	2006.11.02	2016.11.02
Dining chair	200620126680.2	Utility	G CPC	PRC	2006.10.31	2016.10.31
Children's stroller	200620126677.0	Utility	G CPC	PRC	2006.10.31	2016.10.31
Children's car	200620125919.4	Utility	G CPC	PRC	2006.11.29	2016.11.29

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Composite unit of sling and children's stroller	200620125917.5	Utility	GCPC	PRC	2006.11.29	2016.11.29
Braking structure of children's stroller	200620125918.X	Utility	GCPC	PRC	2006.11.29	2016.11.29
Packing box of backboard & hoop and combined packing stack thereof	200620125897.1	Utility	GCPC	PRC	2006.11.28	2016.11.28
Children's stroller	200620125783.7	Utility	GCPC	PRC	2006.11.22	2016.11.22
A kind of packing case	200620125283.3	Utility	GCPC	PRC	2006.11.14	2016.11.14
Bicycle	200620125282.9	Utility	GCPC	PRC	2006.11.14	2016.11.14
A kind of packing box of basketball stands & hoop and combined packing stack thereof	200620125331.9	Utility	GCPC	PRC	2006.11.16	2016.11.16
A kind of patio umbrella	200620125724.X	Utility	GCPC	PRC	2006.11.20	2016.11.20
Patio umbrella	200620125299.4	Utility	GCPC	PRC	2006.11.17	2016.11.17
Foldable playpen	200620125334.2	Utility	GCPC	PRC	2006.11.16	2016.11.16
Basketball stands	200720033507.2	Utility	GCPC	PRC	2007.01.09	2017.01.09
Safety belt buckle of baby's stroller	200720033508.7	Utility	GCPC	PRC	2007.01.09	2017.01.09
Backboard	200720033567.4	Utility	GCPC	PRC	2007.01.11	2017.01.11
A kind of children's stroller	200720033572.5	Utility	GCPC	PRC	2007.01.12	2017.01.12
Footrest structure for children's stroller	200720033566.X	Utility	GCPC	PRC	2007.01.11	2017.01.11
children's foldable stroller	200720034233.9	Utility	GCPC	PRC	2007.01.31	2017.01.31
Playpen with sleeping basket	200720033813.6	Utility	GCPC	PRC	2007.01.24	2017.01.24
Connecting structure for swing frame	200720034130.2	Utility	GCPC	PRC	2007.01.26	2017.01.26
Foldable playpen	200720033816.X	Utility	GCPC	PRC	2007.01.24	2017.01.24
Children's car	200720034533.7	Utility	GCPC	PRC	2007.02.12	2017.02.12
Children's car	200720034855.1	Utility	GCPC	PRC	2007.02.27	2017.02.27
Locking gear of children's car	200720035260.8	Utility	GCPC	PRC	2007.03.06	2017.03.06
Children's stroller with adjustable backrest angle	200720034964.3	Utility	GCPC	PRC	2007.02.28	2017.02.28
A kind of children's stroller	200720034963.9	Utility	GCPC	PRC	2007.02.28	2017.02.28
Backboard of basketball stands	200720034966.2	Utility	GCPC	PRC	2007.03.02	2017.03.02
Footrest of children's stroller	200720035221.8	Utility	GCPC	PRC	2007.03.05	2017.03.05
Crib	200720035397.3	Utility	GCPC	PRC	2007.03.13	2017.03.13
Seat pocket of children's stroller	200720035272.0	Utility	GCPC	PRC	2007.03.07	2017.03.07
Children's stroller with adjustable seat pocket angle	200720035265.0	Utility	GCPC	PRC	2007.03.07	2017.03.07



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Stroller	200720035862.3	Utility	GCPC	PRC	2007.04.16	2017.04.16
Stroller	200720035859.1	Utility	GCPC	PRC	2007.04.16	2017.04.16
Basketball stands bracket	200720037205.2	Utility	GCPC	PRC	2007.04.27	2017.04.27
Backrest structure of foldable dining chair	200720037181.0	Utility	GCPC	PRC	2007.04.28	2017.04.28
Children's stroller	200720036321.2	Utility	GCPC	PRC	2007.04.06	2017.04.06
Playpen	200720039130.1	Utility	GCPC	PRC	2007.05.24	2017.05.24
A kind of two-way foldable car	200720039131.6	Utility	GCPC	PRC	2007.05.24	2017.05.24
A kind of scooter	200720039134.X	Utility	GCPC	PRC	2007.05.23	2017.05.23
Service plate of children's stroller or children's dining chair	200720039133.5	Utility	GCPC	PRC	2007.05.24	2017.05.24
Children's stroller	200720039132.0	Utility	GCPC	PRC	2007.05.25	2017.05.25
Scooter	200720037607.2	Utility	GCPC	PRC	2007.05.11	2017.05.11
Foldable umbrella	200720037606.8	Utility	GCPC	PRC	2007.05.11	2017.05.11
Baby's stroller	200720147537.6	Utility	GCPC	PRC	2007.04.24	2017.04.24
Children's stroller	200720150657.1	Utility	GCPC	PRC	2007.05.15	2017.05.15
Angle adjusting gear for umbrella push knob of umbrella car	200720038726.X	Utility	GCPC	PRC	2007.06.19	2017.06.19
Composite unit of car seat and seat pedestal	200720040614.8	Utility	GCPC	PRC	2007.07.09	2017.07.09
Children's car seat	200720040661.2	Utility	GCPC	PRC	2007.07.11	2017.07.11
A kind of composite unit of car seat and seat pedestal	200720040627.5	Utility	GCPC	PRC	2007.07.10	2017.07.10
Baby's stroller	200720125916.5	Utility	GCPC	PRC	2007.07.16	2017.07.16
A kind of foldable playpen	200720126948.7	Utility	GCPC	PRC	2007.07.13	2017.07.13
Two-way foldable car	200720126947.2	Utility	GCPC	PRC	2007.07.12	2017.07.12
A kind of two-way foldable car	200720041405.5	Utility	GCPC	PRC	2007.08.01	2017.08.01
A kind of children's car	200720042811.3	Utility	GCPC	PRC	2007.08.14	2017.08.14
A kind of baby's stroller	200720045544.5	Utility	GCPC	PRC	2007.08.27	2017.08.27
A kind of foldable desk	200720042992.X	Utility	GCPC	PRC	2007.08.20	2017.08.20
Crotch strap adjusting structure of children's car seat	200720045472.4	Utility	GCPC	PRC	2007.08.23	2017.08.23
Children's stroller	200720045589.2	Utility	GCPC	PRC	2007.08.28	2017.08.28
Wheel of children's vehicle	200720046986.1	Utility	GCPC	PRC	2007.09.07	2017.09.07
Head end of children's car	200720047001.7	Utility	GCPC	PRC	2007.09.07	2017.09.07
Front wheel structure of children's stroller	200720046978.7	Utility	GCPC	PRC	2007.09.06	2017.09.06
Children's car	200720046980.4	Utility	GCPC	PRC	2007.09.07	2017.09.07

Patent	Patent No.	Type	Name of Registered Proprietor	Place of Registration	Date of Application	Expiry Date
Swing driving structure	200720046981.9	Utility	GCPC	PRC	2007.09.07	2017.09.07
Children's tricycle	200720046690.X	Utility	GCPC	PRC	2007.09.13	2017.09.13
Baby's sleeping basket	200720046696.7	Utility	GCPC	PRC	2007.09.12	2017.09.12
A kind of children's trailer	200720046733.4	Utility	GCPC	PRC	2007.09.18	2017.09.18
Children's trailer	200720046626.1	Utility	GCPC	PRC	2007.09.18	2017.09.18
Door structure of children's car	200720046730.0	Utility	GCPC	PRC	2007.09.18	2017.09.18
Baby's trailer	200720046616.8	Utility	GCPC	PRC	2007.09.18	2017.09.18
Foldable crib fence	200720046731.5	Utility	GCPC	PRC	2007.09.18	2017.09.18
Children's tricycle	200720046703.3	Utility	GCPC	PRC	2007.09.14	2017.09.14
A kind of scooter	200720044228.6	Utility	GCPC	PRC	2007.09.26	2017.09.26
Cradle with sliding rail	200720044235.6	Utility	GCPC	PRC	2007.09.26	2017.09.26
Connecting structure between playpen and pallet	200720046468.X	Utility	GCPC	PRC	2007.09.25	2017.09.25
Playpen	200720044226.7	Utility	GCPC	PRC	2007.09.26	2017.09.26
Seat board rocking structure of children's stroller	200720044312.8	Utility	GCPC	PRC	2007.09.29	2017.09.29
Finger protective structure of children's car	200720044320.2	Utility	GCPC	PRC	2007.09.29	2017.09.29
Backrest of children's car seat	200720044463.3	Utility	GCPC	PRC	2007.09.30	2017.09.30
Car seat pedestal	200720044310.9	Utility	GCPC	PRC	2007.09.29	2017.09.29
Walker	200720043644.4	Utility	GCPC	PRC	2007.10.12	2017.10.12
Children's tricycle	200720043673.0	Utility	GCPC	PRC	2007.10.15	2017.10.15
Rocking chair	200720043895.2	Utility	GCPC	PRC	2007.10.23	2017.10.23
A kind of rocking chair	200720043896.7	Utility	GCPC	PRC	2007.10.23	2017.10.23
Basket pole structure of children's car	200720043897.1	Utility	GCPC	PRC	2007.10.23	2017.10.23
A kind of children's car	200720044752.3	Utility	GCPC	PRC	2007.10.26	2017.10.26
Children's stroller	200720044743.4	Utility	GCPC	PRC	2007.10.26	2017.10.26
A kind of children's stroller	200720044751.9	Utility	GCPC	PRC	2007.10.26	2017.10.26
Children's car seat	200720042450.2	Utility	GCPC	PRC	2007.10.29	2017.10.29
Backrest adjusting structure for children's car	200720042475.2	Utility	GCPC	PRC	2007.10.30	2017.10.30
Stroller roof	200720176981.0	Utility	GCPC	PRC	2007.10.15	2017.10.15
A kind of children's stroller	200720042526.1	Utility	GCPC	PRC	2007.11.06	2017.11.06
Children's stroller	200720045063.4	Utility	GCPC	PRC	2007.11.07	2017.11.07
A kind of playpen	200720042223.X	Utility	GCPC	PRC	2007.11.12	2017.11.12
A kind of children's stroller	200720042296.9	Utility	GCPC	PRC	2007.11.16	2017.11.16
Baby's stroller	200720042337.4	Utility	GCPC	PRC	2007.11.19	2017.11.19

Patent	Patent No.	Type	Name of Registered Proprietor	Place of Registration	Date of Application	Expiry Date
Foldable bicycle	200720042336.X	Utility	G CPC	PRC	2007.11.19	2017.11.19
children's foldable stroller	200720042393.8	Utility	G CPC	PRC	2007.11.21	2017.11.21
Children's foldable stroller	200720041704.9	Utility	G CPC	PRC	2007.11.27	2017.11.27
Children's auxiliary carrying vehicle	200720041645.5	Utility	G CPC	PRC	2007.11.26	2017.11.26
Children's car	200720041589.5	Utility	G CPC	PRC	2007.11.23	2017.11.23
A kind of children's foldable stroller	200720041695.3	Utility	G CPC	PRC	2007.11.27	2017.11.27
A kind of children's stroller	200720041705.3	Utility	G CPC	PRC	2007.11.27	2017.11.27
Backrest adjusting structure of stroller	200720041706.8	Utility	G CPC	PRC	2007.11.27	2017.11.27
Backrest adjusting structure of children's stroller	200720041793.7	Utility	G CPC	PRC	2007.11.30	2017.11.30
Children's stroller of reverse direction	200720041791.8	Utility	G CPC	PRC	2007.11.30	2017.11.30
Children's stroller	200720041790.3	Utility	G CPC	PRC	2007.11.30	2017.11.30
Ladder	200720131140.8	Utility	G CPC	PRC	2007.11.30	2017.11.30
Children's foldable scooter	200720131146.5	Utility	G CPC	PRC	2007.11.30	2017.11.30
Rocking toy	200720042335.5	Utility	G CPC	PRC	2007.11.19	2017.11.19
Swing	200720042334.0	Utility	G CPC	PRC	2007.11.19	2017.11.19
Basket pole structure of children's stroller	200720130044.1	Utility	G CPC	PRC	2007.12.28	2017.12.28
A kind of children's auxiliary carrying vehicle	200720130043.7	Utility	G CPC	PRC	2007.12.28	2017.12.28
Front wheel connecting structure of children's stroller	200720130047.5	Utility	G CPC	PRC	2007.12.28	2017.12.28
Frog kick scooter	200720129739.8	Utility	G CPC	PRC	2007.12.26	2017.12.26
Steering wheel orienting structure of children's auxiliary carrying vehicle	200720130052.6	Utility	G CPC	PRC	2007.12.28	2017.12.28
Foldable rocking chair	200720130051.1	Utility	G CPC	PRC	2007.12.28	2017.12.28
Children's auxiliary carrying vehicle	200720130050.7	Utility	G CPC	PRC	2007.12.28	2017.12.28
Dragging cable structure of children's car	200720129899.2	Utility	G CPC	PRC	2007.12.29	2017.12.29
Push knob locking gear	200720129843.7	Utility	G CPC	PRC	2007.12.27	2017.12.27
Foldable umbrella car	200720129898.8	Utility	G CPC	PRC	2007.12.29	2017.12.29
Composite unit of car seat and seat pedestal	200720129884.6	Utility	G CPC	PRC	2007.12.29	2017.12.29
A kind of children's car seat	200720199795.9	Utility	G CPC	PRC	2007.12.03	2017.12.03

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Baby's stroller with reversing push knob	200720130068.7	Utility	GCPC	PRC	2007.12.31	2017.12.31
Children's car seat pedestal	200720130069.1	Utility	GCPC	PRC	2007.12.31	2017.12.31
Bracket of children's rocking chair	200820030555.0	Utility	GCPC	PRC	2008.01.04	2018.01.04
A kind of children's stroller	200820030553.1	Utility	GCPC	PRC	2008.01.04	2018.01.04
Baby's seat	200820030787.6	Utility	GCPC	PRC	2008.01.08	2018.01.08
Pedestal for installation of children's car seat	200820031451.1	Utility	GCPC	PRC	2008.01.23	2018.01.23
Children's car	200820031125.0	Utility	GCPC	PRC	2008.01.24	2018.01.24
A kind of basketball stands	200820030685.4	Utility	GCPC	PRC	2008.01.16	2018.01.16
A kind of composite unit of car seat and seat pedestal	200820031653.6	Utility	GCPC	PRC	2008.01.28	2018.01.28
Uplift structure of downward clamp of dining chair	200820031492.0	Utility	GCPC	PRC	2008.01.31	2018.01.31
Car structure of children's car	200820031491.6	Utility	GCPC	PRC	2008.01.30	2018.01.30
Rod parts connecting structure for frame of children's car	200820031490.1	Utility	GCPC	PRC	2008.01.30	2018.01.30
Connecting structure between frame and front armrest of children's stroller	200820031489.9	Utility	GCPC	PRC	2008.01.30	2018.01.30
Rotation reversing structure of swing seat packet	200820031493.5	Utility	GCPC	PRC	2008.01.31	2018.01.31
Shelf structure of children's travel bed	200820006048.3	Utility	GCPC	PRC	2008.01.21	2018.01.21
Sports fittings for decorating children's vehicle	200820032261.1	Utility	GCPC	PRC	2008.02.20	2018.02.20
Children's tricycle	200820002668.X	Utility	GCPC	PRC	2008.02.21	2018.02.21
Front wheel connecting structure of children's car	200820032424.6	Utility	GCPC	PRC	2008.02.29	2018.02.29
Foldable double stroller	200720130067.2	Utility	GCPC	PRC	2007.12.31	2017.12.31
Children's stroller	200820032348.9	Utility	GCPC	PRC	2008.02.28	2018.02.28
Foldable playpen	200820032410.4	Utility	GCPC	PRC	2008.02.29	2018.02.29
Status display for arrange stage of crib	200820032346.X	Utility	GCPC	PRC	2008.02.28	2018.02.28
Children's double stroller	200820032327.7	Utility	GCPC	PRC	2008.02.25	2018.02.25
Wheel turning structure	200820032328.1	Utility	GCPC	PRC	2008.02.26	2018.02.26
Children's horizontally foldable stroller	200820032467.4	Utility	GCPC	PRC	2008.03.06	2018.03.06
Wooden tray of children's dining chair or crib	200820032132.2	Utility	GCPC	PRC	2008.03.13	2018.03.13

Patent	Patent No.	Type	Name of Registered Proprietor	Place of Registration	Date of Application	Expiry Date
Seat pocket installation structure of children's stroller	200820003520.8	Utility	GCPC	PRC	2008.03.07	2018.03.07
Rear wheel link gear of children's car	200820033911.4	Utility	GCPC	PRC	2008.03.27	2018.03.27
Children's car seat pedestal	200820033347.6	Utility	GCPC	PRC	2008.03.19	2018.03.19
A kind of children's car seat pedestal	200820033333.4	Utility	GCPC	PRC	2008.03.21	2018.03.21
A kind of children's lift dining chair	200820034906.5	Utility	GCPC	PRC	2008.04.03	2018.04.03
A kind of rocking structure for electric rocking chair or electric cradle	200820035138.5	Utility	GCPC	PRC	2008.04.11	2018.04.11
Rocking structure for electric rocking chair or electric cradle	200820035139.X	Utility	GCPC	PRC	2008.04.11	2018.04.11
A kind of children's stroller	200820035583.1	Utility	GCPC	PRC	2008.04.24	2018.04.24
Car structure of children's car	200820035589.9	Utility	GCPC	PRC	2008.04.24	2018.04.24
Children's stroller	200820036125.X	Utility	GCPC	PRC	2008.04.30	2018.04.30
Children's stroller	200820036137.2	Utility	GCPC	PRC	2008.04.30	2018.04.30
A kind of children's stroller	200820036136.8	Utility	GCPC	PRC	2008.04.30	2018.04.30
Roof socket structure of children's stroller	200820036134.9	Utility	GCPC	PRC	2008.04.30	2018.04.30
Baby's stroller	200820036138.7	Utility	GCPC	PRC	2008.04.30	2018.04.30
Connecting structure between bicycle and trailer	200820036135.3	Utility	GCPC	PRC	2008.04.30	2018.04.30
Two-way foldable car	200820036177.7	Utility	GCPC	PRC	2008.05.15	2018.05.15
Crib with shelf	200820037142.5	Utility	GCPC	PRC	2008.05.30	2018.05.30
Crib with arrange pocket	200820037141.0	Utility	GCPC	PRC	2008.05.30	2018.05.30
Children's playpen	200820037143.X	Utility	GCPC	PRC	2008.05.30	2018.05.30
A kind of rocking structure for electric rocking chair or electric cradle	200820037140.6	Utility	GCPC	PRC	2008.05.30	2018.05.30
Rear wheel turning structure of children's car	200820036774.X	Utility	GCPC	PRC	2008.05.23	2018.05.23
A kind of children's stroller	200820037010.2	Utility	GCPC	PRC	2008.05.26	2018.05.26
Toy on children's car	200820038269.9	Utility	GCPC	PRC	2008.06.17	2018.06.17
A kind of baby's stroller	200820038281.X	Utility	GCPC	PRC	2008.06.17	2018.06.17
Automatically tightening structure of stroller roof	00241182.2	Utility	GCPC	PRC	2000.11.27	2010.11.27
Pallet structure of baby's stroller	00241141.5	Utility	GCPC	PRC	2000.11.23	2010.11.23
Seat bracket of stroller	00261702.1	Utility	GCPC	PRC	2000.11.28	2010.11.28

Patent	Patent No.	Type	Name of Registered Proprietor	Place of Registration	Date of Application	Expiry Date
Children's car	01210090.0	Utility	G CPC	PRC	2001.01.05	2011.01.05
Rotation connecting structure for front armrest of children's car	00266303.1	Utility	G CPC	PRC	2000.12.30	2010.12.30
Children's stroller	00265417.2	Utility	G CPC	PRC	2000.12.22	2010.12.22
Cradle	01210187.7	Utility	G CPC	PRC	2001.01.10	2011.01.10
Trailer of bicycle	01210388.8	Utility	G CPC	PRC	2001.01.31	2011.01.31
Connecting structure between roof pin and roof socket of stroller	200720041693.4	Utility	G CPC	PRC	2007.11.27	2017.11.27
Self-support structure of children's foldable car & children's foldable car with such self-support structure	200820037122.8	Utility	G CPC	PRC	2008.05.30	2018.05.30
Children's foldable stroller	200820037126.6	Utility	G CPC	PRC	2008.05.30	2018.05.30
Tent top cloth cover of children's stroller	200820037129.X	Utility	G CPC	PRC	2008.05.30	2018.05.30
Front wheel turning structure of children's car	200820038078.2	Utility	G CPC	PRC	2008.06.12	2018.06.12
Children's stroller	200820038244.9	Utility	G CPC	PRC	2008.06.16	2018.06.16
Children's stroller	200820113110.9	Utility	G CPC	PRC	2008.06.30	2018.06.30
Front wheel fixing tube structure of children's stroller	200820113115.1	Utility	G CPC	PRC	2008.06.30	2018.06.30
Children's foldable stroller	200820113106.2	Utility	G CPC	PRC	2008.06.30	2018.06.30
Tent buckle of children's car	200820040737.6	Utility	G CPC	PRC	2008.07.04	2018.07.04
Children's stroller	200820040699.4	Utility	G CPC	PRC	2008.07.08	2018.07.08
Children's car	200820041004.4	Utility	G CPC	PRC	2008.07.10	2018.07.10
Baby's stroller	200820040810.X	Utility	G CPC	PRC	2008.07.14	2018.07.14
Basketball stands	200820113281.1	Utility	G CPC	PRC	2008.07.24	2018.07.24
Children's car	200820113282.6	Utility	G CPC	PRC	2008.07.24	2018.07.24
A kind of children's car	200820039119.X	Utility	G CPC	PRC	2008.07.24	2018.07.24
Foldable push rod of baby's stroller	200820039117.0	Utility	G CPC	PRC	2008.07.24	2018.07.24
Folding safety structure & frame of children's foldable car with such folding safety structure	200820038922.1	Utility	G CPC	PRC	2008.07.29	2018.07.29
A kind of folding link gear & children's foldable dinning chair with such folding link gear	200820038921.7	Utility	G CPC	PRC	2008.07.29	2018.07.29
Children's foldable dinning chair	200820038920.2	Utility	G CPC	PRC	2008.07.29	2018.07.29

Patent	Patent No.	Type	Name of Registered Proprietor	Place of Registration	Date of Application	Expiry Date
Children's foldable dining chair	200820038929.3	Utility	GCPC	PRC	2008.07.29	2018.07.29
Head end toy rotating structure of children's tricycle	200820038907.7	Utility	GCPC	PRC	2008.07.31	2018.07.31
Armrest structure of children's car	200820038910.9	Utility	GCPC	PRC	2008.07.31	2018.07.31
Connecting structure for two rod parts of children's car	200820038911.3	Utility	GCPC	PRC	2008.07.31	2018.07.31
Armrest structure of children's tricycle	200820038913.2	Utility	GCPC	PRC	2008.07.31	2018.07.31
Car structure of children's car	200820038912.8	Utility	GCPC	PRC	2008.07.31	2018.07.31
Tent pole structure of children's stroller	200820038914.7	Utility	GCPC	PRC	2008.07.31	2018.07.31
A kind of tent pole structure of children's stroller	200820038909.6	Utility	GCPC	PRC	2008.07.31	2018.07.31
Children's car	200820038919.X	Utility	GCPC	PRC	2008.07.29	2018.07.29
A kind of baby's stroller	200820038905.8	Utility	GCPC	PRC	2008.07.31	2018.07.31
children's foldable stroller	200820038906.2	Utility	GCPC	PRC	2008.07.31	2018.07.31
Stool	200820041527.9	Utility	GCPC	PRC	2008.08.04	2018.08.04
Orientating and monitoring circuit & rocking driving structure with such orientating and monitoring circuit	200820137508.6	Utility	GCPC	PRC	2008.08.29	2018.08.29
Rocking driving structure of electric swing & electric swing with such rocking driving structure	200820137506.7	Utility	GCPC	PRC	2008.08.29	2018.08.29
Children's foldable stroller	200820039213.5	Utility	GCPC	PRC	2008.08.18	2018.08.18
A kind of locking structure for children's foldable stroller	200820039214.X	Utility	GCPC	PRC	2008.08.18	2018.08.18
Children's scooter	200820039215.4	Utility	GCPC	PRC	2008.08.18	2018.08.18
Baby's stroller	200820039420.0	Utility	GCPC	PRC	2008.08.21	2018.08.21
Children's car	200820041713.2	Utility	GCPC	PRC	2008.08.29	2018.08.29
Children's foldable car	200820041714.7	Utility	GCPC	PRC	2008.08.29	2018.08.29
Children's car	200820041715.1	Utility	GCPC	PRC	2008.08.29	2018.08.29
A kind of toy car	200820041725.5	Utility	GCPC	PRC	2008.08.29	2018.08.29
A kind of children's foldable toy car	200820041726.X	Utility	GCPC	PRC	2008.08.29	2018.08.29
A kind of children's toy car	200820041727.4	Utility	GCPC	PRC	2008.08.29	2018.08.29
Electric swing	200820185415.0	Utility	GCPC	PRC	2008.09.04	2018.09.04
Adjusting structure of car seat safety belt	200820185822.1	Utility	GCPC	PRC	2008.09.05	2018.09.05

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Cloth cover installation structure	200820160362.7	Utility	GCPC	PRC	2008.09.17	2018.09.17
Seat bracket and seat locking structure of children's car	200820137706.2	Utility	GCPC	PRC	2008.09.28	2018.09.28
Self-support structure of children's dining chair	200820137704.3	Utility	GCPC	PRC	2008.09.28	2018.09.28
children's foldable stroller	200820137705.8	Utility	GCPC	PRC	2008.09.28	2018.09.28
A kind of baby's chair	200820161679.2	Utility	GCPC	PRC	2008.10.10	2018.10.10
Cloth cover installation structure	200820215658.4	Utility	GCPC	PRC	2008.11.07	2018.11.07
Footrest structure of children's car	200820199363.2	Utility	GCPC	PRC	2008.11.27	2018.11.27
Wheel chair	200820216873.6	Utility	GCPC	PRC	2008.11.20	2018.11.20
Frame of children's stroller	200820216132.8	Utility	GCPC	PRC	2008.11.17	2018.11.17
Extension unit of children's car	200820217914.3	Utility	GCPC	PRC	2008.11.14	2018.11.14
Expansion link of children's stroller	200820216140.2	Utility	GCPC	PRC	2008.11.17	2018.11.17
Children's foldable stroller	200820199432.X	Utility	GCPC	PRC	2008.12.02	2018.12.02
Children's foldable stroller	200820199427.9	Utility	GCPC	PRC	2008.12.01	2018.12.01
A kind of children's foldable stroller	200820199428.3	Utility	GCPC	PRC	2008.12.01	2018.12.01
Children's car	200820217010.0	Utility	GCPC	PRC	2008.11.24	2018.11.24
Baby's dining chair	200820217056.2	Utility	GCPC	PRC	2008.11.26	2018.11.26
Children's swing	200820199489.X	Utility	GCPC	PRC	2008.12.04	2018.12.04
Desk	200820199502.1	Utility	GCPC	PRC	2008.12.04	2018.12.04
Cabinet leg structure of foldable crib	200820199598.1	Utility	GCPC	PRC	2008.12.12	2018.12.12
Foldable crib	200820199599.6	Utility	GCPC	PRC	2008.12.12	2018.12.12
Children's toy car	200820199601.X	Utility	GCPC	PRC	2008.12.12	2018.12.12
A kind of crib shelf structure	200820199668.3	Utility	GCPC	PRC	2008.12.17	2018.12.17
Children's two-way foldable stroller	200820199669.8	Utility	GCPC	PRC	2008.12.17	2018.12.17
Backrest of children's stroller	200820199675.3	Utility	GCPC	PRC	2008.12.18	2018.12.18
Baby's seat	200820199677.2	Utility	GCPC	PRC	2008.12.19	2018.12.19
Braking structure of children's stroller	200820199633.X	Utility	GCPC	PRC	2008.12.15	2018.12.15
Children's foldable stroller	200820199634.4	Utility	GCPC	PRC	2008.12.15	2018.12.15
Expansion link structure of children's stroller or dining chair	200820199697.X	Utility	GCPC	PRC	2008.12.22	2018.12.22
Chair with disassemble footrest	200820238342.7	Utility	GCPC	PRC	2008.12.29	2018.12.29



Patent	Patent No.	Type	Name of Registered Proprietor	Place of Registration	Date of Application	Expiry Date
A kind of bed pan	200820238011.3	Utility	GCPC	PRC	2008.12.26	2018.12.26
Children's foldable play bed	200820199704.6	Utility	GCPC	PRC	2008.12.23	2018.12.23
Children's foldable stroller with seat pocket or sleeping basket	200820199705.0	Utility	GCPC	PRC	2008.12.23	2018.12.23
A kind of children's foldable play bed	200820199753.X	Utility	GCPC	PRC	2008.12.25	2018.12.25
Bracket of children's dinning chair	200820199649.0	Utility	GCPC	PRC	2008.12.16	2018.12.16
Service plate adjusting structure of children's dinning chair	200820199648.6	Utility	GCPC	PRC	2008.12.16	2018.12.16
Braking structure of umbrella car	200820129875.1	Utility	GCPC	PRC	2008.12.30	2018.12.30
A kind of wheel chair	200820129876.6	Utility	GCPC	PRC	2008.12.31	2018.12.31
Infant's stroller	200820129877.0	Utility	GCPC	PRC	2008.12.31	2018.12.31
Locking gear of wheel chair	200820129887.4	Utility	GCPC	PRC	2008.12.31	2018.12.31
A kind of children's foldable stroller	200820238048.6	Utility	GCPC	PRC	2008.12.30	2018.12.30
Angle adjusting gear for backrest cloth cover of stroller	200820181279.8	Utility	GCPC	PRC	2008.12.31	2018.12.31
Reset rotation structure	200820181280.0	Utility	GCPC	PRC	2008.12.31	2018.12.31
Single-side braking pedal	200820181285.3	Utility	GCPC	PRC	2008.12.31	2018.12.31
Secondary safety structure for unlock button of children's car	200820129894.4	Utility	GCPC	PRC	2008.12.30	2018.12.30
Folding safety structure for frame of children's car	200820129881.7	Utility	GCPC	PRC	2008.12.30	2018.12.30
Front wheel orienting structure of children's car	200820129885.5	Utility	GCPC	PRC	2008.12.30	2018.12.30
Self-support structure of children's car	200820129884.0	Utility	GCPC	PRC	2008.12.30	2018.12.30
A kind of chassis structure of travel bed	200820129882.1	Utility	GCPC	PRC	2008.12.30	2018.12.30
Foldable crib frame	200820181282.X	Utility	GCPC	PRC	2008.12.30	2018.12.30
Children's double car	200820181281.5	Utility	GCPC	PRC	2008.12.30	2018.12.30
Children's foldable car	200820129883.6	Utility	GCPC	PRC	2008.12.30	2018.12.30
A kind of stroller with larger space for baby's back	200820181271.1	Utility	GCPC	PRC	2008.12.30	2018.12.30
Car seat bracket structure	200820181273.0	Utility	GCPC	PRC	2008.12.30	2018.12.30
Crib joint synchronous folding structure	200820181283.4	Utility	GCPC	PRC	2008.12.30	2018.12.30

Patent	Patent No.	Type	Name of Registered Proprietor	Place of Registration	Date of Application	Expiry Date
Children's foldable dining chair	200820129886.X	Utility	GCPC	PRC	2008.12.31	2018.12.31
Front armrest lift knob of children's car	200820181288.7	Utility	GCPC	PRC	2008.12.31	2018.12.31
Foldable rocking chair	200820181284.9	Utility	GCPC	PRC	2008.12.30	2018.12.30
Children's foldable car frame	200820181275.X	Utility	GCPC	PRC	2008.12.31	2018.12.31
Children's stroller	200920003518.5	Utility	GCPC	PRC	2009.01.12	2019.01.12
Children's umbrella car	200920141612.7	Utility	GCPC	PRC	2009.01.23	2019.01.23
children's foldable stroller	200920141606.1	Utility	GCPC	PRC	2009.01.22	2019.01.22
A kind of children's foldable stroller	200920141627.3	Utility	GCPC	PRC	2009.02.02	2019.02.02
A kind of children's dining chair	200920007295.X	Utility	GCPC	PRC	2009.02.05	2019.02.05
Children's dual purpose rocking horse	200920007294.5	Utility	GCPC	PRC	2009.02.05	2019.02.05
A kind of children's car seat	200920141755.8	Utility	GCPC	PRC	2009.02.19	2019.02.19
Children's foldable seat	200920141669.7	Utility	GCPC	PRC	2009.02.11	2019.02.11
Children's car seat	200920141670.X	Utility	GCPC	PRC	2009.02.12	2019.02.12
Cup holder for children's car	200920141626.9	Utility	GCPC	PRC	2009.02.02	2019.02.02
Children's foldable car	200920141654.0	Utility	GCPC	PRC	2009.02.09	2019.02.09
Two-way foldable car	200920005554.5	Utility	GCPC	PRC	2009.02.27	2019.02.27
Two-way foldable car	200920141926.7	Utility	GCPC	PRC	2009.03.03	2019.03.03
Push rod component of children's car	200920142030.0	Utility	GCPC	PRC	2009.03.12	2019.03.12
Children's stroller	200920142054.6	Utility	GCPC	PRC	2009.03.13	2019.03.13
Backrest adjusting structure of children's car & children's car with such backrest adjusting structure	200920142052.7	Utility	GCPC	PRC	2009.03.13	2019.03.13
Seat pocket of children's car & children's car with such seat pocket	200920142050.8	Utility	GCPC	PRC	2009.03.14	2019.03.14
Safety locking buckle	200920142203.9	Utility	GCPC	PRC	2009.03.26	2019.03.26
A kind of foldable self-support umbrella stroller	200920142164.2	Utility	GCPC	PRC	2009.03.24	2019.03.24
Safety belt buckle	200920142386.4	Utility	GCPC	PRC	2009.04.10	2019.04.10
Golf trolley	200920149802.3	Utility	GCPC	PRC	2009.04.09	2019.04.09
Foldable swing	200920142459.X	Utility	GCPC	PRC	2009.04.15	2019.04.15
Car sling	200920142470.6	Utility	GCPC	PRC	2009.04.17	2019.04.17
A kind of safety belt buckle	200920142467.4	Utility	GCPC	PRC	2009.04.16	2019.04.16
Children's car seat	200920142460.2	Utility	GCPC	PRC	2009.04.15	2019.04.15

Patent	Patent No.	Type	Name of Registered Proprietor	Place of Registration	Date of Application	Expiry Date
A kind of children's car seat	200920184828.1	Utility	G CPC	PRC	2009.04.27	2019.04.27
Foldable joint of children's car	200920184838.5	Utility	G CPC	PRC	2009.04.28	2019.04.28
Two-way foldable car	200920184849.3	Utility	G CPC	PRC	2009.04.30	2019.04.30
Bearing packing box	200920185136.9	Utility	G CPC	PRC	2009.05.19	2019.05.19
Children's stroller	200920185257.3	Utility	G CPC	PRC	2009.05.25	2019.05.25
Children's dining chair	200920158477.7	Utility	G CPC	PRC	2009.05.27	2019.05.27
Multifunction crib	01210579.1	Utility	G CPC	PRC	2001.02.16	2011.02.16
Steering structure of electric car	03220219.9	Utility	G CPC	PRC	2003.03.03	2013.03.03
Switch of children's electric car	03220599.6	Utility	G CPC	PRC	2003.03.24	2013.03.24
Multi-position switch of electric car	03220768.9	Utility	G CPC	PRC	2003.03.26	2013.03.26
Overcurrent protector for motor of children's electric car	03259793.2	Utility	G CPC	PRC	2003.07.22	2013.07.22
Sound device of electric motorcycle	03259990.0	Utility	G CPC	PRC	2003.07.28	2013.07.28
Electric tricycle	03252335.1	Utility	G CPC	PRC	2003.09.30	2013.09.30
Remote turning mensuration apparatus of children's electric car	200320110774.7	Utility	G CPC	PRC	2003.11.11	2013.11.11
Pedal switch of children's electric car	200420026640.1	Utility	G CPC	PRC	2004.04.21	2014.04.21
Braking structure of children's electric car	200420027038.X	Utility	G CPC	PRC	2004.05.11	2014.05.11
Rear-vision mirror of children's car	200420080630.6	Utility	G CPC	PRC	2004.10.26	2014.10.26
Change-over switch of children's electric car	200420108737.7	Utility	G CPC	PRC	2004.11.12	2014.11.12
Children's electric car	200420054552.2	Utility	G CPC	PRC	2004.12.16	2014.12.16
Children's electric car	200520072294.5	Utility	G CPC	PRC	2005.05.31	2015.05.31
Children's electric car capable of running along track	200520072673.4	Utility	G CPC	PRC	2005.06.13	2015.06.13
Children's electric car	200620068955.1	Utility	G CPC	PRC	2006.01.24	2016.01.24
Battery unit	200620117328.2	Utility	G CPC	PRC	2006.05.19	2016.05.19
Children's electric car	200620125132.8	Utility	G CPC	PRC	2006.11.07	2016.11.07
Steering wheel of children's electric car	200620125896.7	Utility	G CPC	PRC	2006.11.28	2016.11.28
Children's electric car	200720039882.8	Utility	G CPC	PRC	2007.06.14	2017.06.14
Crib	200720040628.X	Utility	G CPC	PRC	2007.07.10	2017.07.10

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Direction control structure of children's electric car	200720045466.9	Utility	GCPC	PRC	2007.08.23	2017.08.23
Crib	200720046849.8	Utility	GCPC	PRC	2007.09.20	2017.09.20
A kind of crib	200720046850.0	Utility	GCPC	PRC	2007.09.20	2017.09.20
A kind of toy train	200720044267.6	Utility	GCPC	PRC	2007.09.27	2017.09.27
Toy train	200720044261.9	Utility	GCPC	PRC	2007.09.27	2017.09.27
Cradle	200720129838.6	Utility	GCPC	PRC	2007.12.27	2017.12.27
Children's cradle	200820116441.8	Utility	GCPC	PRC	2008.05.13	2018.05.13
Crib	200820042092.X	Utility	GCPC	PRC	2008.07.23	2018.07.23
Children's cradle	200820131123.9	Utility	GCPC	PRC	2008.07.24	2018.07.24
A kind of connecting structure between guardrail and headboard of crib	200820041647.9	Utility	GCPC	PRC	2008.08.26	2018.08.26
Crib with reversing lateral hurdle	200820041648.3	Utility	GCPC	PRC	2008.08.26	2018.08.26
Children's car	200820199798.7	Utility	GCPC	PRC	2008.12.29	2018.12.29
Multifunction crib	200920142365.2	Utility	GCPC	PRC	2009.04.07	2019.04.07
Multifunction crib	200920142375.6	Utility	GCPC	PRC	2009.04.08	2019.04.08
A kind of multifunction crib	200920142376.0	Utility	GCPC	PRC	2009.04.08	2019.04.08
Children's car	200920185141.X	Utility	GCPC	PRC	2009.05.20	2019.05.20
A kind of children's car	200920185140.5	Utility	GCPC	PRC	2009.05.20	2019.05.20
Children's swing	200820199800.0	Utility	GCPC	PRC	2008.12.29	2018.12.29
Infant's car seat	200920141957.2	Utility	GCPC	PRC	2009.03.05	2019.03.05
Backrest of children's car seat	200920155651.2	Utility	GCPC	PRC	2009.06.01	2019.06.01
Children's foldable dining chair	200920185443.7	Utility	GCPC	PRC	2009.06.12	2019.06.12
Expansion link & crib's tent pole with such expansion link	200920185467.2	Utility	GCPC	PRC	2009.06.13	2019.06.13
Battery installation structure and electric bicycle	200920185617.X	Utility	GCPC	PRC	2009.06.25	2019.06.25
A kind of pole-fixer	200920185496.9	Utility	GCPC	PRC	2009.06.15	2019.06.15
Children's car seat	200920185545.9	Utility	GCPC	PRC	2009.06.17	2019.06.17
Frame for infant's bathtub	200920185603.8	Utility	GCPC	PRC	2009.06.24	2019.06.24
Pushable device and children's stroller	200920185602.3	Utility	GCPC	PRC	2009.06.24	2019.06.24
Foldable children's dining chair	200920185632.4	Utility	GCPC	PRC	2009.06.26	2019.06.26
Baby's rocking chair	200920185659.3	Utility	GCPC	PRC	2009.06.29	2019.06.29

Patent	Patent No.	Type	Name of Registered Proprietor	Place of Registration	Date of Application	Expiry Date
Linking mechanism between base and upright post on spring seat	200920185660.6	Utility	GCPC	PRC	2009.06.29	2019.06.29
Safety belt buckle	200920185723.8	Utility	GCPC	PRC	2009.07.02	2019.07.02
Push knob components and children's stroller	200920161613.8	Utility	GCPC	PRC	2009.07.06	2019.07.06
Electric swing	200920185961.9	Utility	GCPC	PRC	2009.07.22	2019.07.22
Puller of children's car	200920185985.4	Utility	GCPC	PRC	2009.07.24	2019.07.24
Children's stroller	200920188505.X	Utility	GCPC	PRC	2009.07.30	2019.07.30
Children's dining chair	200920188494.5	Utility	GCPC	PRC	2009.07.31	2019.07.31
Rotating joint and dinning chair with the same	200920188493.0	Utility	GCPC	PRC	2009.07.31	2019.07.31
A kind of playpen	200920188581.0	Utility	GCPC	PRC	2009.08.11	2019.08.11
Children's playpen	200920188675.8	Utility	GCPC	PRC	2009.08.18	2019.08.18
Locking mechanism for children's car seat	200920188676.2	Utility	GCPC	PRC	2009.08.18	2019.08.18
Children's car	200920188721.4	Utility	GCPC	PRC	2009.08.20	2019.08.20
Playpen	200920188626.4	Utility	GCPC	PRC	2009.08.10	2019.08.10
Shelving rack structure for crib	200920188629.8	Utility	GCPC	PRC	2009.08.12	2019.08.12
A kind of children's electric car	200920188617.5	Utility	GCPC	PRC	2009.08.14	2019.08.14
Children's electric car	200920188616.0	Utility	GCPC	PRC	2009.08.14	2019.08.14
Foldable children's tricycle	200920188763.8	Utility	GCPC	PRC	2009.08.24	2019.08.24
A kind of foldable children's tricycle	200920188762.3	Utility	GCPC	PRC	2009.08.24	2019.08.24
Multifunctional crib	200920188782.0	Utility	GCPC	PRC	2009.08.25	2019.08.25
Infant's dining table and chair	200920188783.5	Utility	GCPC	PRC	2009.08.25	2019.08.25
Seat pocket of children's stroller or link between sleeping basket and car frame	200920188805.8	Utility	GCPC	PRC	2009.08.26	2019.08.26
A kind of children's car	200920188808.1	Utility	GCPC	PRC	2009.08.26	2019.08.26
A kind of children's tricycle	200920188804.3	Utility	GCPC	PRC	2009.08.26	2019.08.26
Stroller with expansion link	200920188813.2	Utility	GCPC	PRC	2009.08.27	2019.08.27
Bottom support for playpen	200920188873.4	Utility	GCPC	PRC	2009.09.02	2019.09.02
Infant's playpen	200920189285.2	Utility	GCPC	PRC	2009.09.22	2019.09.22
Baby's seat	200920189321.5	Utility	GCPC	PRC	2009.09.24	2019.09.24
Playpen	200920189317.9	Utility	GCPC	PRC	2009.09.25	2019.09.25
Children's playpen	200920189318.3	Utility	GCPC	PRC	2009.09.25	2019.09.25
A kind of playpen	200920189323.4	Utility	GCPC	PRC	2009.09.25	2019.09.25

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A kind of children's stroller and support frame thereon	200920189365.8	Utility	GCPC	PRC	2009.09.28	2019.09.28
A kind of children's stroller	200920189364.3	Utility	GCPC	PRC	2009.09.28	2019.09.28
Children's car	200920189359.2	Utility	GCPC	PRC	2009.09.27	2019.09.27
Children's stroller	200920189355.4	Utility	GCPC	PRC	2009.09.27	2019.09.27
Infant's stroller	200920189361.X	Utility	GCPC	PRC	2009.09.28	2019.09.28
A kind of infant's stroller	200920189429.4	Utility	GCPC	PRC	2009.09.30	2019.09.30
Baby's rocking chair	200920189474.X	Utility	GCPC	PRC	2009.10.12	2019.10.12
Children's walker	200920267708.8	Utility	GCPC	PRC	2009.09.30	2019.09.30
Children's car	200920269506.7	Utility	GCPC	PRC	2009.10.15	2019.10.15
Children's car seat	200920188921.X	Utility	GCPC	PRC	2009.10.23	2019.10.23
Children's dining chair	200920249799.2	Utility	GCPC	PRC	2009.10.27	2019.10.27
A kind of children's stroller	200920188994.9	Utility	GCPC	PRC	2009.10.29	2019.10.29
Infant's dining chair	200920269665.7	Utility	GCPC	PRC	2009.10.31	2019.10.31
A kind of crib	200920241370.9	Utility	GCPC	PRC	2009.11.10	2019.11.10
A kind of toddler bed	200920241385.5	Utility	GCPC	PRC	2009.11.11	2019.11.11
A kind of children's cradle	200920241386.X	Utility	GCPC	PRC	2009.11.11	2019.11.11
Children's car capable of transverse folding	200920241450.4	Utility	GCPC	PRC	2009.11.18	2019.11.18
Children's foldable dining chair	200920241482.4	Utility	GCPC	PRC	2009.11.20	2019.11.20
Children's foldable dining chair	200920279700.3	Utility	GCPC	PRC	2009.11.11	2019.11.11
Children's car with adjustable backrest angle	99116937.9	Invention	GCPC	PRC	1999.09.28	2019.09.28
Children's car	00111416.6	Invention	GCPC	PRC	2000.01.03	2020.01.03
Children's car	00111421.2	Invention	GCPC	PRC	2000.01.04	2020.01.04
Children's car with side armrest	00111422.0	Invention	GCPC	PRC	2000.01.04	2020.01.04
Children's car	00111429.8	Invention	GCPC	PRC	2000.01.07	2020.01.07
Children's car with direction-changeable seat	00111677.0	Invention	GCPC	PRC	2000.02.13	2020.02.13
Children's car with direction-changeable seat	00111760.2	Invention	GCPC	PRC	2000.02.29	2020.02.29
Children's car	00115420.6	Invention	GCPC	PRC	2000.04.19	2020.04.19
Children's double carb	00115428.1	Invention	GCPC	PRC	2000.04.20	2020.04.20
Children's umbrella car	01105252.X	Invention	GCPC	PRC	2001.01.17	2021.01.17
Children's horizontally foldable car	01105238.4	Invention	GCPC	PRC	2001.01.16	2021.01.16
Stroller	01113632.4	Invention	GCPC	PRC	2001.05.19	2021.05.19

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Children's stroller	01113636.7	Invention	GCPC	PRC	2001.05.21	2021.05.21
Baby's stroller	01113637.5	Invention	GCPC	PRC	2001.05.22	2021.05.22
Bicycle trailer	01119572.X	Invention	GCPC	PRC	2001.05.17	2021.05.17
Children's two-way foldable car	01127002.0	Invention	GCPC	PRC	2001.07.18	2021.07.18
Children's car	01127024.1	Invention	GCPC	PRC	2001.07.23	2021.07.23
Children's horizontally foldable car	01127255.4	Invention	GCPC	PRC	2001.09.21	2021.09.21
Car sling	01134067.3	Invention	GCPC	PRC	2001.10.18	2021.10.18
Children's car	02112868.5	Invention	GCPC	PRC	2002.04.08	2022.04.08
Children's cradle style car	02113169.4	Invention	GCPC	PRC	2002.06.13	2022.06.13
Chassis folding pieces of baby's fabric bed	02138059.7	Invention	GCPC	PRC	2002.08.01	2022.08.01
Children's car	03112662.6	Invention	GCPC	PRC	2003.01.08	2023.01.08
Foldable dining chair	03113118.2	Invention	GCPC	PRC	2003.04.03	2023.04.03
Secondary safety structure for dragging cable driving mechanism of baby's stroller	03113120.4	Invention	GCPC	PRC	2003.04.03	2023.04.03
Foldable playpen	200410041768.X	Invention	GCPC	PRC	2004.08.20	2024.08.20
Hub structure of wheel shaft	02138094.5	Invention	GCPC	PRC	2002.08.05	2022.08.05
Stroller	03152954.2	Invention	GCPC	PRC	2003.09.05	2023.09.05
Baby's foldable stroller	200410041068.0	Invention	GCPC	PRC	2004.06.21	2024.06.21
Children's tricycle	200410041689.9	Invention	GCPC	PRC	2004.08.13	2024.08.13
Seat pocket of children's stroller	200410064865.0	Invention	GCPC	PRC	2004.09.30	2024.09.30
Children's double car	200410064862.7	Invention	GCPC	PRC	2004.09.30	2024.09.30
Children's double car	200410064863.1	Invention	GCPC	PRC	2004.09.30	2024.09.30
Children's stroller	200410064864.6	Invention	GCPC	PRC	2004.09.30	2024.09.30
Children's horizontally foldable car	200410065696.2	Invention	GCPC	PRC	2004.11.09	2024.11.09
Children's stroller	200410065446.9	Invention	GCPC	PRC	2004.12.02	2024.12.02
Foldable dining chair	200410065447.3	Invention	GCPC	PRC	2004.12.02	2024.12.02
Car seat	200410065920.8	Invention	GCPC	PRC	2004.12.24	2024.12.24
Children's stroller	200510074479.4	Invention	GCPC	PRC	2005.06.07	2025.06.07
Baby's stroller	200510040784.1	Invention	GCPC	PRC	2005.06.23	2025.06.23
A kind of baby's stroller	200510094700.2	Invention	GCPC	PRC	2005.09.30	2025.09.30
Baby's stroller	200510094698.9	Invention	GCPC	PRC	2005.09.28	2025.09.28
Children's stroller	200510095205.3	Invention	GCPC	PRC	2005.10.31	2025.10.31
Children's car	200510095445.3	Invention	GCPC	PRC	2005.11.08	2025.11.08

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Baby's stroller	200610039146.2	Invention	G CPC	PRC	2006.03.24	2026.03.24
Bicycle	200610040021.1	Invention	G CPC	PRC	2006.04.25	2026.04.25
Foldable playpen	200610040618.6	Invention	G CPC	PRC	2006.05.17	2026.05.17
Foldable playpen	200610088095.2	Invention	G CPC	PRC	2006.06.22	2026.06.22
Children's foldable dining chair	200610086315.8	Invention	G CPC	PRC	2006.07.04	2026.07.04
Baby's stroller	200610086314.3	Invention	G CPC	PRC	2006.07.04	2026.07.04
Children's car	200610107155.0	Invention	G CPC	PRC	2006.07.19	2026.07.19
A kind of children's stroller	200610139422.2	Invention	G CPC	PRC	2006.09.11	2026.09.11
Composite unit of car sling and seat pedestal	200610096275.5	Invention	G CPC	PRC	2006.09.29	2026.09.29
Push knob of children's car	200610097519.1	Invention	G CPC	PRC	2006.11.01	2026.11.01
Foldable playpen	200610097651.2	Invention	G CPC	PRC	2006.11.16	2026.11.16
Front wheel structure of children's stroller	200710020478.0	Invention	G CPC	PRC	2007.03.02	2027.03.02
Two-way foldable car	200710020813.7	Invention	G CPC	PRC	2007.04.06	2027.04.06
Children's stroller	200710133732.8	Invention	G CPC	PRC	2007.09.29	2027.09.29
Children's car (rocking horse tricycle)	97106399.0	Invention	G CPC	PRC	1997.04.22	2017.04.22
Umbrella push knob rotating device for umbrella stroller	97106412.1	Invention	G CPC	PRC	1997.05.07	2017.05.07
Turning device for bottom bracket bearing of bicycle	97106473.3	Invention	G CPC	PRC	1997.06.17	2017.06.17
Electroplating process for metal surface of bicycle	98110752.4	Invention	G CPC	PRC	1998.03.26	2018.03.26
Children's car	98110898.9	Invention	G CPC	PRC	1998.06.12	2018.06.12
Children's car	98110935.7	Invention	G CPC	PRC	1998.07.03	2018.07.03
Wheel locking gear of children's car	98110928.4	Invention	G CPC	PRC	1998.06.29	2018.06.29
Children's car	99113912.7	Invention	G CPC	PRC	1999.07.22	2019.07.22
Children's double carb	99120650.9	Invention	G CPC	PRC	1999.12.16	2019.12.16
Children's tricycle	00111435.2	Invention	G CPC	PRC	2000.01.10	2020.01.10
Children's car	01137375.X	Invention	G CPC	PRC	2001.12.11	2021.12.11
Walker	200410041951.X	Invention	G CPC	PRC	2004.09.09	2024.09.09
Children's stroller	200510037657.6	Invention	G CPC	PRC	2005.01.05	2025.01.05
Baby's rocking chair	200510094627.9	Invention	G CPC	PRC	2005.09.27	2025.09.27
Baby's stroller	200610037796.3	Invention	G CPC	PRC	2006.01.11	2026.01.11
Composite unit of seat pocket and children's stroller	200610041050.X	Invention	G CPC	PRC	2006.07.18	2026.07.18
Children's stroller	200610153359.8	Invention	G CPC	PRC	2006.09.12	2026.09.12



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Playpen	200710022724.6	Invention	G CPC	PRC	2007.05.24	2027.05.24
Children's car	200710023325.1	Invention	G CPC	PRC	2007.06.07	2027.06.07
Foldable umbrella car	200710302611.1	Invention	G CPC	PRC	2007.12.29	2027.12.29
Crib status display	200810018600.5	Invention	G CPC	PRC	2008.02.29	2028.02.29
Baby's horizontally foldable stroller	200810020117.0	Invention	G CPC	PRC	2008.03.24	2028.03.24
Children's stroller	200810022663.8	Invention	G CPC	PRC	2008.07.08	2028.07.08
A kind of children's foldable stroller	200810136394.8	Invention	G CPC	PRC	2008.12.01	2028.12.01
Children's foldable stroller	200810136399.0	Invention	G CPC	PRC	2008.12.02	2028.12.02
Children's electric car	200310106270.2	Invention	G CPC	PRC	2003.11.10	2023.11.10
Steering rod remote control and hand operating mechanism for children's electric car	200410041811.2	Invention	G CPC	PRC	2004.08.25	2024.08.25
A kind of foldable playpen	200710020409.X	Invention	G CPC	PRC	2007.02.14	2017.02.14
Children's tricycle	200810080592.7	Invention	G CPC	PRC	2008.02.21	2018.02.21
Baby carrier	200810096803.6	Invention	G CPC	PRC	2008.04.30	2018.04.30
Children's car capable of transverse folding	200810123108.4	Invention	G CPC	PRC	2008.06.05	2018.06.05
Foldable children's car and its folding method	200810021416.6	Invention	G CPC	PRC	2008.07.29	2018.07.29
Children's stroller	200810021884.3	Invention	G CPC	PRC	2008.08.18	2018.08.18
A kind of foldable children's stroller	200810196707.9	Invention	G CPC	PRC	2008.09.17	2018.09.17
Baby's stroller	US00D400478	Patent	G CPC	United States	1996.02.21	2012.11.03
Baby's stroller	US00D396206	Patent	G CPC	United States	1996.09.20	2012.07.21
Children's car	US005988670	Patent	G CPC	United States	1996.09.20	2016.02.09
Baby's stroller	2053868	Patent	G CPC	United Kingdom	1995.08.22	2015.08.22
Children's car	2053868	Patent	G CPC	Singapore	1995.08.22	2015.08.22
Children's car	2053868	Patent	G CPC	Hong Kong	1995.08.22	2015.08.22
Children's car	960762	Patent	G CPC	France	1995.04.12	2015.04.12
Children's cradle style car	2157325	Patent	G CPC	Russia	1996.02.14	2016.02.14
Rocking horse tricycle	6257598	Patent	G CPC	United States	1997.01.11	2017.06.11
Rocking horse tricycle	6276694	Patent	G CPC	United States	1997.01.11	2017.06.11
Rocking horse tricycle	6419243	Patent	G CPC	United States	1997.01.11	2017.06.11
Rocking horse tricycle	2257435	Patent	G CPC	Canada	1997.06.11	2017.06.11
Rocking horse tricycle	EP0906861	Patent	G CPC	Spain, France, Italy	1997.06.11	2017.06.11
Children's foldable car	6626451	Patent	G CPC	United States	1999.10.21	2021.08.30

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Children's car	6712382	Patent	G CPC	United States	2001.01.03	2022.07.01
Children's tricycle	6860490	Patent	G CPC	United States	2003.11.19	2017.06.11
Children's tricycle	6663115	Patent	G CPC	United States	2002.06.05	2017.06.11
Children's playpen	US00D526133S	Patent	G CPC	United States	2005.02.25	2020.08.08
Foldable playpen	US7343634	Patent	G CPC	United States	2005.03.04	2025.08.01
Playpen	EP1778057	Patent	G CPC	United States, France, Germany, Spain, Holland	2006.12.29	2025.04.25
Foldable playpen	US7574757	Patent	G CPC	United States	2008.01.24	2025.03.04
Infant's stroller	實願2009-008891	Patent	G CPC	Japan	2009.12.15	2019.12.15
Children's dining chair	200810136401.4	Invention	G CPC	PRC	2008.12.02	2028.12.02
A kind of baby's rocking chair	200610082389.4	Invention	G CPC	PRC	2006.05.26	2026.05.26
Children's horizontal-foldable Car	200920241506.6	Utility	G CPC	PRC	2009.11.24	2019.11.24
Children's dining chair	200920241484.3	Utility	G CPC	PRC	2009.11.20	2019.11.20
Children's stroller	200920268083.7	Utility	G CPC	PRC	2009.11.17	2019.11.17
Children's car	200920241928.3	Utility	G CPC	PRC	2009.12.25	2019.12.25
Walker	200920241982.8	Utility	G CPC	PRC	2009.12.28	2019.12.28
Baby's rocking chair	201020002036.0	Utility	G CPC	PRC	2010.01.11	2020.01.11
Children's foldable car	200920298745.5	Utility	G CPC	PRC	2009.12.29	2019.12.29
Children's car seat	200920277136.1	Utility	G CPC	PRC	2009.11.30	2019.11.30
Children's umbrella car (umbrella included)	200920188761.9	Utility	G CPC	PRC	2009.08.24	2019.08.24
Baby's rocking chair	200920242008.3	Utility	G CPC	PRC	2009.12.28	2019.12.28
Children's stroller	200920242011.5	Utility	G CPC	PRC	2009.12.30	2019.12.30
Wheel installation structure of children's products	200920189575.7	Utility	G CPC	PRC	2009.10.21	2019.10.21
Children's car	200920185955.3	Utility	G CPC	PRC	2009.07.23	2019.07.23
Infant's spring chair	200920241451.9	Utility	G CPC	PRC	2009.11.18	2019.11.18
Children's car	200920241481.X	Utility	G CPC	PRC	2009.11.20	2019.11.20
Drop-leaf seat post connector for children's car	201020061359.7	Utility	G CPC	PRC	2010.01.09	2020.01.09
Infant's dining chair	201020061341.7	Utility	G CPC	PRC	2010.01.06	2020.01.06
Foldable dining chair	200920241510.2	Utility	G CPC	PRC	2009.11.23	2019.11.23
FoldableBaby's seat	200920242018.7	Utility	G CPC	PRC	2009.12.31	2019.12.31
Crib	200920241286.7	Utility	G CPC	PRC	2009.11.06	2019.11.06
Baby carrier	200920241791.1	Utility	G CPC	PRC	2009.12.18	2019.12.18
A kind of carrying vehicle	200920241792.6	Utility	G CPC	PRC	2009.12.18	2019.12.18

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Children's multifunctional chair	200920241542.2	Utility	G CPC	PRC	2009.11.25	2019.11.25
Toy on children's car	200920242013.4	Utility	G CPC	PRC	2009.12.30	2019.12.30
Baby's car seat	200920242015.3	Utility	G CPC	PRC	2009.12.30	2019.12.30
Children's stroller	200920241757.4	Utility	G CPC	PRC	2009.12.11	2019.12.11
A kind of children's stroller	200920241790.7	Utility	G CPC	PRC	2009.12.18	2019.12.18
Carrying vehicle	200920241789.4	Utility	G CPC	PRC	2009.12.18	2019.12.18
A kind of children's car	200920241559.8	Utility	G CPC	PRC	2009.11.27	2019.11.27
A kind of children's car	201020003187.8	Utility	G CPC	PRC	2010.01.12	2020.01.12
Children's stroller	200920189580.8	Utility	G CPC	PRC	2009.10.21	2019.10.21
Wheel installation structure of children's car (children's car included)	200920241736.2	Utility	G CPC	PRC	2009.12.10	2019.12.10
Electric car	200920241776.7	Utility	G CPC	PRC	2009.12.15	2019.12.15
Crib body Fastener	201020061357.8	Utility	G CPC	PRC	2010.01.09	2020.01.09
Children's stroller	201020061342.1	Utility	G CPC	PRC	2010.01.06	2020.01.06
Children's car seat	200920242005.X	Utility	G CPC	PRC	2009.12.28	2019.12.28
Children's tricycle	200920188764.2	Utility	G CPC	PRC	2009.08.24	2019.08.24
A kind of baby's stroller	200920241914.1	Utility	G CPC	PRC	2009.12.24	2019.12.24
Children's electric car(2)	201030108476.X	Design	G CPC	PRC	2010.02.09	2020.02.09
Headboard bracket of crib(1)	201030108007.8	Design	G CPC	PRC	2010.02.09	2020.02.09
Crib(4)	201030108009.7	Design	G CPC	PRC	2010.02.09	2020.02.09
Crib(7)	201030108479.3	Design	G CPC	PRC	2010.02.09	2020.02.09
Crib(6)	201030108478.9	Design	G CPC	PRC	2010.02.09	2020.02.09
Rattan sleeping basket	201030049445.1	Design	G CPC	PRC	2010.01.08	2020.01.08
Sleeping basket frame of children's stroller(1)	201030116590.7	Design	G CPC	PRC	2010.03.05	2020.03.05
Frame of infant's chair	201030049441.3	Design	G CPC	PRC	2010.01.08	2020.01.08
Crib(1)	201030107998.8	Design	G CPC	PRC	2010.02.09	2020.02.09
Crib(5)	201030107996.9	Design	G CPC	PRC	2010.02.09	2020.02.09
Footrest(1)	201030049457.4	Design	G CPC	PRC	2010.01.08	2020.01.08
A kind of children's cradle	201030107999.2	Design	G CPC	PRC	2010.02.09	2020.02.09
Game blanket (dinosaur)	201030049443.2	Design	G CPC	PRC	2010.01.08	2020.01.08
Frame of children's car(P898)	200930273366.6	Design	G CPC	PRC	2009.12.31	2019.12.31
Seat pocket frame of children's stroller(1)	201030117307.2	Design	G CPC	PRC	2010.03.05	2020.03.05
Frame of children's car seat	201030115360.9	Design	G CPC	PRC	2010.03.04	2020.03.04
Children's bicycle(5)	201030135722.0	Design	G CPC	PRC	2010.04.06	2020.04.06
Children's car sling	201030049481.8	Design	G CPC	PRC	2010.01.11	2020.01.11

Patent	Patent No.	Type	Name of Registered Proprietor	Place of Registration	Date of Application	Expiry Date
Fabric(4)	201030049438.1	Design	G CPC	PRC	2010.01.08	2020.01.08
Crib(3)	201030108021.8	Design	G CPC	PRC	2010.02.09	2020.02.09
Children's bicycle (7)	201030135724.X	Design	G CPC	PRC	2010.04.06	2020.04.06
Children's bicycle (3)	201030135720.1	Design	G CPC	PRC	2010.04.06	2020.04.06
Children's cradle	201030115322.3	Design	G CPC	PRC	2010.03.04	2020.03.04
Children's tricycle (2)	201030135741.3	Design	G CPC	PRC	2010.04.06	2020.04.06
Crib(1)	201030135726.9	Design	G CPC	PRC	2010.04.06	2020.04.06
Children's electric car(1)	201030135717.X	Design	G CPC	PRC	2010.04.06	2020.04.06
Children's electric car(1)	201030108032.6	Design	G CPC	PRC	2010.02.09	2020.02.09
Children's stroller	201030135729.2	Design	G CPC	PRC	2010.04.06	2020.04.06
Car seat	200930273335.0	Design	G CPC	PRC	2009.12.31	2019.12.31
Wheel hub (plier)	200930213890.4	Design	G CPC	PRC	2009.07.28	2019.07.28
Children's car seat	201030049455.5	Design	G CPC	PRC	2010.01.08	2020.01.08
Wheel hub(coin wheel) of children's car	200930273364.7	Design	G CPC	PRC	2009.12.31	2019.12.31
Crib (8)	201030108026.0	Design	G CPC	PRC	2010.02.09	2020.02.09
Front pallet of children'sstroller (LC289)	201030108453.9	Design	G CPC	PRC	2010.02.09	2020.02.09
Crib (3)	201030135728.8	Design	G CPC	PRC	2010.04.06	2020.04.06
Crib (2)	201030135727.3	Design	G CPC	PRC	2010.04.06	2020.04.06
Children's walker(XB602)	201030049452.1	Design	G CPC	PRC	2010.01.08	2020.01.08
Frame of children's stroller (C2009)	201030049482.2	Design	G CPC	PRC	2010.01.11	2020.01.11
Headboard bracket of crib (3)	201030108454.3	Design	G CPC	PRC	2010.02.09	2020.02.09
Frame of children's stroller(4)	201030117286.4	Design	G CPC	PRC	2010.03.05	2020.03.05
Cradle Controller	200930273330.8	Design	G CPC	PRC	2009.12.31	2019.12.31
Crib	201030115334.6	Design	G CPC	PRC	2010.03.04	2020.03.04
Front bracket of children's car (C899)	200930273337.X	Design	G CPC	PRC	2009.12.31	2019.12.31
Armrest of children's car (C899)	200930273338.4	Design	G CPC	PRC	2009.12.31	2019.12.31
Children's electric car (3)	201030135715.0	Design	G CPC	PRC	2010.04.06	2020.04.06
Fabric (3)	201030049439.6	Design	G CPC	PRC	2010.01.08	2020.01.08
Frame of children's stroller (4)	201030116621.9	Design	G CPC	PRC	2010.03.05	2010.03.05
Children's electric motorcycle (3)	201030135710.8	Design	G CPC	PRC	2010.04.06	2020.04.06
Children's bicycle (1)	201030135718.4	Design	G CPC	PRC	2010.04.06	2020.04.06
Crib (2)	201030107957.9	Design	G CPC	PRC	2010.02.09	2020.02.09
Headboard bracket of crib (2)	201030108029.4	Design	G CPC	PRC	2010.02.09	2020.02.09

As at the Latest Practicable Date, the Group has applied for registration of the following patents:

Patent	Application Number	Type	Name of Applicant	Place of Application	Date of Application
Wheel hub (triangle clamp)	200930213890.4	Design	GCPC	PRC	2009.07.28
Children's stroller	201010295967.9	Invention	GCPC	PRC	2010.09.25
Children's stroller	201010295985.7	Invention	GCPC	PRC	2010.09.29
Children's playpen	201010299994.3	Invention	GCPC	PRC	2010.09.30
Children's stroller	201020547194.4	Utility	GCPC	PRC	2010.09.25
Children's stroller	201020547329.7	Utility	GCPC	PRC	2010.09.29
Children's playpen	201020552839.3	Utility	GCPC	PRC	2010.09.30
Children's chair	201020549726.8	Utility	GCPC	PRC	2010.09.30
Children's sleeping basket	201020549736.1	Utility	GCPC	PRC	2010.09.30
Children's dining chair	201020547330.X	Utility	GCPC	PRC	2010.09.29
Chair desk	201020547338.6	Utility	GCPC	PRC	2010.09.29
Seat fixer of children's stroller (children's stroller included)	201020547323.X	Utility	GCPC	PRC	2010.09.29
Children's car	201020552829.X	Utility	GCPC	PRC	2010.09.30
Children's car seat	201020552837.4	Utility	GCPC	PRC	2010.09.30
Wheel of children's car	201030528589.5	Design	GCPC	PRC	2010.09.25
Children's stroller	EP001737065	Design	GCPC	Europe	2010.07.28
Children's stroller	AU13286/2010	Design	GCPC	Australia	2010.03.28
Children's stroller	US29/369,345	Design	GCPC	United States	2010.07.09
Seat pocket of children's stroller	200930273219.9	Design	GCPC	PRC	2009.12.16
Armrest of children's car (C899)	200930273338.4	Design	GCPC	PRC	2009.12.31
Front bracket of children's car (C899)	200930273337.X	Design	GCPC	PRC	2009.12.31
Car seat (1)	200930273335.0	Design	GCPC	PRC	2009.12.31
Car seat (2)	200930273334.6	Design	GCPC	PRC	2009.12.31
Monitor (4)	200930273345.4	Design	GCPC	PRC	2009.12.31
Frame of children's stroller (GB16)	200930273350.5	Design	GCPC	PRC	2009.12.31
Cradle rocking-stop cap	200930273330.8	Design	GCPC	PRC	2009.12.31
Children's stroller (GB11)	200930273355.8	Design	GCPC	PRC	2009.12.31
Frame of children's car (P898)	200930273366.6	Design	GCPC	PRC	2009.12.31
Wheel hub of children's car (coin wheel)	200930273364.7	Design	GCPC	PRC	2009.12.31
Children's walker (XB602)	201030049452.1	Design	GCPC	PRC	2010.01.08
Children's car sling (GB26)	201030049481.8	Design	GCPC	PRC	2010.01.11
Frame of children's stroller (C2009)	201030049482.2	Design	GCPC	PRC	2010.01.11

Patent	Application Number	Type	Name of Applicant	Place of Application	Date of Application
Footrest (1)	201030049457.4	Design	GCPC	PRC	2010.01.08
Footrest (2)	201030049456.X	Design	GCPC	PRC	2010.01.08
Children's car seat	201030049455.5	Design	GCPC	PRC	2010.01.08
Frame of infant's chair	201030049441.3	Design	GCPC	PRC	2010.01.08
Fabric (3)	201030049439.6	Design	GCPC	PRC	2010.01.08
Fabric (4)	201030049438.1	Design	GCPC	PRC	2010.01.08
Game blanket (dinosaur)	201030049443.2	Design	GCPC	PRC	2010.01.08
Crib (2)	201030049445.1	Design	GCPC	PRC	2010.01.08
Front pallet of children's stroller (LC289)	201030108453.9	Design	GCPC	PRC	2010.02.09
Frame of children's car seat	201030115360.9	Design	GCPC	PRC	2010.03.04
Seat pocket frame of children's stroller (1)	201030117307.2	Design	GCPC	PRC	2010.03.05
Frame of children's stroller (2)	201030116589.4	Design	GCPC	PRC	2010.03.05
Frame of children's stroller (3)	201030116621.9	Design	GCPC	PRC	2010.03.05
Frame of children's stroller (4)	201030117286.4	Design	GCPC	PRC	2010.03.05
Sleeping basket bracket of children's stroller (1)	201030116590.7	Design	GCPC	PRC	2010.03.05
Headboard bracket of crib (3)	2010301084543	Design	GCPC	PRC	2010.02.09
Children's electric car (1)	2010301080326	Design	GCPC	PRC	2010.02.09
Children's electric car (2)	201030108476X	Design	GCPC	PRC	2010.02.09
Children's cradle	2010301079992	Design	GCPC	PRC	2010.02.09
Crib (1)	2010301079988	Design	GCPC	PRC	2010.02.09
Crib (2)	2010301079579	Design	GCPC	PRC	2010.02.09
Crib (3)	2010301080218	Design	GCPC	PRC	2010.02.09
Crib (4)	2010301080097	Design	GCPC	PRC	2010.02.09
Crib (5)	2010301079969	Design	GCPC	PRC	2010.02.09
Crib (6)	2010301084789	Design	GCPC	PRC	2010.02.09
Crib (7)	2010301084793	Design	GCPC	PRC	2010.02.09
Crib (8)	2010301080260	Design	GCPC	PRC	2010.02.09
Headboard bracket of crib (1)	2010301080078	Design	GCPC	PRC	2010.02.09
Headboard bracket of crib (2)	2010301080294	Design	GCPC	PRC	2010.02.09
Children's cradle	2010301153223	Design	GCPC	PRC	2010.03.04
Crib	2010301153346	Design	GCPC	PRC	2010.03.04
Children's electric car (1)	201030135717X	Design	GCPC	PRC	2010.04.06
Children's electric car (2)	2010301357165	Design	GCPC	PRC	2010.04.06
Children's electric car (3)	2010301357150	Design	GCPC	PRC	2010.04.06
Children's electric car (4)	2010301357146	Design	GCPC	PRC	2010.04.06

Patent	Application Number	Type	Name of Applicant	Place of Application	Date of Application
Children's electric car (5)	2010301357131	Design	GCPC	PRC	2010.04.06
Children's electric motorcycle (1)	2010301357127	Design	GCPC	PRC	2010.04.06
Children's electric motorcycle (2)	2010301357112	Design	GCPC	PRC	2010.04.06
Children's electric motorcycle (3)	2010301357108	Design	GCPC	PRC	2010.04.06
Children's electric motorcycle (4)	2010301357095	Design	GCPC	PRC	2010.04.06
Children's electric motorcycle (5)	2010301357080	Design	GCPC	PRC	2010.04.06
Children's tricycle (1)	2010301357428	Design	GCPC	PRC	2010.04.06
Children's tricycle (2)	2010301357413	Design	GCPC	PRC	2010.04.06
Children's tricycle (3)	2010301357409	Design	GCPC	PRC	2010.04.06
Children's tricycle (4)	2010301357396	Design	GCPC	PRC	2010.04.06
Children's tricycle (5)	2010301357381	Design	GCPC	PRC	2010.04.06
Children's tricycle (6)	2010301357377	Design	GCPC	PRC	2010.04.06
Children's tricycle (7)	2010301357305	Design	GCPC	PRC	2010.04.06
Children's tricycle (8)	2010301357362	Design	GCPC	PRC	2010.04.06
Children's bicycle (1)	2010301357184	Design	GCPC	PRC	2010.04.06
Children's bicycle (2)	2010301357199	Design	GCPC	PRC	2010.04.06
Children's bicycle (3)	2010301357201	Design	GCPC	PRC	2010.04.06
Children's bicycle (4)	2010301357216	Design	GCPC	PRC	2010.04.06
Children's bicycle (5)	2010301357220	Design	GCPC	PRC	2010.04.06
Children's bicycle (6)	2010301357235	Design	GCPC	PRC	2010.04.06
Children's bicycle (7)	201030135724X	Design	GCPC	PRC	2010.04.06
Children's bicycle (8)	2010301357254	Design	GCPC	PRC	2010.04.06
Children's stroller	2010301357292	Design	GCPC	PRC	2010.04.06
Crib (1)	2010301357269	Design	GCPC	PRC	2010.04.06
Crib (2)	2010301357273	Design	GCPC	PRC	2010.04.06
Crib (3)	2010301357288	Design	GCPC	PRC	2010.04.06
Frame of children's walker	2010301438694	Design	GCPC	PRC	2010.04.16
Lift knob of children's car seat	201030151728.7	Design	GCPC	PRC	2010.04.23
Frame of children's car seat	201030151695.6	Design	GCPC	PRC	2010.04.23
Beach chair	201030153823.0	Design	GCPC	PRC	2010.04.30
Shell of car seat	201030153822.6	Design	GCPC	PRC	2010.04.30
Frame of children's stroller	201030164377.3	Design	GCPC	PRC	2010.05.12
Frame of shopping trolley	201030164394.7	Design	GCPC	PRC	2010.05.12
Seat pocket frame of children's stroller	201030164391.3	Design	GCPC	PRC	2010.05.12
Frame of children's stroller (1)	201030164380.5	Design	GCPC	PRC	2010.05.12
Children's dining chair	201030191146.1	Design	GCPC	PRC	2010.05.28
Children's stroller	201030205233.8	Design	GCPC	PRC	2010.06.17

Patent	Application Number	Type	Name of Applicant	Place of Application	Date of Application
Frame of children's stroller	201030205239.5	Design	GCPC	PRC	2010.06.17
Children's rocking chair	201030205236.1	Design	GCPC	PRC	2010.06.17
Frame of children's rocking chair	201030205234.2	Design	GCPC	PRC	2010.06.17
Children's dining chair	201030205240.8	Design	GCPC	PRC	2010.06.17
Frame of children's dining chair	201030205238.0	Design	GCPC	PRC	2010.06.17
Seat pocket	201030205235.7	Design	GCPC	PRC	2010.06.17
Trunk of children's bicycle (1)	201030209689.1	Design	GCPC	PRC	2010.06.21
Basket of children's bicycle (2)	201030209718.4	Design	GCPC	PRC	2010.06.21
Basket of children's bicycle (1)	201030209665.6	Design	GCPC	PRC	2010.06.21
Basket of children's bicycle (3)	201030209697.6	Design	GCPC	PRC	2010.06.21
Trunk of children's bicycle (2)	201030209680.0	Design	GCPC	PRC	2010.06.21
Frame of children's stroller	201030209645.9	Design	GCPC	PRC	2010.06.21
Seat bracket structure for children's stroller	201030239606.3	Design	GCPC	PRC	2010.07.16
Frame of children's stroller (LD212)	201030239933.9	Design	GCPC	PRC	2010.07.16
Children's electric car (double-seat MINI)	201030239885.3	Design	GCPC	PRC	2010.07.16
Frame of children's spring chair (TD002)	201030239918.4	Design	GCPC	PRC	2010.07.16
Frame of children's dining chair (Y3000)	201030239920.1	Design	GCPC	PRC	2010.07.16
Children's stroller (P680)	201030239861.8	Design	GCPC	PRC	2010.07.16
Children's stroller (1)	201030239854.8	Design	GCPC	PRC	2010.07.16
Wheel hub of children's stroller (NEXT)	201030239657.6	Design	GCPC	PRC	2010.07.16
Frame of children's stroller (NEXT)	201030239853.3	Design	GCPC	PRC	2010.07.16
Frame of children's stroller (C628)	201030239863.7	Design	GCPC	PRC	2010.07.16
Frame of children's stroller (LA298)	201030239932.4	Design	GCPC	PRC	2010.07.16
Frame of children's stroller (A518H)	201030239864.1	Design	GCPC	PRC	2010.07.16
Children's car (N204)	201030239693.2	Design	GCPC	PRC	2010.07.16
Decorating parts of children's car (N204)	201030239701.3	Design	GCPC	PRC	2010.07.16
Steering wheel of children's car (N204)	201030239672.0	Design	GCPC	PRC	2010.07.16
Shell of children's car (N204)	201030239711.7	Design	GCPC	PRC	2010.07.16



Patent	Application Number	Type	Name of Applicant	Place of Application	Date of Application
Decorating parts of children's car wheel (N204)	201030239646.8	Design	GCPC	PRC	2010.07.16
Wheel body of children's car (N204)	201030239649.1	Design	GCPC	PRC	2010.07.16
Frame of children's stroller (C249)	201030249523.2	Design	GCPC	PRC	2010.07.27
Footrest of children's stroller (C249)	201030239635.X	Design	GCPC	PRC	2010.07.16
Front underpan of children's stroller (C249)	201030239638.3	Design	GCPC	PRC	2010.07.16
Side armrest of children's stroller (C249)	201030239683.9	Design	GCPC	PRC	2010.07.16
Toy tray of children's walker (LXB 103H)	201030239675.4	Design	GCPC	PRC	2010.07.16
Frame of children's walker (XB501)	201030239733.3	Design	GCPC	PRC	2010.07.16
Tent buckle of children's car	201030239685.8	Design	GCPC	PRC	2010.07.16
Frame of children's stroller	201030239599.7	Design	GCPC	PRC	2010.07.16
Children's bicycle	201030239595.9	Design	GCPC	PRC	2010.07.16
Playpen frame	201030239590.6	Design	GCPC	PRC	2010.07.16
Crib frame	201030239593.X	Design	GCPC	PRC	2010.07.16
Frame of children's car seat	201030239608.2	Design	GCPC	PRC	2010.07.16
Children's dining chair (Y4008)	201030239587.4	Design	GCPC	PRC	2010.07.16
Push knob of children's stroller (D359)	201030239578.5	Design	GCPC	PRC	2010.07.16
Frame of children's stroller (D286)	201030239865.6	Design	GCPC	PRC	2010.07.16
Frame of children's stroller (C780-XT)	201030239568.1	Design	GCPC	PRC	2010.07.16
Frame of children's stroller (GAMA)	201030239566.2	Design	GCPC	PRC	2010.07.16
Frame of children's dining chair (Y7200)	201030243201.7	Design	GCPC	PRC	2010.07.20
Children's swing (QQ550)	201030249441.8	Design	GCPC	PRC	2010.07.21
Children's dining chair (MY9000)	201030249451.1	Design	GCPC	PRC	2010.07.21
Frame of children's stroller (B008)	201030249461.5	Design	GCPC	PRC	2010.07.21
Children's walker	201030249446.0	Design	GCPC	PRC	2010.07.21
Frame of children's walker	201030249506.9	Design	GCPC	PRC	2010.07.21
Toy (1)	201030249469.1	Design	GCPC	PRC	2010.07.21
Toy (2)	201030249477.6	Design	GCPC	PRC	2010.07.21

Patent	Application Number	Type	Name of Applicant	Place of Application	Date of Application
Toy (3)	201030249481.2	Design	GCPC	PRC	2010.07.21
Toy (4)	201030249485.0	Design	GCPC	PRC	2010.07.21
Toy (5)	201030249491.6	Design	GCPC	PRC	2010.07.21
Toy (6)	201030249495.4	Design	GCPC	PRC	2010.07.21
Toy (7)	201030249509.2	Design	GCPC	PRC	2010.07.21
Toy (8)	201030249513.9	Design	GCPC	PRC	2010.07.21
Children's electric tricycle (1)	201030249541.0	Design	GCPC	PRC	2010.07.27
Children's electric tricycle (2)	201030249533.6	Design	GCPC	PRC	2010.07.27
Children's electric car	201030249520.9	Design	GCPC	PRC	2010.07.27
Shell of children's car seat (GB23)	201030239567.7	Design	GCPC	PRC	2010.07.16
Shell of baby's car seat (CS30)	201030239714.0	Design	GCPC	PRC	2010.07.16
Shell of children's car seat (1)	201030239852.9	Design	GCPC	PRC	2010.07.16
Shell of children's car seat (2)	201030239576.6	Design	GCPC	PRC	2010.07.16
Children's spring chair	201030249466.8	Design	GCPC	PRC	2010.07.21
Frame of children's stroller (D609)	201030266484.7	Design	GCPC	PRC	2010.08.09
Frame of children's stroller (D610)	201030280145.4	Design	GCPC	PRC	2010.08.20
Frame of children's stroller	201030280150.5	Design	GCPC	PRC	2010.08.20
Push knob of children's car	201030280163.2	Design	GCPC	PRC	2010.08.20
Children's car	201030266482.8	Design	GCPC	PRC	2010.08.09
Children's bicycle (1)	201030266441.9	Design	GCPC	PRC	2010.08.09
Children's bicycle (2)	201030266433.4	Design	GCPC	PRC	2010.08.09
Children's bicycle (3)	201030266430.0	Design	GCPC	PRC	2010.08.09
Children's bicycle (4)	201030266428.3	Design	GCPC	PRC	2010.08.09
Children's bicycle (5)	201030266475.8	Design	GCPC	PRC	2010.08.09
Children's bicycle (6)	201030266474.3	Design	GCPC	PRC	2010.08.09
Children's bicycle (7)	201030266473.9	Design	GCPC	PRC	2010.08.09
Children's bicycle (8)	201030266471.X	Design	GCPC	PRC	2010.08.09
Children's bicycle (9)	201030266464.X	Design	GCPC	PRC	2010.08.09
Children's tricycle (1)	201030266461.6	Design	GCPC	PRC	2010.08.09
Children's tricycle (2)	201030266450.8	Design	GCPC	PRC	2010.08.09
Children's tricycle (3)	201030266448.0	Design	GCPC	PRC	2010.08.09
Children's tricycle (4)	201030266445.7	Design	GCPC	PRC	2010.08.09
Children's electric car (1)	201030266443.8	Design	GCPC	PRC	2010.08.09
Children's electric car (2)	201030266492.1	Design	GCPC	PRC	2010.08.09
Children's electric car (3)	201030266491.7	Design	GCPC	PRC	2010.08.09

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Children's electric car (1)	201030266489.X	Design	GCPC	PRC	2010.08.09
Children's electric car (2)	201030266488.5	Design	GCPC	PRC	2010.08.09
Children's electric car (3)	201030266485.1	Design	GCPC	PRC	2010.08.09
Infant's rocking chair	201030514383.7	Design	GCPC	PRC	2010.09.14
Children's auxiliary carrying vehicle	201030514374.8	Design	GCPC	PRC	2010.09.14
Shell of children's auxiliary carrying vehicle	201030514371.4	Design	GCPC	PRC	2010.09.14
Supporting components of children's auxiliary carrying vehicle	201030514386.0	Design	GCPC	PRC	2010.09.14
Footrest of children's auxiliary carrying vehicle	201030514390.7	Design	GCPC	PRC	2010.09.14
Frame of children's stroller (D699)	201030514395.X	Design	GCPC	PRC	2010.09.14
Push knob of children's car	201030514408.3	Design	GCPC	PRC	2010.09.14
Frame of children's stroller (C3000)	201030514399.8	Design	GCPC	PRC	2010.09.14
Umbrella & children's car with such umbrella	200920188761.9	Utility	GCPC	PRC	2009.08.24
Children's tricycle	200920188764.2	Utility	GCPC	PRC	2009.08.24
Control unit for rocking cycle and amplitude of swing	200920189375.1	Utility	GCPC	PRC	2009.09.29
A kind of children's car seat	200920189493.2	Utility	GCPC	PRC	2009.10.16
Children's car seat	200920189494.7	Utility	GCPC	PRC	2009.10.16
Wheel installation structure of children's articles	200920189575.7	Utility	GCPC	PRC	2009.10.21
Children's stroller	200920189580.8	Utility	GCPC	PRC	2009.10.21
Baby's stroller	200920189576.1	Utility	GCPC	PRC	2009.10.21
Children's dining chair	200920241484.3	Utility	GCPC	PRC	2009.11.20
Foldable dinning chair	200920241510.2	Utility	GCPC	PRC	2009.11.23
Children's stroller	200920241483.9	Utility	GCPC	PRC	2009.11.20
Children's car	200920241481.X	Utility	GCPC	PRC	2009.11.20
Children's horizontally foldable car	200920241506.6	Utility	GCPC	PRC	2009.11.24
Awning & children's article with such awning	200920241505.1	Utility	GCPC	PRC	2009.11.24
Seat structure & children's article with such seat structure	200920266543.2	Utility	GCPC	PRC	2009.11.09
A kind of children's car	200920241559.8	Utility	GCPC	PRC	2009.11.27
Children's multipurpose chair	200920241542.2	Utility	GCPC	PRC	2009.11.25

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Children's stroller	200920268083.7	Utility	GCPC	PRC	2009.11.17
Children's horizontally foldable stroller	200920267200.8	Utility	GCPC	PRC	2009.11.24
Baby's stroller	200920274026.X	Utility	GCPC	PRC	2009.11.23
Children's car seat	200920277136.1	Utility	GCPC	PRC	2009.11.30
Wheel installation structure & children's car with such wheel installation structure	200920241736.2	Utility	GCPC	PRC	2009.12.10
Children's stroller	200920241757.4	Utility	GCPC	PRC	2009.12.11
A kind of carrying vehicle	200920241792.6	Utility	GCPC	PRC	2009.12.18
Carrying vehicle	200920241789.4	Utility	GCPC	PRC	2009.12.18
A kind of children's stroller	200920241790.7	Utility	GCPC	PRC	2009.12.18
Baby's stroller	200920241791.1	Utility	GCPC	PRC	2009.12.18
Stroller	200920241918.X	Utility	GCPC	PRC	2009.12.23
A kind of baby's stroller	200920241914.1	Utility	GCPC	PRC	2009.12.24
Baby's foldable seat	200920242018.7	Utility	GCPC	PRC	2009.12.31
Spring chair	200920242012.X	Utility	GCPC	PRC	2009.12.30
A kind of baby's car seat	200920242015.3	Utility	GCPC	PRC	2009.12.30
Baby's car seat Toy	200920242014.9	Utility	GCPC	PRC	2009.12.30
Toy for children's car	200920242013.4	Utility	GCPC	PRC	2009.12.30
Children's stroller	200920242011.5	Utility	GCPC	PRC	2009.12.30
Children's stroller	200920242017.2	Utility	GCPC	PRC	2009.12.31
Children's car	200920241928.3	Utility	GCPC	PRC	2009.12.25
Walker	200920241982.8	Utility	GCPC	PRC	2009.12.28
Baby's rocking chair	200920242008.3	Utility	GCPC	PRC	2009.12.28
Children's car seat	200920242005.X	Utility	GCPC	PRC	2009.12.28
Wheel disassembling structure & children's stroller with such wheel disassembling structure	200920242002.6	Utility	GCPC	PRC	2009.12.30
Children's foldable car	200920298745.5	Utility	GCPC	PRC	2009.12.29
Children's stroller	201020061342.1	Utility	GCPC	PRC	2010.01.06
Infant's dining chair	201020061341.7	Utility	GCPC	PRC	2010.01.06
Installation structure of symboling parts for children's article	201020061340.2	Utility	GCPC	PRC	2010.01.06
Chair	201020061358.2	Utility	GCPC	PRC	2010.01.09
Children's rocking chair	201020061399.1	Utility	GCPC	PRC	2010.01.12
Crib shelf structure	201020061395.3	Utility	GCPC	PRC	2010.01.11
Connecting structure between seat pole and flap of children's car	201020061359.7	Utility	GCPC	PRC	2010.01.09

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Children's chair	201020061495.6	Utility	GCPC	PRC	2010.01.18
Children's chair	201020061494.1	Utility	GCPC	PRC	2010.01.18
Children's foldable rocking chair	201020061397.2	Utility	GCPC	PRC	2010.01.11
Children's swing	201020061393.4	Utility	GCPC	PRC	2010.01.11
A kind of children's stroller	201020061384.5	Utility	GCPC	PRC	2010.01.11
A kind of children's stroller with direction-changeable seat pocket	201020061383.0	Utility	GCPC	PRC	2010.01.11
Foldable basket for stroller	201020061337.0	Utility	GCPC	PRC	2010.01.07
Seat pocket flap structure for children's stroller	201020061392.X	Utility	GCPC	PRC	2010.01.11
Children's chair	201020061377.5	Utility	GCPC	PRC	2010.01.11
Baby's rocking chair	201020061506.0	Utility	GCPC	PRC	2010.01.19
Children's dining chair	201020061505.6	Utility	GCPC	PRC	2010.01.19
Expansion link & children's dining chair with such expansion link	201020061509.4	Utility	GCPC	PRC	2010.01.19
Children's car	201020003383.5	Utility	GCPC	PRC	2010.01.06
Children's fabric bed	201020061361.4	Utility	GCPC	PRC	2010.01.09
A kind of children's fabric bed & joint structure of such children's fabric bed	201020061360.X	Utility	GCPC	PRC	2010.01.09
Walker	201020002060.4	Utility	GCPC	PRC	2010.01.11
Seat pocket of children's car	201020061394.9	Utility	GCPC	PRC	2010.01.11
A kind of children's car	201020003187.8	Utility	GCPC	PRC	2010.01.12
Infant's rocking chair	201020101032.8	Utility	GCPC	PRC	2010.01.21
Baby's stroller	201020101121.2	Utility	GCPC	PRC	2010.01.21
Backrest adjusting structure & children's stroller with such backrest adjusting structure	201020105755.5	Utility	GCPC	PRC	2010.01.27
A kind of children's stroller	201020105742.8	Utility	GCPC	PRC	2010.01.27
Children's car with reversing push knob	201020106349.0	Utility	GCPC	PRC	2010.01.29
A kind of baby's stroller	201020106348.6	Utility	GCPC	PRC	2010.01.29
A kind of infant's rocking chair	201020101124.6	Utility	GCPC	PRC	2010.01.21
Toy blanket	201020103761.7	Utility	GCPC	PRC	2010.01.25
Baby's stroller	201020110376.5	Utility	GCPC	PRC	2010.02.05
A kind of children's multifunction rocking chair	201020112414.0	Utility	GCPC	PRC	2010.02.08
A kind of children's height adjustable swing	201020112416.X	Utility	GCPC	PRC	2010.02.08

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A kind of electric swing	201020112391.3	Utility	GCPC	PRC	2010.02.08
Foldable rocking chair	201020002063.8	Utility	GCPC	PRC	2010.01.11
Baby's rocking chair	201020002036.0	Utility	GCPC	PRC	2010.01.11
A kind of infant's rocking chair	201020061381.1	Utility	GCPC	PRC	2010.01.11
Children's car and its composite unit with children's car seat	201020114577.2	Utility	GCPC	PRC	2010.02.10
Children's rocking chair	201020113682.4	Utility	GCPC	PRC	2010.02.09
Children's tricycle	201020113668.4	Utility	GCPC	PRC	2010.02.09
A kind of children's multifunction swing	201020112394.7	Utility	GCPC	PRC	2010.02.08
Children's car seat	201020123979.9	Utility	GCPC	PRC	2010.01.27
Children's game machine	201020120455.4	Utility	GCPC	PRC	2010.02.25
Wheel orienting structure for children's car and children's car	201020120463.9	Utility	GCPC	PRC	2010.02.25
Children's stroller	201020120561.2	Utility	GCPC	PRC	2010.02.25
Children's chair	201020128203.6	Utility	GCPC	PRC	2010.03.05
Children's chair	201020120450.1	Utility	GCPC	PRC	2010.02.25
Children's dining chair	201020121727.2	Utility	GCPC	PRC	2010.02.26
Children's tricycle	201020121121.9	Utility	GCPC	PRC	2010.02.26
Seat structure for children's car	201020121204.8	Utility	GCPC	PRC	2010.02.26
Infant's stroller	201020126935.1	Utility	GCPC	PRC	2010.03.05
Children's car seat	201020127073.4	Utility	GCPC	PRC	2010.03.05
Children's stroller	201020124737.1	Utility	GCPC	PRC	2010.03.04
Connecting structure between bicycle and trailer	201020128212.5	Utility	GCPC	PRC	2010.03.05
Shelving rack structure for crib	200920188629.8	Utility	GCPC	PRC	2009.08.12
Children's car	200920188925.8	Utility	GCPC	PRC	2009.10.23
Crib	200920241286.7	Utility	GCPC	PRC	2009.11.06
A kind of crib	200920241344.6	Utility	GCPC	PRC	2009.11.09
Crib	200920241341.2	Utility	GCPC	PRC	2009.11.09
A kind of crib	200920241370.9	Utility	GCPC	PRC	2009.11.10
Electric car	200920241776.7	Utility	GCPC	PRC	2009.12.15
Children's cradle	201020061378.X	Utility	GCPC	PRC	2010.01.11
Bodywork fastening structure for crib	201020061357.8	Utility	GCPC	PRC	2010.01.09
Infant's rocking chair	2010201341782	Utility	GCPC	PRC	2010.02.21
Children's tricycle	2010201354956	Utility	GCPC	PRC	2010.02.09
Control unit for rocking of swing	201020138668X	Utility	GCPC	PRC	2010.03.18
Seat pocket of children's stroller	2010201387150	Utility	GCPC	PRC	2010.03.18

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Infant's stroller	2010201387377	Utility	GCPC	PRC	2010.03.18
A kind of infant's stroller	2010201388134	Utility	GCPC	PRC	2010.03.19
A kind of children's stroller	2010201340811	Utility	GCPC	PRC	2010.03.15
Children's stroller	2010201323905	Utility	GCPC	PRC	2010.03.12
Children's car seat	2010201293543	Utility	GCPC	PRC	2010.03.08
Crib	2010201293168	Utility	GCPC	PRC	2010.03.08
Children's car	2010201324077	Utility	GCPC	PRC	2010.03.12
A kind of electric swing	2010201387023	Utility	GCPC	PRC	2010.03.18
A kind of infant's car	2010201514480	Utility	GCPC	PRC	2010.03.30
Children's swing	2010201453330	Utility	GCPC	PRC	2010.03.26
Pocket of infant's car	2010201453557	Utility	GCPC	PRC	2010.03.26
A kind of children's car	2010201453805	Utility	GCPC	PRC	2010.03.26
Children's dining chair	2010201485242	Utility	GCPC	PRC	2010.03.29
Toddler bed	2010201413761	Utility	GCPC	PRC	2010.03.22
Crib	2010201413600	Utility	GCPC	PRC	2010.03.22
A kind of crib	2010201413494	Utility	GCPC	PRC	2010.03.22
A kind of crib	2010201413916	Utility	GCPC	PRC	2010.03.22
A kind of infant's stroller	2010201514476	Utility	GCPC	PRC	2010.03.30
Children's car	2010201514207	Utility	GCPC	PRC	2010.03.31
Children's car	2010201567079	Utility	GCPC	PRC	2010.04.08
Children's dining chair	2010201621020	Utility	GCPC	PRC	2010.04.13
Infant's car seat	201020174484.9	Utility	GCPC	PRC	2010.04.29
A kind of infant's car seat	201020174495.7	Utility	GCPC	PRC	2010.04.29
A kind of children's car seat	201020176711.1	Utility	GCPC	PRC	2010.04.30
Children's tricycle	201020170595.2	Utility	GCPC	PRC	2010.04.20
Children's stroller	201020174042.4	Utility	GCPC	PRC	2010.04.23
Children's stroller	201020181907.X	Utility	GCPC	PRC	2010.04.28
Infant's stroller	201020181885.7	Utility	GCPC	PRC	2010.04.28
Children's car seat	201020181875.3	Utility	GCPC	PRC	2010.04.28
Children's car	201020179432.0	Utility	GCPC	PRC	2010.05.05
Rivet machine	201020182587.X	Utility	GCPC	PRC	2010.05.07
Automatic rivet machine	201020182597.3	Utility	GCPC	PRC	2010.05.07
A kind of rivet machine	201020182478.8	Utility	GCPC	PRC	2010.05.07
A kind of children's chair	201020177850.6	Utility	GCPC	PRC	2010.04.19
Children's stroller	201020186399.4	Utility	GCPC	PRC	2010.05.07
Infant's stroller	201020186413.0	Utility	GCPC	PRC	2010.05.07
Children's playpen	201020186426.8	Utility	GCPC	PRC	2010.05.06

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A kind of children's stroller	201020186377.8	Utility	GCPC	PRC	2010.05.04
Children's car	201020200870.0	Utility	GCPC	PRC	2010.05.18
A kind of infant's stroller	201020200885.7	Utility	GCPC	PRC	2010.05.19
Table and children's dining table and chair with the same	201020200882.3	Utility	GCPC	PRC	2010.05.19
A kind of infant's car	201020204623.8	Utility	GCPC	PRC	2010.05.27
Children's stroller	201020191501.X	Utility	GCPC	PRC	2010.05.10
A kind of infant's car seat	201020202916.2	Utility	GCPC	PRC	2010.05.26
A kind of infant's car	201020206316.3	Utility	GCPC	PRC	2010.05.28
Infant's car	201020206320.X	Utility	GCPC	PRC	2010.05.28
Children's tricycle	201020195267.8	Utility	GCPC	PRC	2010.05.19
Children's walker	201020195270.X	Utility	GCPC	PRC	2010.05.19
A kind of children's car	201020196962.6	Utility	GCPC	PRC	2010.05.20
Infant's stroller	201020198285.1	Utility	GCPC	PRC	2010.05.21
Rotating joint and children's product with the same	201020202894.X	Utility	GCPC	PRC	2010.05.26
Children's car	201020215070.6	Utility	GCPC	PRC	2010.05.28
Children's dining chair	201020215067.4	Utility	GCPC	PRC	2010.05.28
A kind of children's dining chair	201020215060.2	Utility	GCPC	PRC	2010.05.28
Children's car seat	201020219688.X	Utility	GCPC	PRC	2010.06.09
Infant's car seat	201020221211.5	Utility	GCPC	PRC	2010.06.10
A kind of children's car seat	201020210506.2	Utility	GCPC	PRC	2010.05.18
Children's car	201020216427.2	Utility	GCPC	PRC	2010.05.31
A kind of children's stroller	201020224014.9	Utility	GCPC	PRC	2010.06.12
Children's chair desk	201020242606.3	Utility	GCPC	PRC	2010.06.29
Rotating joint of children's product and children's chair desk with the same	201020242590.6	Utility	GCPC	PRC	2010.06.29
Children's car seat	201020237129.1	Utility	GCPC	PRC	2010.06.25
A kind of children's car seat	201020237144.6	Utility	GCPC	PRC	2010.06.25
Children's electric car	201020242586.X	Utility	GCPC	PRC	2010.06.29
Children's car	201020243041.0	Utility	GCPC	PRC	2010.06.30
Children's car	201020252131.6	Utility	GCPC	PRC	2010.06.30
A kind of children's car	201020252099.1	Utility	GCPC	PRC	2010.06.30
Children's stroller	201020252495.4	Utility	GCPC	PRC	2010.07.02
Children's car	201020252830.0	Utility	GCPC	PRC	2010.07.07
Children's playpen	201020254367.3	Utility	GCPC	PRC	2010.07.09
Infant's car	201020254243.5	Utility	GCPC	PRC	2010.07.08



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Children's stroller	201020254938.3	Utility	GCPC	PRC	2010.07.12
Children's car	201020255909.9	Utility	GCPC	PRC	2010.07.13
Children's car	201020257679.X	Utility	GCPC	PRC	2010.07.14
Children's stroller	201020268315.1	Utility	GCPC	PRC	2010.07.17
Children's dining chair	201020268308.1	Utility	GCPC	PRC	2010.07.17
Children's activity center	201020268298.1	Utility	GCPC	PRC	2010.07.17
Link joint of children's product and children's activity center with the same	201020268284.X	Utility	GCPC	PRC	2010.07.17
Rotating joint of children's product and children's activity center with the same	201020268334.4	Utility	GCPC	PRC	2010.07.17
Telescopic support leg of children's car seat	201020268444.0	Utility	GCPC	PRC	2010.07.23
A kind of children's car seat	201020268451.0	Utility	GCPC	PRC	2010.07.23
Vehicle	201020271747.8	Utility	GCPC	PRC	2010.07.27
Children's stroller with adjustable backrest angle	201020271685.0	Utility	GCPC	PRC	2010.07.27
Front armrest mechanism of children's car capable of transverse folding	201020267283.3	Utility	GCPC	PRC	2010.07.22
A kind of children's car front wheel mechanism	201020267284.8	Utility	GCPC	PRC	2010.07.22
A kind of children's car back wheel mechanism	201020265205.X	Utility	GCPC	PRC	2010.07.21
A kind of children's foldable playpen	201020267281.4	Utility	GCPC	PRC	2010.07.22
Foldable playpen	201020265235.0	Utility	GCPC	PRC	2010.07.21
Locking mechanism	201020265244.X	Utility	GCPC	PRC	2010.07.21
A kind of children's stroller qualified for various car seats	201020265214.9	Utility	GCPC	PRC	2010.07.21
A kind of children's car wheel dismounting mechanism	201020265189.4	Utility	GCPC	PRC	2010.07.21
A kind of single boom cradle	201020268442.1	Utility	GCPC	PRC	2010.07.23
Foldable children's car	201020270063.6	Utility	GCPC	PRC	2010.07.26
Crib	201020263755.8	Utility	GCPC	PRC	2010.07.20
Children's swing	201020263759.6	Utility	GCPC	PRC	2010.07.20
Tent	201020270135.7	Utility	GCPC	PRC	2010.07.20
Foldable children's stroller	201020270113.0	Utility	GCPC	PRC	2010.07.20
Baby's sleeping basket	201020270148.4	Utility	GCPC	PRC	2010.07.20
A kind of chair desk	201020270123.4	Utility	GCPC	PRC	2010.07.20

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Children's car seat	201020271300.0	Utility	GCPC	PRC	2010.07.21
A kind of children's stroller	201020274157.0	Utility	GCPC	PRC	2010.07.23
Rocking chair	201020274585.3	Utility	GCPC	PRC	2010.07.29
Foldable children's car	201020274604.2	Utility	GCPC	PRC	2010.07.29
Locking mechanism of children's car	201020274611.2	Utility	GCPC	PRC	2010.07.29
Children's car	201020274595.7	Utility	GCPC	PRC	2010.07.29
Safety belt bounding and locking structure of car seat	201020274575.X	Utility	GCPC	PRC	2010.07.29
Foldable children's stroller	201020274651.7	Utility	GCPC	PRC	2010.07.29
Children's stroller	201020274662.5	Utility	GCPC	PRC	2010.07.29
Children's rocking chair	201020277532.7	Utility	GCPC	PRC	2010.07.30
Infant's car	201020277590.X	Utility	GCPC	PRC	2010.07.30
Foldable stroller	201020277685.1	Utility	GCPC	PRC	2010.07.30
A kind of children's dining chair footrest	201020277534.6	Utility	GCPC	PRC	2010.07.30
Crib	201020281969.8	Utility	GCPC	PRC	2010.07.30
Children's car seat	201020281959.4	Utility	GCPC	PRC	2010.07.30
Children's dining chair	201020295498.6	Utility	GCPC	PRC	2010.08.18
Rotating joint and children's dining chair with the same	201020295497.1	Utility	GCPC	PRC	2010.08.18
A kind of stroller used for carrying children's car seat	201020299993.4	Utility	GCPC	PRC	2010.08.23
Children's car	201020500007.7	Utility	GCPC	PRC	2010.08.23
Infant's stroller	201020299978.X	Utility	GCPC	PRC	2010.08.23
Children's seat pocket	201020299983.0	Utility	GCPC	PRC	2010.08.23
Infant's car seat	201020501838.6	Utility	GCPC	PRC	2010.08.24
Children's car seat	201020501858.3	Utility	GCPC	PRC	2010.08.24
Infant's car	201020501840.3	Utility	GCPC	PRC	2010.08.24
A kind of playpen	201020510893.1	Utility	GCPC	PRC	2010.08.31
Playpen	201020510895.0	Utility	GCPC	PRC	2010.08.31
Baby carrier	201020510894.6	Utility	GCPC	PRC	2010.08.31
A kind of telescopic rod mechanism used on children's car	201020505018.4	Utility	GCPC	PRC	2010.08.26
A kind of foldable children's stroller	201020505020.1	Utility	GCPC	PRC	2010.08.26
Children's car	201020508727.8	Utility	GCPC	PRC	2010.08.30
A kind of children's car seat	201020503517.X	Utility	GCPC	PRC	2010.08.25

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Length adjusting mechanism and children's dining chair with the same	201020503510.8	Utility	GCPC	PRC	2010.08.25
Connector and children's stroller with the same	201020505013.1	Utility	GCPC	PRC	2010.08.26
Baby's cradle	201020513602.4	Utility	GCPC	PRC	2010.09.02
Support base and children's crib and chair respectively with the same	201020518638.1	Utility	GCPC	PRC	2010.08.31
Children's stroller	201020518667.8	Utility	GCPC	PRC	2010.08.31
Baby's stroller	201020518650.2	Utility	GCPC	PRC	2010.08.31
Children's stroller	201020525844.5	Utility	GCPC	PRC	2010.09.13
Children's car	201020525845.X	Utility	GCPC	PRC	2010.09.13
Baby's stroller	201020527693.7	Utility	GCPC	PRC	2010.09.14
Seat and children's stroller with the same	201020527669.3	Utility	GCPC	PRC	2010.09.14
Children's stroller	201020530637.9	Utility	GCPC	PRC	2010.09.16
Children's car	201020530635.X	Utility	GCPC	PRC	2010.09.16
Baby's car	201020532218.9	Utility	GCPC	PRC	2010.09.17
Vacuum coating process for plastic wheel hub of children's car	03135095.X	Invention	GCPC	PRC	2003.09.27
Dragging cable control structure of children's stroller or dining chair	200510037942.8	Invention	GCPC	PRC	2005.02.28
Children's umbrella car	200610038818.8	Invention	GCPC	PRC	2006.03.09
A kind of baby's rocking chair	200610082389.4	Invention	GCPC	PRC	2006.05.26
Children's trailer	200610126087.2	Invention	GCPC	PRC	2006.08.30
A kind of children's stroller	200710019544.2	Invention	GCPC	PRC	2007.01.12
Baby's seat	200810019086.7	Invention	GCPC	PRC	2008.01.08
Self-support structure of children's foldable car & children's foldable car with such self-support structure	200810122491.1	Invention	GCPC	PRC	2008.05.30
Children's foldable stroller	200810106981.2	Invention	GCPC	PRC	2008.06.30
Children's car	200810021415.1	Invention	GCPC	PRC	2008.07.29
A kind of children's stroller	200810196210.7	Invention	GCPC	PRC	2008.08.21
Children's dining chair	200810136401.4	Invention	GCPC	PRC	2008.12.02
Backrest of children's stroller	200810136620.2	Invention	GCPC	PRC	2008.12.18
Chair desk	200810136557.2	Invention	GCPC	PRC	2008.12.10
Children's stroller	200910005425.0	Invention	GCPC	PRC	2009.01.12

Patent	Application Number	Type	Name of Applicant	Place of Application	Date of Application
Children's umbrella car	200910114900.8	Invention	GCPC	PRC	2009.01.23
Children's car seat	200910114928.1	Invention	GCPC	PRC	2009.02.12
A kind of golf cart	200910115087.6	Invention	GCPC	PRC	2009.03.13
Children's stroller	200910115086.1	Invention	GCPC	PRC	2009.03.13
Push rod component of children's car	200910115078.7	Invention	GCPC	PRC	2009.03.12
Two-way foldable car	200910128269.7	Invention	GCPC	PRC	2009.02.27
Safety locking buckle	200910115128.1	Invention	GCPC	PRC	2009.03.26
Golf trolley	200910132060.8	Invention	GCPC	PRC	2009.04.09
Bearing packing box	200910115406.3	Invention	GCPC	PRC	2009.05.19
Battery installation structure and electric bicycle	200910115607.3	Invention	GCPC	PRC	2009.06.25
Push knob component and children's stroller	200910159703.8	Invention	GCPC	PRC	2009.07.06
Children's stroller	200910115931.5	Invention	GCPC	PRC	2009.07.30
Children's car	200910115762.5	Invention	GCPC	PRC	2009.07.23
Children's car	200910115811.5	Invention	GCPC	PRC	2009.08.20
Children's tricycle	200910115822.3	Invention	GCPC	PRC	2009.08.24
Playpen	200910115988.5	Invention	GCPC	PRC	2009.08.10
Children's car	200910186137.X	Invention	GCPC	PRC	2009.09.27
Children's stroller	200910186135.0	Invention	GCPC	PRC	2009.09.27
A kind of children's stroller & bracket for such children's stroller	200910186144.X	Invention	GCPC	PRC	2009.09.28
Baby's stroller	200910186145.4	Invention	GCPC	PRC	2009.09.28
A kind of baby's stroller	200910186171.7	Invention	GCPC	PRC	2009.09.30
Children's dining chair	200910209247.3	Invention	GCPC	PRC	2009.10.27
Seat structure & children's article with such seat structure	200910223115.6	Invention	GCPC	PRC	2009.11.09
Children's foldable dinning chair	200910221811.3	Invention	GCPC	PRC	2009.11.11
Children's stroller	200910225364.9	Invention	GCPC	PRC	2009.11.17
Children's horizontally foldable stroller	200910225131.9	Invention	GCPC	PRC	2009.11.24
Baby's stroller	200910224328.0	Invention	GCPC	PRC	2009.11.23
Children's car seat	200910252293.1	Invention	GCPC	PRC	2009.11.30
Children's car seat	200910253717.6	Invention	GCPC	PRC	2009.12.09
Children's foldable car	200910216931.4	Invention	GCPC	PRC	2009.12.29
Children's car	201010003740.2	Invention	GCPC	PRC	2010.01.06
Walker	201010003795.3	Invention	GCPC	PRC	2010.01.11
A kind of baby's stroller	201010104421.0	Invention	GCPC	PRC	2010.01.29

Patent	Application Number	Type	Name of Applicant	Place of Application	Date of Application
A kind of children's car	201010004229.4	Invention	GCPC	PRC	2010.01.12
Baby's stroller	201010107285.0	Invention	GCPC	PRC	2010.02.05
Baby's rocking chair	201010004614.9	Invention	GCPC	PRC	2010.01.11
Foldable rocking chair	201010004606.4	Invention	GCPC	PRC	2010.01.11
Children's car seat	201010118430.5	Invention	GCPC	PRC	2010.01.27
Children's cradle	200810144824.0	Invention	GCPC	PRC	2008.07.24
Multifunction crib	200910115178.X	Invention	GCPC	PRC	2009.04.07
A kind of multifunction crib	200910115181.1	Invention	GCPC	PRC	2009.04.08
Children's foldable dinning chair	200910115524.4	Invention	GCPC	PRC	2009.06.12
Infant's rocking chair	2010101243214	Invention	GCPC	PRC	2010.02.21
A kind of infant's stroller	2010101401858	Invention	GCPC	PRC	2010.03.30
Children's car	2010101449503	Invention	GCPC	PRC	2010.04.08
Children's tricycle	201010155818.2	Invention	GCPC	PRC	2010.04.20
Children's stroller	201010159184.8	Invention	GCPC	PRC	2010.04.23
Rivet machine	201010165399.0	Invention	GCPC	PRC	2010.05.07
A kind of children's stroller	201010168775.1	Invention	GCPC	PRC	2010.05.04
Children's stroller	201010168787.4	Invention	GCPC	PRC	2010.05.07
A kind of infant's car	201010184081.7	Invention	GCPC	PRC	2010.05.27
Baby's car	201010185251.3	Invention	GCPC	PRC	2010.05.28
Children's car seat	201010195402.3	Invention	GCPC	PRC	2010.06.09
A kind of children's car seat	201010188540.9	Invention	GCPC	PRC	2010.05.18
Children's car	201010221525.X	Invention	GCPC	PRC	2010.06.30
Children's stroller	201010221650.0	Invention	GCPC	PRC	2010.07.02
Infant's car	201010223770.4	Invention	GCPC	PRC	2010.07.08
Children's playpen	201010223678.8	Invention	GCPC	PRC	2010.07.09
Children's stroller	201010224051.4	Invention	GCPC	PRC	2010.07.12
Children's activity center	201010234425.0	Invention	GCPC	PRC	2010.07.17
Children's dining chair	201010234435.4	Invention	GCPC	PRC	2010.07.17
Vehicle	201010237164.8	Invention	GCPC	PRC	2010.07.27
Children's car seat	201010236893.1	Invention	GCPC	PRC	2010.07.21
Children's car	201010239575.0	Invention	GCPC	PRC	2010.07.29
Safety belt bounding and locking structure of car seat	201010239570.8	Invention	GCPC	PRC	2010.07.29
Children's dining chair	201010255839.1	Invention	GCPC	PRC	2010.08.18
Support base and children's crib and chair respectively with the same	201010273349.4	Invention	GCPC	PRC	2010.08.31
Children's stroller	201010279062.2	Invention	GCPC	PRC	2010.09.13

Patent	Application Number	Type	Name of Applicant	Place of Application	Date of Application
Playpen	特願2007-526169	Patent	GCPC	Japan	2007.02.09
Baby's stroller	特願2008-159167	Patent	GCPC	Japan	2008.06.18
Finger protective structure of children's car	特願2008-238417	Patent	GCPC	Japan	2008.09.17
Children's car	US12/090,853	Patent	GCPC	United States	2008.04.18
Composite unit of seat pocket and children's stroller	US12/296,092	Patent	GCPC	United States	2008.03.10
Children's foldable dining chair	US12/307,040	Patent	GCPC	United States	2009.05.18

(c) *Domain Name*

As at the Latest Practicable Date, the Group was a registered proprietor of the following key domain name(s):

Domain Name	Proprietor	Expiry Date
geoby	GCPC	2011.04.13
geoby.ru.com	GCPC	2010.12.24
geoby.ua	GCPC	2011.01.01
Goodbabygroup	GCPC	2011.06.06
goodbabygroup.cc	GCPC	2011.05.17
goodbaby-group.cc	GCPC	2011.06.07
goodbabygroup.cn	GCPC	2011.06.06
goodbaby-group.cn	GCPC	2011.06.06
goodbaby-group.com	GCPC	2011.06.06
haohaizi	GCPC	2011.07.21
haohaizi	GCPC	2011.06.06
haohaizi.cc	GCPC	2011.06.07
hao-hai-zi.cc	GCPC	2011.06.07
hao-hai-zi.cn	GCPC	2011.06.06
hao-hai-zi.com	GCPC	2011.06.06
Happydino	GCPC	2011.06.06
happydino.cn	GCPC	2011.06.06
happy-dino.cn	GCPC	2011.06.06
happy-dino.com	GCPC	2011.06.06
littledinasour.cn	GCPC	2011.05.12
little-dinasour.cn	GCPC	2011.06.06
littledinasour.com	GCPC	2011.05.11

Domain Name	Proprietor	Expiry Date
little-dinasour.com	GCPC	2011.06.06
littledinasour.com.cn	GCPC	2011.05.12
littledinosaur	GCPC	2011.04.17
好孩子	GCPC	2011.04.14
好孩子.cn	GCPC	2011.10.15
好孩子.公司	GCPC	2011.11.27
好孩子集团	GCPC	2011.06.06
好孩子集團.cc	GCPC	2011.06.13
好孩子童車.cn	GCPC	2011.03.08
好孩子自行車.cn	GCPC	2011.03.08
汽車座.cn	GCPC	2011.03.08
童床.cn	GCPC	2011.03.08
推車.cn	GCPC	2011.03.08
小龍哈彼	GCPC	2011.05.10
小龍哈彼.cc	GCPC	2011.06.13
小龍哈彼.cn	GCPC	2011.07.07
小龍哈彼.com	GCPC	2011.06.06
小小恐龍	GCPC	2011.04.13
小小恐龍.cc	GCPC	2011.06.13
小小恐龍.cn	GCPC	2011.05.18
小小恐龍.com	GCPC	2011.05.11
學步車.cn	GCPC	2011.03.08
goodbabygroup.net	GCPC	2011.11.19
goodbabygroup.org	GCPC	2011.11.20
學步車.中國	GCPC	2011.03.08
小小恐龍.中國	GCPC	2011.05.18
小龍哈彼.中國	GCPC	2011.07.07
汽車座.中國	GCPC	2011.03.08
童床.中國	GCPC	2011.03.08
推車.中國	GCPC	2011.03.08
好孩子童車.中國	GCPC	2011.03.08

Domain Name	Proprietor	Expiry Date
好孩子自行車.中國	GCPC	2011.03.08
好孩子.中國	GCPC	2011.10.15
goodbaby.ru.com	GCPC	2010.12.24
goodbaby.ua	GCPC	2011.01.01




(d) *Copyright*





As at the Latest Practicable Date, the Group owned the following registered copyright:

Picture of Registered Copyright	Registration Number	Registration Date	Owner of Copyright	Country of Registration
	10-2008-F-536	2008.09.16	GCPC	PRC
	10-2010-F-330	2010.04.06	GCPC	PRC
	10-2010-F-331	2010.04.06	GCPC	PRC
	10-2010-F-332	2010.04.06	GCPC	PRC
	10-2010-F-333	2010.04.06	GCPC	PRC
	10-2010-F-334	2010.04.06	GCPC	PRC
	10-2010-F-335	2010.04.06	GCPC	PRC
	10-2010-F-336	2010.04.06	GCPC	PRC
	10-2010-F-337	2010.04.06	GCPC	PRC
	10-2010-F-338	2010.04.06	GCPC	PRC
	10-2010-F-339	2010.04.06	GCPC	PRC
	10-2010-F-340	2010.04.06	GCPC	PRC
	10-2010-F-341	2010.04.06	GCPC	PRC



Picture of Registered Copyright	Registration Number	Registration Date	Owner of Copyright	Country of Registration
	10-2010-F-344	2010.04.06	GCPC	PRC
	10-2010-F-342	2010.04.06	GCPC	PRC
	10-2010-F-343	2010.04.06	GCPC	PRC
	10-2010-F-311	2010.04.06	GCPC	PRC
	10-2010-F-312	2010.04.06	GCPC	PRC
	10-2010-F-313	2010.04.06	GCPC	PRC
	10-2010-F-314	2010.04.06	GCPC	PRC
	10-2010-F-315	2010.04.06	GCPC	PRC
	10-2010-F-316	2010.04.06	GCPC	PRC
	10-2010-F-317	2010.04.06	GCPC	PRC
	10-2010-F-318	2010.04.06	GCPC	PRC
	10-2010-F-319	2010.04.06	GCPC	PRC
	10-2010-F-320	2010.04.06	GCPC	PRC
	10-2010-F-321	2010.04.06	GCPC	PRC
	10-2010-F-322	2010.04.06	GCPC	PRC
	10-2010-F-323	2010.04.06	GCPC	PRC
	10-2010-F-324	2010.04.06	GCPC	PRC

Picture of Registered Copyright	Registration Number	Registration Date	Owner of Copyright	Country of Registration
	10-2010-F-327	2010.04.06	GCPC	PRC
	10-2010-F-325	2010.04.06	GCPC	PRC
	10-2010-F-326	2010.04.06	GCPC	PRC
	10-2010-F-328	2010.04.06	GCPC	PRC
	10-2010-F-329	2010.04.07	GCPC	PRC
	10-2010-F-1542	2010.08.27	GCPC	PRC
	10-2010-F-1543	2010.08.27	GCPC	PRC
	10-2010-F-1544	2010.08.27	GCPC	PRC
	10-2010-F-1545	2010.08.27	GCPC	PRC
	10-2010-F-1546	2010.08.27	GCPC	PRC
	10-2010-F-1547	2010.08.27	GCPC	PRC
	10-2010-F-1548	2010.08.27	GCPC	PRC
	10-2010-F-1549	2010.08.27	GCPC	PRC
	10-2010-F-1550	2010.08.27	GCPC	PRC
	10-2010-F-1553	2010.08.27	GCPC	PRC
	10-2010-F-1554	2010.08.27	GCPC	PRC
	10-2010-F-1555	2010.08.27	GCPC	PRC

Picture of Registered Copyright	Registration Number	Registration Date	Owner of Copyright	Country of Registration
	10-2010-F-1556	2010.08.27	GCPC	PRC
	10-2010-F-1557	2010.08.27	GCPC	PRC
	10-2010-F-1568	2010.08.30	GCPC	PRC
	10-2010-F-1569	2010.08.30	GCPC	PRC

### C. FURTHER INFORMATION ABOUT DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

#### 1. Directors

(a) *Disclosure of interest — interests and short positions of the Directors and the chief executives of the Company in the Shares, underlying Shares and debentures of the Company and its associated corporations*

Immediately following completion of the Global Offering and assuming that the Over-allotment Option is not exercised, the interest or short position of Directors or chief executives of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest or short positions which they were 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 entered in the register referred to therein, or which will be required, pursuant to Model Code for Securities Transactions by Directors of Listed Issuers as contained in Appendix 10 to the Listing Rules (“Model Code”), once the Shares are listed are as follows:

(i) *Interest in Shares of our Company*

Name of Director	Nature of interest	Number of securities (Note 1)	Approximate percentage of shareholding
Mr. Song . . . . .	Settlor/beneficiary of a trust	259,000,000(L)	25.9%
Mr. Christopher Marcus Gradel (Note 2) . . . . .	Beneficiary of a trust	441,000,000(L) 45,000,000(S)	44.1% 4.5%

*Note:*

- (1) The letter “L” denotes the person’s long position in such securities and the letter “S” denotes the person’s short position in such securities.
- (2) Mr. Christopher Marcus Gradel is a discretionary beneficiary of a trust of which NTC is the trustee. See notes 3 to 9 of the section of this Appendix headed “2. Substantial Shareholders” for further details of this interest.

(b) *Particulars of service contracts*

Each of the executive Directors has entered into a service contract with the Company for a term of three years commencing from the Listing Date, which may be terminated by not less than three months' notice in writing served by either party on the other.

(c) *Directors' remuneration*

Each of the executive Directors is entitled to a director's fee. Each executive Director shall be paid a remuneration on the basis of twelve months in a year. The current annual Director's fees and remuneration (after tax) of the executive Directors are as follows:

Name	Annual Director's fees and remuneration
	(RMB)
Song Zhenghuan . . . . .	3.5 million
Wang Haiye . . . . .	2.0 million

Each of the non-executive Directors and the independent non-executive Directors has entered into an appointment letter with the Company for a term of three years. The Company intends to pay a director's fee of USD20,000 per annum to each of the non-executive Directors. Amongst our independent non-executive Directors, Mr. Shi Xiaoguang will receive USD25,000 per annum, Mr. Iain Ferguson Bruce will receive USD30,000 per annum as director's fees and Mr. Long Yongtu will not receive any director's fee.

Under the arrangement currently in force, the aggregate amount of emoluments payable by the Group to the Directors for the year ending December 31, 2010 will be approximately HK\$1.3 million.

Further details of the terms of the above service contracts are set out in the paragraph headed "Particulars of service contracts" in the subsection headed "Directors" in this Appendix.

## 2. Substantial Shareholders

So far as the Directors are aware, immediately following the completion of the Global Offering, the following persons (other than the Directors and chief executives of the Company) 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 Division 2 and 3 of Part XV of the SFO:

Name	Capacity	Number of Shares (Note 1)	Percentage of shareholding
PUD . . . . .	Beneficial owner	259,000,000 (L)	25.9%
Cayey Enterprises Limited (Note 2) . . . . .	Interest of controlled corporation	259,000,000 (L)	25.9%
Credit Suisse Trust Limited (Note 2) . . . . .	Trustee	259,000,000 (L)	25.9%
Grappa Holdings Limited (Note 2) . . . . .	Interest of controlled corporation	259,000,000 (L)	25.9%
Seletar Limited (Note 2) . . . . .	Interest of controlled corporation	259,000,000(L)	25.9%
Serangoon Limited (Note 2) . . . . .	Interest of controlled corporation	259,000,000 (L)	25.9%
Ms. Fu (Note 2) . . . . .	Settlor/beneficiary of a trust	259,000,000 (L)	25.9%
CRF Enterprise . . . . .	Beneficial owner	441,000,000 (L) 45,000,000 (S)	44.1% 4.5%
CRF Investment Limited (Note 3) . . . . .	Interest of controlled corporation	441,000,000 (L) 45,000,000 (S)	44.1% 4.5%
CRF Investment Holdings Limited (Note 4) . . . . .	Interest of controlled corporation	441,000,000 (L) 45,000,000 (S)	44.1% 4.5%
ARC Capital Holdings Limited (Note 4) . . . . .	Interest of controlled corporation	441,000,000 (L) 45,000,000 (S)	44.1% 4.5%
ARC Capital Partners Limited (Note 5) . . . . .	Investment manager	441,000,000 (L) 45,000,000 (S)	44.1% 4.5%
Pacific Alliance Equity Partners Limited (Note 6) . . . . .	Interest of controlled corporation	441,000,000 (L) 45,000,000 (S)	44.1% 4.5%
Pacific Alliance Investment Management Limited (Note 7) . . . . .	Interest of controlled corporation	441,000,000 (L) 45,000,000 (S)	44.1% 4.5%
Pacific Alliance Group Limited (Note 8) . . . . .	Interest of controlled corporation	441,000,000 (L) 45,000,000 (S)	44.1% 4.5%
Nerine Trust Company (BVI) Limited (Note 9) . . . . .	Trustee	441,000,000 (L) 45,000,000 (S)	44.1% 4.5%
Nerine International Holdings Limited (Note 10) . . . . .	Interest of controlled corporation	441,000,000 (L) 45,000,000 (S)	44.1% 4.5%
Millennium Partners, L.P. (Note 11) . . . . .	Interest of controlled corporation	441,000,000 (L) 45,000,000 (S)	44.1% 4.5%

*Note:*

- (1) The letter “L” denotes the person’s long position in such securities and the letter “S” denotes the person’s short position in such securities.
- (2) PUD is owned as to approximately 45.39% by Cayey Enterprises Limited, which in turn is, as at the date of this prospectus, wholly owned by Grappa Holdings Limited the issued share capital of which is owned as to 50% by Seletar Limited and as to 50% by Serangoon Limited, as nominees for Credit Suisse Trust Limited, which is the trustee holding such interest on trust for the beneficiaries of the Grappa Trust. The beneficiaries of the Grappa Trust include Mr. Song, Ms. Fu and family members of Mr. Song and Ms. Fu. The Grappa Trust is a revocable discretionary trust established under the laws of Singapore.
- (3) CRF Investment Limited holds a 74.78% shareholding interest in CRF Enterprise and is therefore deemed to be interested in 441,000,000 Shares.
- (4) ARC Capital Holdings Limited (“ARCH”) and CRF Investment Holdings Limited (“CRFIH”) hold respectively a 50.25% and 49.75% shareholding interest in CRF Investment Limited, and consequently each of ARCH and CRFIH is deemed to be interested in 441,000,000 Shares.
- (5) ARCH is an investment fund the shares of which are managed by ARC Capital Partners Limited (“ACP”), which has the right to exercise the voting rights attached to ARCH’s holding of shares in CRF Investment Limited and consequently ACP is deemed to be interested in 441,000,000 Shares.
- (6) Pacific Alliance Equity Partners Limited (“PAEP”) holds a 100% shareholding interest in ACP and is therefore deemed to be interested in 441,000,000 Shares.
- (7) Pacific Alliance Investment Management Limited (“PAIM”) holds a 61.8% shareholding interest in PAEP and is therefore deemed to be interested in 441,000,000 Shares.
- (8) Pacific Alliance Group Limited (“PAG”) holds a 90% shareholding interest in PAIM and is therefore deemed to be interested in 441,000,000 Shares.
- (9) Through a 100% shareholding interest in Kerry Oriental Investments Limited, Nerine Trust Company (BVI) Limited (“NTC”), an independent institutional trustee, holds indirectly a 52.19% shareholding interest in PAG and is therefore deemed to be interested in 441,000,000 Shares.
- (10) Nerine International Holdings Limited holds a 98% shareholding interest in NTC and is therefore deemed to be interested in 441,000,000 Shares.
- (11) Millennium Partners, L.P. holds a 34.72% shareholding interest in CRFIH and is therefore deemed to be interested in 441,000,000 Shares. Millennium Management LLC is the general partner of Millennium Partners, L.P., and therefore may also be deemed to be interested in 441,000,000 Shares. Israel A. Englander, is the managing member of Millennium Management LLC, and therefore may also be deemed to be interested in 441,000,000 Shares.

So far as the Directors are aware, immediately following completion of the Global Offering, the following persons will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of any members of the Group other than the Company.

<u>Name of shareholder</u>	<u>Name of the Group Member</u>	<u>Capacity</u>	<u>Approximate percentage of shareholding</u>
Ningbo Nantian Metal Co., Ltd.(寧波南天金屬有限公司) . . .	GCPN	Beneficial owner	15%
PMM China Limited . . . . .	GCTP	Beneficial owner	49%

**3. Agency fees or commissions received**

Save as disclosed in this prospectus, no commissions, discounts, brokerages or other special terms were granted within the two years preceding the date of this prospectus in connection with the issue or sale of any capital of any member of the Group.

**4. Disclaimers**

Save as disclosed herein:

- (a) none of the Directors or chief executive of the Company has any interest or short position in the Shares, underlying Shares or debentures of the Company or any of its associated corporation (within the meaning of the SFO) which will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO 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 to be notified to the Company and the Stock Exchange pursuant to the Model Code once the Shares are listed;
- (b) none of the Directors or experts referred to under the heading “Consents of experts” in this appendix has any direct or indirect interest in the promotion of the Company, or in any assets which have within the two years immediately preceding the date of this prospectus been acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group;
- (c) none of the Directors is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to the business of the Group taken as a whole;
- (d) none of the Directors has any existing or proposed service contracts with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation));
- (e) taking no account of any Shares which may be taken up under the Global Offering, none of the Directors knows of any person (not being a Director or chief executive of the Company) who will, immediately following completion of the Global Offering, have an interest or short position in Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of SFO or be interested, directly or indirectly, in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group;
- (f) none of the experts referred to under the heading “Consents of experts” in this appendix has any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe securities in any member of the Group; and
- (g) save as disclosed in this Prospectus so far as is known to the Directors, none of the Directors, their respective associates (as defined under the Listing Rules) or shareholders of the Company who are interested in more than 5% of the issued share capital of the Company has any interests in the five largest customers or the five largest suppliers of the Group.

**D. OTHER INFORMATION****1. Share Option Scheme**

The following is a summary of the principal terms of the Share Option Scheme conditionally adopted by the written resolutions of the Shareholders of the Company passed on November 5, 2010.

**(a) Purpose**

The Share Option Scheme is a share incentive scheme prepared in accordance with Chapter 17 of the Listing Rules and is established to recognize and acknowledge the contributions the Eligible Participants (as defined in paragraph (b) below) had or may have made to the Group. The Share Option Scheme will provide the Eligible Participants an opportunity to have a personal stake in the Company with the view to achieving the following objectives:

- (i) motivate the Eligible Participants to optimize their performance efficiency for the benefit of the Group; and
- (ii) attract and retain or otherwise maintain on-going business relationship with the Eligible Participants whose contributions are or will be beneficial to the long-term growth of the Group.

**(b) Who may join**

The Board may, at its discretion, offer to grant an option to subscribe for such number of new Shares as the Board may determine at an exercise price determined in accordance with paragraph (e) below to:

- (i) any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries;
- (ii) any directors (including non-executive directors and independent non-executive directors) of the Company or any of its subsidiaries; and
- (iii) any advisers, consultants, suppliers, customers, agents and such other persons who in the sole opinion of the Board will contribute or have contributed to our Company or any of its subsidiaries.

Upon acceptance of the option, the grantee shall pay HK\$1.00 to the Company by way of consideration for the grant. Any offer to grant an option to subscribe for Shares may be accepted in respect of less than the number of Shares for which it is offered provided that it is accepted in respect of a board lot of dealing in Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate offer document constituting the acceptance of the option. To the extent that the offer to grant an option is not accepted by any prescribed acceptance date, it shall be deemed to have been irrevocably declined.



*(c) Acceptance of an offer of Options*

An option shall be deemed to have been granted and accepted by the grantee and to have taken effect when the duplicate offer document constituting acceptances of the options duly signed by the grantee, together with a remittance or payment in favour of our Company of HK\$1.00 by way of consideration for the grant thereof, is received by our Company on or before the relevant acceptance date. Such remittance or payment shall in no circumstances be refundable. Any offer to grant an option to subscribe for Shares may be accepted in respect of less than the number of Shares for which it is offered provided that it is accepted in respect of a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate offer document constituting acceptance of the option. To the extent that the offer to grant an option is not accepted by any prescribed acceptance date, it shall be deemed to have been irrevocably declined.

Subject to paragraphs (l), (m), (n), (o) and (p), an Option shall be exercised in whole or in part and, other than where it is exercised to the full extent outstanding, shall be exercised in integral multiples of such number of Shares as shall represent one board lot for dealing in Shares on the Stock Exchange for the time being, by the grantee by giving notice in writing to our Company stating that the Option is thereby exercised and the number of Shares in respect of which it is exercised. Each such notice must be accompanied by a remittance for the full amount of the Exercise Price for the Shares in respect of which the notice is given. Within 21 days after receipt of the notice and the remittance and, where appropriate, receipt of the certificate by the auditors to our Company or the approved independent financial advisor as the case may be pursuant to paragraph (r), our Company shall allot and issue the relevant number of Shares to the grantee credited as fully paid and issue to the Grantee certificates in respect of the Shares so allotted.

The exercise of any Option shall be subject to the Shareholders in general meeting approving any necessary increase in the authorised share capital of our Company.

*(d) Maximum number of Shares*

The maximum number of Shares in respect of which options may be granted under the Share Option Scheme and under any other share option schemes of the Company must not in aggregate exceed 10% of the total number of Shares in issue as of the Listing Date, being 100,000,000 Shares, excluding for this purpose Shares which would have been issuable pursuant to options which have lapsed in accordance with the terms of the Share Option Scheme (or any other share option schemes of the Company). Subject to the issue of a circular by the Company and the approval of the Shareholders in general meeting and/or such other requirements prescribed under the Listing Rules from time to time, the Board may:

- (i) renew this limit at any time to 10% of the Shares in issue as at the date of the approval by the Shareholders in general meeting; and/or
- (ii) grant options beyond the 10% limit to Eligible Participants specifically identified by the Board. The circular issued by the Company to the Shareholders shall contain a generic description of the specified Eligible Participants who may be granted such options, the number and terms of the options to be granted, the purpose of granting options to the specified Eligible Participants with an explanation as to how the options serve such purpose, the information required under Rule 17.02(2)(d) and the disclaimer required under Rule 17.02(4) of the Listing Rules.

Notwithstanding the foregoing, the 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 schemes of the Company at any time shall not exceed 30% of the Shares in issue from time to time. No options shall be granted under any schemes of the Company (including the Share Option Scheme) if this will result in the 30% limit being exceeded. The maximum number of Shares in respect of which options may be granted shall be adjusted, in such manner as the auditors of the Company or an approved independent financial adviser shall certify to be appropriate, fair and reasonable in the event of any alteration in the capital structure of the Company in accordance with paragraph (r) below whether by way of consolidation, capitalization issue, rights issue, sub-division or reduction of the share capital of the Company but in no event shall exceed the limit prescribed in this paragraph.

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

The total number of Shares issued and which may fail to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of the Company (including both exercised and outstanding options) to each Eligible Participant in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue as at the date of grant. Any further grant of Options in excess of this 1% limit shall be subject to:

- (i) the issue of a circular by the Company containing the identity of the Eligible Participant, the numbers of and terms of the options to be granted (and options previously granted to such participant) the information as required under Rule 17.02(2)(d) and the disclaimer required under Rule 17.02(4) of the Listing Rules; and
- (ii) the approval of the Shareholders in general meeting and/or other requirements prescribed under the Listing Rules from time to time with such Eligible Participant and his associates (as defined in the Listing Rules) abstaining from voting. The numbers and terms (including the exercise price) of options to be granted to such participant must be fixed before the Shareholders' approval and the date of the Board meeting at which the Board proposes to grant the options to such Eligible Participant shall be taken as the date of grant for the purpose of calculating the subscription price of the Shares. The Board shall forward to such Eligible Participant an offer document in such form as the Board may from time to time determine (or, alternatively, documents accompanying the offer document which state), among others:
  - (aa) the Eligible Participant's name, address and occupation;
  - (bb) the date on which an Option is offered to an Eligible Participant which must be a date on which the Stock Exchange is open for the business of dealing in securities;
  - (cc) the date upon which an offer for an Option must be accepted;
  - (dd) the date upon which an Option is deemed to be granted and accepted in accordance with paragraph (c);
  - (ee) the number of Shares in respect of which the Option is offered;

- (ff) the subscription price and the manner of payment of such price for the Shares on and in consequence of the exercise of the Option;
- (gg) the date of the notice given by the grantee in respect of the exercise of the Option; and
- (hh) the method of acceptance of the Option which shall, unless the Board otherwise determines, be as set out in paragraph (c).

**(f) Price of Shares**

Subject to any adjustments made as described in paragraph (r) below, the subscription price of a Share in respect of any particular option granted under the Share Option Scheme shall be such price as the Board in its absolute discretion shall determine, save that such price must be at least the higher of:

- (i) the official closing price of the Shares as stated in the Stock Exchange's daily quotation sheets on the date of grant, which must be a day on which the Stock Exchange is open for the business of dealing in securities;
- (ii) the average of the official closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and
- (iii) the nominal value of a Share.

**(g) Granting options to connected persons**

Any grant of options to a director, chief executive or substantial shareholder (as defined in the Listing Rules) of the Company or any of their respective associates (as defined in the Listing Rules) is required to be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Options). If the Board proposes to grant options to a substantial shareholder or any independent non-executive Director or their respective associates (as defined in the Listing Rules) which will result in the number of Shares issued and to be issued upon exercise of 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 such grant:

- (i) representing in aggregate over 0.1% or such other percentage as may be from time to time provided under the Listing Rules of the Shares in issue; and
- (ii) having an aggregate value in excess of HK\$5 million or such other sum as may be from time to time provided under the Listing Rules, based on the official closing price of the Shares at the date of each grant,

such further grant of options will be subject to the issue of a circular by the Company and the approval of the Shareholders in general meeting on a poll at which all connected persons (as defined in the Listing Rules) of the Company shall abstain from voting in favour, and/or such other requirements prescribed under the Listing Rules from time to time. Any vote taken at the meeting to approve the grant of such options shall be taken as a poll.

The circular to be issued by the Company to the Shareholders pursuant to the above paragraph shall contain the following information:

- (i) the details of the number and terms (including the exercise price) of the options to be granted to each selected Eligible Participant which must be fixed before the shareholders' meeting and the date of Board meeting for proposing such further grant shall be taken as the date of grant for the purpose of calculating the exercise price of such options;
- (ii) a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options) to the independent Shareholders as to voting;
- (iii) the information required under Rules 17.02(2)(c) and (d) and the disclaimer required under Rule 17.02(4) of the Listing Rules; and
- (iv) the information required under Rule 2.17 of the Listing Rules.

***(h) Restrictions on the times of grant of Options***

A grant of options 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 granted during the period commencing one month immediately preceding the earlier of:

- (i) the date of the Board meeting (as such date to first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's annual results, half-year, quarterly or other interim period (whether or not required under the Listing Rules); and
- (ii) the deadline for the Company to publish an announcement of its annual results, or half-year, or quarterly or other interim period (whether or not required under the Listing Rules) and ending on the date of actual publication of the results announcement, and where an option is granted to a Director:
- (iii) no options shall be granted during the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and
- (iv) during the period of 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results.

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

An option is personal to the grantee and may be exercised or treated as exercised, as the case may be, in whole or in part. No grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any option or attempt so to do (save that the grantee may nominate a nominee in whose name the Shares issued pursuant to the Share Option Scheme may be registered). Any breach of the foregoing shall entitle our Company to cancel any outstanding options or any part thereof granted to such grantee.

**(j) *Time of exercise of Option and duration of the Share Option Scheme***

An option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the Option is deemed to be granted and accepted and prior to the expiry of 10 years from that date. The period during which an option may be exercised will be determined by the Board in its absolute discretion, save that no option may be exercised more than 10 years after it has been granted. No option may be granted more than 10 years after the date of approval of the Share Option Scheme. Subject to earlier termination by the Company in general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of 10 years from the date of its adoption.

**(k) *Performance target***

A grantee may be required to achieve any performance targets as the Board may then specify in the grant before any options granted under the Share Option Scheme can be exercised.

**(l) *Rights on ceasing employment or death***

If the grantee of an option ceases to be an employee of the Company or any of its subsidiaries:

- (i) by any reason other than death or termination of his employment on the grounds specified in paragraph (m) below, the grantee may exercise the option up to the entitlement of the grantee as at the date of cessation (to the extent not already exercised) within a period of one month from such cessation; or
- (ii) by reason of death, his personal representative(s) may exercise the option within a period of 12 months from such cessation, which date shall be the last actual working day with the Company or the relevant subsidiary whether salary is paid in lieu of notice or not, failing which it will lapse.

**(m) *Rights on dismissal***

If the grantee of an Option ceases to be an employee of the Company or any of its subsidiaries on the grounds that he has been guilty of serious misconduct, or in relation to an employee of the Group (if so determined by the Board) on any other ground on which an employee would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the grantee's service contract with the Group, or has been convicted of any criminal offence involving his integrity or honesty, his Option will lapse and not be exercisable after the date of termination of his employment.

**(n) Rights on takeover**

If a general offer is made to all the Shareholders (or all such Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror (as defined in the Takeovers Codes)) and such offer becomes or is declared unconditional during the option period of the relevant option, the grantee of an option shall be entitled to exercise the option in full (to the extent not already exercised) at any time within 14 days after the date on which the offer becomes or is declared unconditional.

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

In the event a notice is given by the Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall forthwith give notice thereof to all grantees and thereupon, each grantee (or his legal personal representative(s)) shall be entitled to exercise all or any of his options (to the extent not already exercised) at any time no later than two business days prior to the proposed general meeting of the Company referred to above by giving notice in writing to the 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 the Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting, allot the relevant Shares to the grantee credited as fully paid and register the grantee as holder thereof.

**(p) Rights on compromise or arrangement between the Company and its members or creditors**

If a compromise or arrangement between the Company and its members or creditors is proposed for the purposes of a scheme for the reconstruction of the Company or its amalgamation with any other companies pursuant to the laws of jurisdictions in which the Company was incorporated, the Company shall give notice to all the grantees of the options on the same day as it gives notice of the meeting to its members or creditors summoning the meeting to consider such a scheme or arrangement and any grantee may by notice in writing to the 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 (such notice to be received by the Company no later than two business days prior to the proposed meeting), exercise the option to its full extent or to the extent specified in the notice and the Company shall as soon as possible and in any event no later than the business day immediately prior to the date of the proposed meeting, allot and issue such number of Shares to the grantee which falls to be issued on such exercise of the option credited as fully paid and register the grantee as holder thereof.

With effect from the date of such meeting, the rights of all grantees to exercise their respective options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all options shall, to the extent that they have not been exercised, lapse and determine. If for any reason such compromise or arrangement does not become effective and is terminated or lapses, the rights of grantees to exercise their respective options shall with effect from such termination be restored in full but only upon the extent not already exercised and shall become exercisable.

**(q) Ranking of Shares**

The Shares to be allotted upon the exercise of an option will not carry voting rights until completion of the registration of the grantee (or any other person) as the holder thereof. Subject to the aforesaid, Shares allotted and issued on the exercise of options will rank *pari passu* in all respects and shall have the same voting, dividend, transfer and other rights, including those arising on liquidation as attached to the other fully-paid Shares in issue on the date of exercise.

**(r) Effect of alterations to capital**

In the event of any alteration in the capital structure of the Company whilst any option may become or remains exercisable, whether by way of capitalization issue, rights issue, open offer, consolidation, sub-division or reduction of share capital of the Company, such corresponding alterations (if any) shall be made in the number or nominal amount of Shares subject to any options so far as unexercised and/or the subscription price per Share of each outstanding option as the auditors of the Company or an independent financial adviser shall certify in writing to the Board to be in their/his opinion fair and reasonable in compliance with Rule 17.03(13) of the Listing Rules and the note thereto and the supplementary guidance issued by the Stock Exchange on September 5, 2005 and any future guidance and interpretation of the Listing Rules issued by the Stock Exchange from time to time and the note thereto. The capacity of the auditors of our Company or the approval independent financial advisor, as the case may be, in this paragraph is that of experts and not arbitrators and their certificate shall, in absence of manifest error, be final and conclusive and binding on the Company and the grantees.

Any such alterations will be made on the basis that a grantee shall have the same proportion of the issued share capital of the Company for which any grantee of an Option is entitled to subscribe pursuant to the Options held by him before such alteration and the aggregate subscription price payable on full exercise of any option is to remain as nearly as possible the same (and in any event not greater than) as it was before such event. No such alteration will be made the effect of which would be to enable a Share to be issued at less than its nominal value. The issue of securities as consideration in a transaction is not to be regarded as a circumstance requiring any such alterations.

**(s) Expiry of option**

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

- (i) the date of expiry of the option as may be determined by the Board;
- (ii) the expiry of any of the periods referred to in paragraphs (l), (m), (n), (o) or (p);
- (iii) the date on which the scheme of arrangement of the Company referred to in paragraph (p) becomes effective;
- (iv) subject to paragraph (o), the date of commencement of the winding-up of the Company;
- (v) the date on which the grantee ceases to be an Eligible Participant by reason of such grantee's resignation from the employment of the Company or any of its subsidiaries or the termination of his or her employment or contract on any one or more of the grounds that he or she has been guilty



of serious misconduct, or has been convicted of any criminal offence involving his or her integrity or honesty, or in relation to an employee of the Group (if so determined by the Board) or has been insolvent, bankrupt or has made compositions with his/her creditors generally or any other ground on which an employee would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the grantee's service contract with the Group. A resolution of the Board to the effect that the employment of a grantee has or has not been terminated on one or more of the grounds specified in this paragraph shall be conclusive; or

- (vi) the date on which the Board shall exercise the Company's right to cancel the option at any time after the grantee commits a breach of paragraph (i) above or the options are cancelled in accordance with paragraph (u) below.

**(t) *Alteration of the Share Option Scheme***

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

- (i) any alteration to the advantage of the grantees or the Eligible Participants (as the case may be) in respect of the matters contained in Rule 17.03 of the Listing Rules; and
- (ii) any material alteration to the terms and conditions of the Share Option Scheme or any change to the terms of options granted, shall first be approved by the Shareholders in general meeting provided that if the proposed alteration shall adversely affect any option granted or agreed to be granted prior to the date of alteration, such alteration shall be further subject to the grantees' approval in accordance with the terms of the Share Option Scheme. The amended terms of the Share Option Scheme shall still comply with Chapter 17 of the Listing Rules and any change to the authority of the Board in relation to any alteration to the terms of the Share Option Scheme must be approved by Shareholders in general meeting.

**(u) *Cancellation of Options***

Subject to paragraph (h) above, any cancellation of options granted but not exercised must be approved by the grantees of the relevant options in writing. For the avoidance of doubt, such approval is not required in the event any Option is cancelled pursuant to paragraph (m).

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

The Company may by resolution in general meeting or the Board at any time terminate the Share Option Scheme and in such event no further option shall be offered but the provisions of the Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any option granted prior thereto or otherwise as may be required in accordance with the provisions of the Share Option Scheme. Options granted prior to such termination but not yet exercised at the time of termination shall continue to be valid and exercisable in accordance with the Share Option Scheme.



***(w) Administration of the Board***

The Share Option Scheme shall be subject to the administration of the Board whose decision as to all matters arising in relation to the Share Option Scheme or its interpretation or effect (save as otherwise provided herein) shall be final and binding on all parties.

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

The Share Option Scheme is conditional on:

- (i) the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Shares which may fall to be issued pursuant to the exercise of options to be granted under the Share Option Scheme;
- (ii) the obligations of the Underwriters under the Underwriting Agreement becoming unconditional (including, if relevant, as result of the waiver of any such condition(s)) and not being terminated in accordance with the terms of the Underwriting Agreements or otherwise; and
- (iii) the commencement of dealings in the Shares on the Stock Exchange.

If the conditions in paragraph (x) above are not satisfied within two calendar months from the Adoption Date:

- (i) the Share Option Scheme shall forthwith determine;
- (ii) any option granted or agreed to be granted pursuant to the Share Option Scheme and any offer of such a grant shall be of no effect; and
- (iii) no person shall be entitled to any rights or benefits or be under any obligations under or in respect of the Share Option Scheme or any option granted thereunder.

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

The 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 and vesting period 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 at the Latest Practicable Date, no option had been granted or agreed to be granted under the Share Option Scheme.

Application has been made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of the options to be granted under the Share Option Scheme being 100,000,000 Shares in total.

**2. Estate duty, tax and property indemnity**

The Controlling Shareholders have entered into a deed of indemnity with and in favor of the Company (for itself and as trustee for each of its present subsidiaries) (being the contract referred to in paragraph (n) of the subsection headed “Summary of material contracts” in this appendix) to provide indemnities on a several basis in respect of, among other matters, Hong Kong estate duty which might be payable by any member of the Group, by reason 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) to any member of the Group on or before the date on which the Global Offering becomes unconditional.

**3. Litigation**

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

**4. Sponsor**

The Sponsor has made an application on behalf of the Company to the Listing Committee of the Stock Exchange for a listing of, and permission to deal in, all the Shares in issue and to be issued as mentioned in this prospectus (including any Shares which may fall to be issued pursuant to the exercise of any options which may be granted under the Share Option Scheme). All necessary arrangements have been made for the Shares to be admitted into CCASS.

**5. Preliminary expenses**

The preliminary expenses of the Company are estimated to be approximately US\$1,800 and are payable by the Company.

**6. Promoter**

The Company has no promoter for the purpose of the Listing Rules. Saved as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus, no cash, securities or other benefit has been paid, allotted or given nor are any proposed to be paid, allotted or given to any promoters in connection with the Global Offering and the related transactions described in this prospectus.

**7. Taxation of holders of Shares****(a) Hong Kong**

The sale, purchase and transfer of Shares registered with the Company’s Hong Kong branch register of members will be subject to Hong Kong stamp duty, the current rate charged on each of the purchaser and seller is 0.1% of the consideration of, if higher, of the fair value of the Shares being sold or transferred. Profits from dealings in the Shares arising in or derived from Hong Kong may also be subject to Hong Kong profits tax for persons who carry on a business of trading or dealing in securities in Hong Kong.

The Shares are Hong Kong property for the purpose of the Estate Duty Ordinance (Chapter 111 of the Laws of Hong Kong). The Revenue (Abolition of Estate Duty) Ordinance 2005 came into effect on February 11, 2006 in Hong Kong. No Hong Kong estate duty is payable and no estate duty clearance papers are needed for a grant of representation in respect of holders of Shares whose death occurs on or after February 11, 2006.

**(b) Cayman Islands**

Under the Cayman Islands law currently in force, there is no stamp duty payable in the Cayman Islands on transfers of Shares.

**(c) Consultation with professional advisers**

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

**8. Qualification of experts**

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

Name	Qualifications
Morgan Stanley . . . . .	Licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance), Type 7 (providing automated trading services) and Type 9 (asset management) regulated activities under the SFO
Ernst & Young . . . . .	Certified Public Accountants
Appleby . . . . .	Cayman Islands attorneys-at-law
Jones Lang LaSalle Sallmanns Limited . . . . .	Property valuers
Jingtian & Gongcheng . . . . .	PRC legal advisors

**9. Consents of experts**

Each of the Sponsor, Ernst & Young, Appleby, Jones Lang LaSalle Sallmanns Limited and Jingtian & Gongcheng 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 opinion and/or the references to its name included herein in the form and context in which it is respectively included.

**10. Interests of experts in our Company**

None of the persons named in paragraph 8 of this Appendix is interested beneficially or otherwise in any Shares or shares of any member of our Group or has any right or option (whether legally enforceable or not) to subscribe for or nominate persons to subscribe for any shares or securities in any member of our Group.

**11. Binding effect**

This prospectus shall have the effect, if an 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 and 44B of the Companies Ordinance so far as applicable.

**12. 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 the Company or any of its subsidiaries has been issued or agreed to be issued or is proposed to be fully or partly paid either for cash or a consideration other than cash;
  - (ii) no share or loan capital of the Company or any of its subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
  - (iii) no 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 the Company or any of its subsidiaries;
  - (iv) no commission has been paid or is payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any share in the Company or any of its subsidiaries;
- (b) save as disclosed in this prospectus, there are no founder, management or deferred shares nor any debentures in the Company or any of its subsidiaries;
- (c) none of the persons named in the sub-paragraph headed "Consents of experts" in this Appendix is interested beneficially or otherwise in any shares of any member of the Group or has any right or option (whether legally enforceable or not) to subscribe for or nominate persons to subscribe for any securities in any member of the Group;
- (d) the Directors confirm that there has been no material adverse change in the financial or trading position or prospects of the Group since July 31, 2010 (being the date to which the latest audited consolidated financial statements of the Group were made up);
- (e) there has not been any interruption in the business of the Group which may have or has had a significant effect on the financial position of the Group in the 12 months preceding the date of this prospectus;

- (f) the principal register of members of the Company will be maintained in the Cayman Islands by Butterfield Fulcrum Group (Cayman) Limited and a branch register of members of the Company will be maintained in Hong Kong by Computershare Hong Kong Investor Services Limited. Unless the Directors otherwise agree, all transfer and other documents of title of Shares must be lodged for registration with and registered by the Company's share register in Hong Kong and may not be lodged in the Cayman Islands. All necessary arrangements have been made to enable the Shares to be admitted to CCASS;
- (g) no company within the Group is presently listed on any stock exchange or traded on any trading system;
- (h) our Directors have been advised that under the Companies Law the use of a Chinese name by our Company does not contravene the Companies Law; and
- (i) save as disclosed in this prospectus, our Company has no outstanding convertible debt securities or debentures.

### 13. Particulars of Selling Shareholder and CRF Enterprise

Pursuant to the Global Offering, the Selling Shareholder will sell 99,000,000 Shares under the International Offering. The particulars of the Selling Shareholder are as follows:

Name:	GBHL
Description:	Investment holding company
Address:	Commence Chambers P.O. Box 2208, Road Town, Tortola, British Virgin Islands
Shareholders:	PUD and CRF Enterprise
Number of Sale Shares:	99,000,000

If the Over-allotment Option is exercised in full, CRF Enterprise will sell 45,000,000 Shares under the Over-allotment Option. The particulars of CRF Enterprise are as follows:

Name:	CRF Enterprise
Description:	Investment holding company
Address:	Commence Chambers, P.O. Box 2208, Road Town, Tortola, British Virgin Islands
Shareholders:	CRF Investment Limited and Stark ARCH Ltd.
Number of Shares to be sold:	45,000,000

**14. 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 Prospectuses from Compliance with Provisions) Notice 2001.

**DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES**

The documents attached to the copy of this prospectus delivered to the Registrar of Companies in Hong Kong for registration were:

- (a) a copy of each of the **WHITE, YELLOW, and GREEN** Application Forms;
- (b) the written consents referred to in “Other Information — Qualification of experts and “Other Information — Consents of experts.” in Appendix VI;
- (c) a copy of each of the material contracts referred to in “Further Information about Our Business — Summary of material contracts” in Appendix VI;
- (d) a statement of particulars containing the names, addresses and descriptions of the Selling Shareholder and CRF Enterprise.

**DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection at the offices of Sidley Austin at Level 39, Two International Finance Centre, 8 Finance Street, Central, Hong Kong during normal business hours up to and including the date which is 14th day from the date of this prospectus:

- (a) our memorandum of association and the Articles;
- (b) the Accountants’ Report prepared by Ernst & Young, the text of which is set out in Appendix I;
- (c) the letter from Ernst & Young in respect of the unaudited pro forma financial information of our Group, the text of which is set out in Appendix II;
- (d) the letters from Ernst & Young and Morgan Stanley relating to the profit forecast, the texts of which are set out in Appendix III;
- (e) the letter, summary of valuations and valuation certificates relating to the property interests of the Group prepared by Jones Lang LaSalle Sallmanns Limited, the texts of which are set out in Appendix IV;
- (f) the letter from Appleby summarizing the constitution of our Company and certain aspects of Cayman Islands company law referred to in “Cayman Islands Company Law” in Appendix V;
- (g) the Cayman Islands Companies Law;
- (h) the PRC legal opinions issued by Jingtian & Gongcheng, our legal advisors on PRC law, in respect of, among other things, general matters, property interests and taxation matters of the Group;

- (i) the material contracts referred to in “Further Information about the Business — Summary of material contracts” in Appendix VI;
- (j) the written consents referred to in “Other Information — Qualification of experts” and “Other Information — Consents of experts” in Appendix VI;
- (k) the service contracts and appointment letters referred to in “Further Information about Directors and Substantial Shareholders — Directors” in Appendix VI;
- (l) the statement of particulars of the Selling Shareholder and CRF Enterprise, including their names, addresses and descriptions; and
- (m) the rules of the Share Option Scheme.





Goodbaby International Holdings Limited  
好孩子國際控股有限公司