THE GROUP'S HISTORY

The Group owes its origin to PC Partner, which was incorporated in Hong Kong in February 1988. PC Partner was previously part of the computer products division and a wholly owned subsidiary of VTech Holdings Limited, a company which shares are listed on the Stock Exchange. Led by the late Mr. Ho Hin Wun Bosco, PC Partner Holdings was formed in May 1997 to buy-out PC Partner (formerly known as VTech Computers International Limited) when the VTech Group decided to focus on businesses of other products. At the time of the transaction, PC Partner operated within the computer division of the VTech Group, and the principal business was the supply of computer motherboards, computer cases, power supply and other computer components.

On 2 May 1997, 3,400,000 PC Partner Holdings shares of US$1.00 each were issued at a price of US$1.00 each as follows: 1,000,000 shares to Mr. Ho Hin Wun Bosco, 1,000,000 shares to Classic Venture, 1,000,000 shares to Mr. Wong Shik Ho Tony, 150,000 shares to Mr. Leung Wah Kan, 150,000 shares to Mr. Wong Fong Pak (the "co-founders") and the remainder 100,000 shares to five other individuals, three of them are currently employees of the Group. Mr. Ho Hin Wun Bosco was a former director of certain subsidiaries of VTech Group and resigned from all such directorships with effect from 23 June 1997. Mr. Wong Fong Pak, Mr. Wong Shik Ho Tony and Mr. Leung Wah Kan were former members of the senior management team of the computer division of the VTech Group and they resigned from such employment with effect from 1 June 1997. On 21 June 1997, VTech Group entered into a conditional share sale and purchase agreement with PC Partner Holdings and each of the co-founders for the sale by VTech Group to PC Partner Holdings of VTech Group's entire interest in the issued share capital of PC Partner, a wholly owned subsidiary of VTech Group at the time of the transaction. In June 1997, PC Partner Holdings was held as to approximately 67.65% by the co-founders.

When the co-founders started the Group's business, the Group was primarily engaged in the manufacturing of PC motherboards and computer barebone systems.

Principal activities of certain subsidiaries of the Group during the Track Record Period

Active Smart Limited is principally engaged in the trading of computer parts. It is a procurement arm of the Group. It sells computer parts to PC Partner and third party customers.

ASK Group is principally engaged in the trading of computer accessories. ASK Group purchases NVIDIA GPUs from PC Partner and subcontracts third parties to manufacture video graphics cards. ASK Group sells video graphics cards to its sales arm Innovision Multimedia as well as third party customers on OEM/ODM basis.

Innovision Multimedia is principally engaged in the trading of computer accessories. It is the sales arm of ASK Group. It purchases video graphics cards from ASK Group and then sells the same to third party customers.

Manli Group is principally engaged in the trading of computer accessories and computers. It outsources the manufacturing of the majority of its video graphics cards, other PC related products and materials to PC Partner.

Double Hero Petroleum Factory Limited is principally engaged in the trading of computer parts. It is a procurement arm of the Group. It sells computer parts to PC Partner and third party customers.

PC Partner is principally engaged in the design, manufacture and sales of computer accessories and computers. PC Partner subcontracts Dongguan Baineng and Dongguan Tianpei to carry out EMS, manufacturing of video graphics cards and manufacturing of other PC related products. PC Partner also subcontracts certain SMT manufacturing with third parties. PC Partner sells finished goods to Manli Group, Zotac Macao and Zotac Nevada. PC Partner sells materials to ASK Group and Manli Group.

Zotac Macao is principally engaged in the trading of computer accessories and computers. It purchases video graphics cards and other PC related products from PC Partner and sells the same to Zotac Korea and third party customers in the EMEAI region.

Zotac Korea is principally engaged in the trading of computer accessories and computers. It purchases video graphics cards and other PC related products from Zotac Macao and sells to third party customers in Korea.

Zotac Nevada is principally engaged in the trading of computer accessories and computers. It purchases video graphics cards and PC related products from PC Partner and sells the same to third party customers in North America, Latin America and South America. It outsources administration and marketing functions to NALA Sales, which NALA Sales charges a fee for the services.

NALA Sales, which ceased to be a Group company on 11 January 2011 (for details please refer to the section headed "History and Development" in this Prospectus), provides administration and marketing service to Zotac Nevada and receives management fees from providing such services.

Dongguan Baineng is principally engaged in the subcontracting of computer accessories and computers. It is a manufacturing arm of the Group and provides manufacturing services to PC Partner under processing-trade arrangements for processing fees.

Dongguan Tianpei is principally engaged in the subcontracting of computer accessories. It is a manufacturing arm of the Group and provides manufacturing services to Dongguan Baineng and PC Partner for processing fees.

汎達全球有限公司 was principally engaged in the trading of computer accessories. It purchased video graphics cards and other PC related products from Manli Group and sells the same to third party customers in Taiwan. For the reason that Manli Group would directly sell the products to Taiwan customers, this company was wound up in June 2011.

The Group's Investment in Sapphire

The Group owned 40% interest in Sapphire when it was incorporated in 2001. The remaining 60% interest in Sapphire was owned by other shareholders who are all Independent Third Parties. Other than sales by the Group to Sapphire, there is no past or present relationship, business or otherwise, between Sapphire and the Directors, substantial Shareholders, senior management of the Group and their respective associates.

During the Track Record Period, Sapphire allotted new shares to its shareholders on two occasions. In line with (i) the Group's businesses of EMS and OEM/ODM manufacturing and (ii) the Group's strategy to further expand its business channels and focus its resources on the sale and distribution of its own branded products, the Group did not pursue to maintain its level of interest in Sapphire on both occasions. Accordingly, on 1 January 2008, the Group's interest in Sapphire was diluted to 18.18%. On 19 August 2010, the Group's interest in Sapphire was further diluted to 4.95%.

The Group has grown substantially in its experience and customer base in contract manufacturing for video graphics cards since 2001 when Sapphire was incorporated. Being a MBA video graphics cards manufacturer for ATI or AMD (as the case may be) since 1998, the Group has been building its reputation as a renowned video graphics card manufacturer. For the three years ended 31 December 2008, 2009, 2010 and in the six months ended 30 June 2011, sales to Sapphire amounted to approximately HK$550 million, HK$499 million, HK$495 million and HK$232 million, respectively, representing 13%, 11%, 9% and 8% of the Group's total sales, respectively. As indicated from the above figures, the Directors believe that the dilution of the Group's interest in Sapphire did not affect its manufacturing relationship with Sapphire, which first purchased the Group's video graphics card in 2001.

In 2005, the Group established the ZOTAC brand and began selling its ZOTAC branded video graphics cards to distributors in the EMEAI and NALA regions in 2007.

In 2005, there was a dispute between (i) Mrs. Ho Wong Mary Mee-Tak, the major shareholder of PC Partner Holdings holding approximately 51% of the total issued share capital of PC Partner Holdings through Classic Venture and Perfect Choice, and PC Partner Holdings as the plaintiffs; and (ii) the co-founders, being shareholders and the then only directors of PC Partner Holdings and HKIC Consultants Limited as the defendants. The dispute involved the validity of the subscription agreement ("**Subscription Agreement**") entered into between PC Partner Holdings and Successfield Investments Limited ("**Successfield**") on 22 August 2005 pursuant to which Successfield agreed to subscribe for 500,000 new shares in PC Partner Holdings at the aggregate consideration of HK$30,000,000, which would result in the dilution of Mrs. Ho Wong Mary Mee-Tak's shareholding in PC Partner Holdings from approximately 51.0% to 44.8%. As Mrs. Ho Wong Mary Mee-Tak did not consent to the entering into of the Subscription Agreement, she brought an action against the co-founders and HKIC Consultants Limited at the High Court of Hong Kong to restrain the allotment of 500,000 shares in PC Partner Holdings to Successfield under the Subscription Agreement (the "**Action**").

On 3 November 2005, the parties to the Action resolved their differences and entered into a deed of settlement ("**Deed of Settlement**") pursuant to which the parties thereto agreed, inter alia, (i) to dismiss and discontinue the Action with no order as to costs, (ii) to cancel the Subscription Agreement, and (iii) to appoint Mrs. Ho Wong Mary Mee-Tak as a non-executive director of PC Partner Holdings. It was also agreed that the unanimous agreement and consent in writing of Mrs. Ho Wong Mary Mee-Tak and the co-founders is required for, inter alia, (i) the issue or allotment of shares or increase in the authorised share capital of PC Partner Holdings and/or its subsidiaries and (ii) the appointment of any new director to the board of directors of PC Partner Holdings. Save as disclosed above, the arrangements under the Deed of Settlement have no impact on the corporate structure of the Group. Further, there is no impact on the business or daily operations of the Group.

In 2008, in order to increase the Group's market share in the video graphics card business, the Group set up two then 60% owned (now 100% owned) subsidiaries, ASK Group and Manli Group to acquire the businesses of ASK Technology and Manli Technology, respectively. Both ASK Technology and Manli Technology were fabrication-less manufacturers, which outsourced all of their manufacturing. Both ASK Technology and Manli Technology were principally engaged in trading of video graphical cards.

In 2008, as both ASK Technology and Manli Technology required additional working capital to maintain their market participation and sustain future growth, their shareholders searched for cooperating partners. In order to capture these opportunities timely and effectively, the Group agreed with each of (i) ASK Technology and Mr. Ho (the beneficial owner of ASK Technology in 2008), and (ii) Manli Technology, Mr. Man and Mr. Lee Wing Chung ("Mr. Lee") (the two beneficial owners of Manli Technology in 2008) to set up ASK Group and Manli Group to acquire the businesses of ASK Technology and Manli Technology, respectively. The effective date of completion of the acquisitions of the businesses of ASK Technology and Manli Technology was 1 April 2008.

Through the acquisitions of ASK Technology and Manli Technology, the Group increased its market share as a producer of NVIDIA based video graphics cards and at the same time increased economies of scale on its purchasing power of NVIDIA GPUs.

Prior to the abovesaid transactions, ASK Technology, Manli Technology, Mr. Ho, Mr. Man and Mr. Lee were all Independent Third Parties.

Acquisition of ASK Technology

ASK Group, 60% owned by the Group and 40% owned by Mr. Ho, was set up in 2008. In 2009 and 2010, Mr. Ho and the Group contributed their respective portion of capital in aggregate of HK$15 million to ASK Group.

In 2008, under a sales and purchase agreement, ASK Technology sold its assets and the then existing business to ASK Group as an expedient way to complete the transaction without the need to carry out extensive inquiry on any legacy of ASK Technology. ASK Technology was a fabrication-less manufacturer of video graphics cards. It outsourced all its manufacturing. ASK Technology transferred its assets (mainly included inventories, trade and other receivables) with cost of approximately HK$115,668,000, its liabilities (mainly included trade and other payables) with cost of approximately HK$81,372,000, and its business (including but not limited to brands, customer list and relationship) to ASK Group at cost of approximately HK$34,296,000. In addition, the Group paid consideration of HK$9,000,000 to Mr. Ho to compensate his loss of controlling rights on the business of ASK Technology, which was based on an agreed multiple of the average annual earnings of ASK Technology and its subsidiary for the previous three financial years. Accordingly, total consideration paid by the Group for the acquisition of the business of ASK Technology was approximately HK$43,296,000.

ASK Technology was established in 1989. For the year ended 31 March 2008, turnover and net profit of ASK Technology and its subsidiary were approximately HK$782,724,000 and HK$10,967,000, respectively. After the completion of the said net assets and business acquisition in 2008, ASK Technology remained beneficially owned by Mr. Ho. ASK Technology still maintained minimal operations to ensure the proper and smooth transfer of business to ASK Group. In January 2011, ASK Technology filed a members voluntary winding up notice to the Companies Registry and ASK Technology was dissolved in November 2011.

Acquisition of Manli Technology

Manli Group, then owned as to 60% by the Group, 20% by Mr. Man and 20% by Mr. Lee, was set up in 2008. In 2009 and 2010, Mr. Man, Mr. Lee and the Group contributed their respective portion of capital in aggregate of HK$7.5 million to Manli Group.

In 2008, under a sales and purchase agreement, Manli Technology sold its assets and the then existing business to Manli Group as an expedient way to complete the transaction without the need to carry out extensive inquiry on the liabilities and any legacy of Manli Technology. Manli Technology was a fabrication-less manufacturer of video graphics cards and certain other PC related products. It outsourced all its manufacturing.

Manli Technology transferred its assets (mainly included inventories) with cost of approximately HK$3,965,000 and its business (including but not limited to brands, customer list and relationship) to Manli Group at cost of approximately HK$3,965,000. In addition, the Group paid each of Mr. Man and Mr. Lee HK$2,250,000 to compensate their loss of controlling rights on the business of Manli Technology, which was based on an agreed multiple of the average annual earnings of Manli Technology and its subsidiary for the previous three years. Accordingly, total consideration paid by the Group for the acquisition of business of Manli Technology was approximately HK$8,465,000. After the completion of the said assets and business acquisitions in 2008, Manli Technology remained beneficially owned by Mr. Man and Mr. Lee.

Manli Technology was established in 1996. For the year ended 30 April 2008, turnover and net profit of Manli Technology were approximately HK$182,367,000 and HK$4,872,000, respectively. During the Track Record Period, a subsidiary of Manli Technology in Shenzhen provided personnel support services relating to the control and purchase of materials and supplies and technical support to Manli Group in connection with the operation of Manli Technology's business in Shenzhen acquired by Manli Group. In February 2011, Manli Group has set up a representative office in Shenzhen to recruit, through an independent agent, staff for provision of such services. As the Shenzhen representative office of Manli Group has become fully operational and has replaced the services from the Shenzhen subsidiary of Manli Technology, Mr. Man and Mr. Lee will take steps to wind up Manli Technology.

History and development of the Group's operations in the PRC

Baineng Factory

Baineng Factory was established in July 1997 as a facility to provide processing services to the Group under a processing agreement dated 23 July 1997 between 東莞對外加工裝配服務公司 and Xianxing Development (both Independent Third Parties, together the "**PRC Party**") and the Group (the "**Processing Agreement**"). According to the Processing Agreement, the Group provided assembly production machinery, all the raw materials, components and packaging materials required for processing services and the PRC Party provided factory premises, electricity and labour for the purpose of carrying out processing services for the Group. The Group paid processing services fees for factory rent, land usage fees and management fees to the PRC Party, and all finished products were exported to the Group. The term of the Processing Agreement was initially from 25 July 1997 to 24 July 2002.

On 28 July 1997, Dongguan City Administration for Industry and Commerce (東莞市工商行政管理局) issued the "Guangdong Specially Permitted Licence of Foreign Processing and Assembly of Supplied Materials"《廣東省對外來料加工特准營業證》) to Baineng Factory. Baineng Factory was a processing enterprise (來料加工企業). Its principal activities were subcontract processing of computers and computer accessories.

Pursuant to relevant PRC laws and regulations, the machineries provided by the Group were exempt from PRC import duty and the materials used for processing were also exempt from import duty and value added tax. The end products derived from such materials were required to be exported. The PRC Party had been succeeded and the term of the Processing Agreement had been extended several times. Immediately prior to the deregistration of the Processing Agreement, the PRC Party was Dongguan Baiye and the term of the Processing Agreement was extended to 25 July 2017.

Processing enterprise was a popular vehicle in the 1990s for foreign businesses to carry out manufacturing activities in the PRC. Lately, the PRC encouraged processing enterprises to transform their operations to wholly foreign-owned enterprise entities. On 23 June 2008, the Dongguan Foreign Trade and Economic Cooperation Bureau (東莞市對外貿易經濟合作局), together with five other Dongguan government bureaus, issued the "Notice concerning the actions required for processing enterprises in Dongguan City to transform into wholly foreign — owned enterprises on the same site without cessation of production" (《關於做好東莞市來料加工企業就地不停產轉三資企業有關工作的通知》(東外經貿[2008]40號)), which stipulated that various government bureaus shall positively support and assist processing enterprises to transform their operations to foreign invested companies on the same site without cessation of production. Such transformation would enable foreign investors to establish limited liability companies at the same site using the same production facilities. Comparing with a processing enterprise, a foreign invested limited liability company is qualified to have a legal person capacity and can have ownership of the production facilities in the PRC.

In order to facilitate the transformation of the operations of Baineng Factory to Dongguan Baineng, a wholly-owned subsidiary of the Group, Dongguan Baiye, Baineng Factory and the Group executed a termination agreement on 19 August 2010 to terminate the Processing Agreement (as amended by various supplemental agreements). Pursuant to the said termination agreement, machinery supplied by the Group to Baineng Factory was released from customs' restrictions and transferred to Dongguan Baineng. All processing contracts signed during the term of the Processing Agreement (as amended by various supplemental agreements) have been filed with the responsible customs authorities for cancellation after verification. All processing fees incurred during the term of the Processing Agreement have been settled. There was no outstanding creditor-debtor relationship existing between Dongguan Baiye and the Group. Accordingly, the business of Baineng Factory was transferred to Dongguan Baineng on the same site without cessation of production. According to the opinion of the PRC Legal Advisers, Baineng Factory was officially deregistered on 23 October 2010. Thus, the transformation was completed.

The Group's PRC Legal Advisers confirmed that Baineng Factory was legally and officially deregistered on 23 October 2010 in accordance with relevant PRC laws and regulations.

Dongguan Baineng

Dongguan Baineng, a wholly-owned subsidiary of the Group, was established in July 2009 as a limited liability wholly foreign-owned enterprise. Dongguan Baineng is principally engaged in the subcontract processing of computers and computer accessories. As set out in the paragraph headed "Baineng Factory" above, the subcontract processing services activities of Baineng Factory, which was deregistered on 23 October 2010, was transferred to Dongguan Baineng on the same site without cessation of production. Dongguan Baineng carries out subcontract processing services for the Group under various processing agreements executed between Dongguan Baineng and the Group. The PRC Legal Advisers has confirmed that all the said processing agreements have been authorised by Dongguan Foreign Trade and Economic Cooperation Bureau and filed with Dongguan Tai Ping Customs.

Cost savings were achieved through the transformation from Baineng Factory to Dongguan Baineng. Baineng Factory was a processing enterprise (來料加工企業) under a "Guangdong Specially Permitted Licence of Foreign Processing and Assembly of Supplied Materials" 《廣東省對外來料加工特准營業證》and thus did not have a legal entity status in the PRC. As a processing enterprise, Baineng Factory was subject to a 7% levy on its expenditure incurred as deemed profit tax (所得稅核定徵收). The Group had to incur a 5% fee for remitting money from PC Partner through an intermediary, a PRC legal entity, to Baineng Factory. After the transformation, Dongguan Baineng, being a PRC legal entity, is taxed at the rate on assessable profits and the Group was no longer required to pay the aforementioned 7% levy and 5% remittance fee.

Dongguan Baineng acquired the entire registered capital of Dongguan Tianpei for a cash consideration of RMB2.5 million in April 2010, making it a wholly owned subsidiary of the Group. (For details, please refer to the section headed "History and Development — Reorganisation" in this prospectus.)

Dongguan Baineng established its Shenzhen branch in April 2010. Its authorised scope of business is to conduct liaison activities and provide in-house design, research and development services on computers and computer accessories for Dongguan Baineng.

Dongguan Tianpei

Owing to the fact that Baineng Factory does not have the right to carry out processing services for products destined for the PRC market, Dongguan Tianpei, a factory, was established to provide the Group with processing services capacity to produce for the local PRC market.

In June 2008, PC Partner Holdings engaged Mr. Lin and Mr. Yin to act as nominee shareholders of Dongguan Tianpei on behalf of PC Partner Holdings. PC Partner Holdings provided the funding of the registered and paid up share capital of Dongguan Tianpei and the Group was entitled to the actual rights and economic benefits as shareholders of Dongguan Tianpei. The principal activity of Dongguan Tianpei is subcontract processing of computer accessories. Involving Mr. Lin and Mr. Yin as nominee shareholders to establish a domestic company does not otherwise require approval from the responsible foreign trade and economic cooperation authorities and was the most expedient method to establish Dongguan Tianpei.

Dongguan Tianpei was established in July 2008 with an initial registered capital of RMB2.5 million, as a limited liability company qualified to have legal person capacity. Mr. Lin became a 70% nominee shareholder of Dongguan Tianpei and Mr. Yin became a 30% nominee shareholder of Dongguan Tianpei.

In April 2010, Dongguan Baineng entered into share transfer agreements with each of Mr. Lin and Mr. Yin, pursuant to which Mr. Lin and Mr. Yin transferred their respective 70% and 30% shareholding in Dongguan Tianpei to Dongguan Baineng, upon completion of which Dongguan Tianpei became a wholly owned subsidiary of Dongguan Baineng. Please refer to the section headed "History and Development — Reorganisation" in this prospectus for further information.

PC Partner Shenzhen Representative Office

In June 2005, PC Partner Limited established a representative office in Shenzhen, to conduct liaison activities on behalf of the Group. During the Track Record Period and as at the Latest Practicable Date, the said representative office did not carry out any business operations.

PC Partner Beijing Representative Office

In July 2008, PC Partner Limited established a representative office in Beijing, to conduct liaison activities on behalf of the Group. During the Track Record Period and as at the Latest Practicable Date, the said representative office did not carry out any business operations.

Manli Group Shenzhen Representative Office

In February 2011, Manli Group established a representative office in Shenzhen to conduct liaison activities on behalf of the Group. During the Track Record Period and as at the Latest Practicable Date, the said representative office did not carry out any business operations.

THE GROUP'S BUSINESS MILESTONES

The following table sets out various milestones in the development of the Group's business:

Year	**Event**
1997	PC Partner Holdings Limited was founded in Hong Kong primarily engaged in the manufacturing of PC motherboards and computer barebone systems.
1998	The Group was awarded ISO 9001 accreditation.
	The Group was engaged by ATI (now AMD) as contract manufacturer.
	The Group became an EMS provider for a POS system supplier.
	Mrs. Ho Wong Mary Mee-Tak become controlling shareholder of PC Partner Holdings.
2001	The Group was awarded ISO 9001:2000.

Year	Event
2002	The Group became an EMS provider for a flash memory card supplier.
	The Group was awarded ISO 14001 accreditation.
2005	The Group was awarded OHSAS 18001 accreditation.
	The Group's COB line commenced operation.
	The RoHS process was in place.
2006	The Group started the manufacturing of video graphics cards that used NVIDIA GPUs.
2007	The Group started distributing its ZOTAC branded video graphics cards. Implemented 9-7-7 EMI pre scan chamber set.
2008	The Company, through two then 60% owned subsidiaries (ASK Group and Manli Group) acquired the businesses of ASK Technology Limited and Manli Technology Company Limited, respectively (being, principally, the manufacture and sale of video graphics cards for PCs).
	The Group was awarded AS 9100 accreditation.
2009	The Group commenced sales of MAG under the ZOTAC brand.
2011	The Group completed the acquisition of the remaining 40% shareholding of each of ASK Group and Manli Group, and they have since become wholly-owned subsidiaries of the Company.

REORGANISATION

In preparation for the Listing, the Group has carried out the Reorganisation which involved the following steps:

(a) On 1 April 2010, the Company was incorporated under the laws of Cayman Islands with an authorised share capital of HK$100,000,000 consisting of 1,000,000,000 ordinary shares of par value HK$0.10 each. On the same day, one subscriber's Share was transferred to Mr. Leung Wah Kan, and each of Mr. Wong Fong Pak and Mr. Wong Shik Ho Tony were allotted with one Share.

(b) By a unanimous written resolution of the shareholders of TDEK dated 8 April 2010 and a written resolution of the directors of PC Partner Holdings dated 15 April 2010, the 900,000 shares of PC Partner Holdings held by TDEK were resolved to be distributed to the 3 individual shareholders of TDEK, pursuant to which 580,000, 290,000 and 30,000 shares in PC Partner Holdings were distributed to Mr. Wong Shik Ho Tony, Mr. Daniel Kearney and Mr. Lee Ming Wai David respectively and TDEK ceased to hold any shares in PC Partner Holdings after the aforesaid distribution. TDEK was incorporated in Bermuda on 4 August 1997. On 30 July 1997, The Bermuda Monetary Authority granted permission to TDEK to issue 6,960 shares, 3,480 shares, 1,200 shares and 360 shares with a par value of US$1.00 each to Mr. Wong Shik Ho Tony, Mr. Daniel Kearney, Mr. Edmond Lau and Mr. Kam Kwong, respectively at the consideration of US$1 per share. TDEK became PC

Partner Holdings' shareholder in 1997 following the transfer by Mr. Wong Shik Ho Tony of 400,000 and 600,000 shares in PC Partner Holdings to TDEK on 30 July 1997 and 9 September 1997, respectively. In 2003, TDEK transferred 50,000 shares in PC Partner Holdings to each of Mr. Wong Shik Ho Tony and Sceptre Limited. As a result of the transfers, TDEK became a holder of 900,000 shares in PC Partner Holdings, representing approximately 22.67% of the then issued share capital of PC Partner Holdings.

(c) On 20 April 2010, Mr. Yin and Dongguan Baineng entered into an equity interest transfer agreement pursuant to which Mr. Yin transferred 30% equity interest in Dongguan Tianpei to Dongguan Baineng at the consideration of RMB750,000. The consideration was based on the value of the registered capital of Dongguan Tianpei held in the name of Mr. Yin. So far as the Directors are aware, Mr. Yin was a Dongguan native, an employee of 東莞市厚街三屯經濟發展公司 and an Independent Third Party.

(d) On 20 April 2010, Mr. Lin and Dongguan Baineng entered into an equity interest transfer agreement pursuant to which Mr. Lin transferred 70% equity interest in Dongguan Tianpei to Dongguan Baineng at the consideration of RMB1,750,000. The consideration was based on the value of the registered capital of Dongguan Tianpei held in the name of Mr. Lin. So far as the Directors are aware, Mr. Lin was a Dongguan native, an employee of 東莞市厚街三屯經濟發展公司 and an Independent Third Party.

(e) On 11 January 2011, PC Partner International and Mr. Sean Tang entered into a stock purchase agreement pursuant to which Mr. Sean Tang sold 30,000 shares in Zotac Nevada (representing his 40% interest in Zotac Nevada) to PC Partner International at the nominal consideration of US$1.00, as Zotac Nevada and NALA Sales together, being the Group's US business, carried negative retained earnings when the consideration was determined. Mr. Sean Tang was a director of Zotac Nevada until his resignation on 11 January 2011.

When Zotac Nevada and NALA Sales were incorporated in 2007 in the State of Nevada and the State of California of the US, respectively, both companies were owned as to 60% by PC Partner International and 40% by Mr. Sean Tang. NALA Sales provided sales, promotion and distribution services to Zotac Nevada. Zotac Nevada purchased products from PC Partner for onward sale to customers arranged by NALA Sales. As Zotac Nevada only paid PC Partner for the Zotac products when the products are sold, the Group was effectively financing the inventory of Zotac Nevada, then a non-wholly owned subsidiary of the Group, during the invoicing term prior to 11 January 2011. In order to prevent the situation where the Group effectively finances a non-wholly owned subsidiary, the Group acquired the 40% minority equity interest owned by Mr. Sean Tang in Zotac Nevada.

(f) On 11 January 2011, PC Partner International and Mr. Sean Tang entered into a stock purchase agreement pursuant to which PC Partner International sold 45,000 shares in NALA Sales (representing its 60% interest in NALA Sales) to Mr. Sean Tang at the nominal consideration of US$1.00 as NALA Sales and Zotac Nevada together, being the Group's US business, carried negative retained earnings when the consideration was determined.

The Group disposed of its 60% interest in NALA Sales in order to align its trading model in the NALA region with the EMAEI region. In the EMAEI region, Zotac Macao acts as principal in transactions with customers and utilised agents, who are third-parties, to provide sales promotion and distribution services. After the disposal of NALA Sales, Zotac Nevada engaged NALA Sales, which has become a third-party, to provide the same.

(g) On 14 December 2011, Mr. Ho, ASK Group, PC Partner and PC Partner Holdings entered into a sale and purchase agreement, pursuant to which Mr. Ho Nai Nap sold 4,000 shares in ASK Group (representing his 40% interest in ASK Group) to PC Partner at the consideration of HK$87,831,960, being an agreed multiple of the average annual profit of ASK Group and ASK Technology for the 3 years ended 31 December 2009, which was satisfied by PC Partner Holdings, the holding company of PC Partner, allotting and issuing 257,865 new shares in PC Partner Holdings to Mr. Ho.

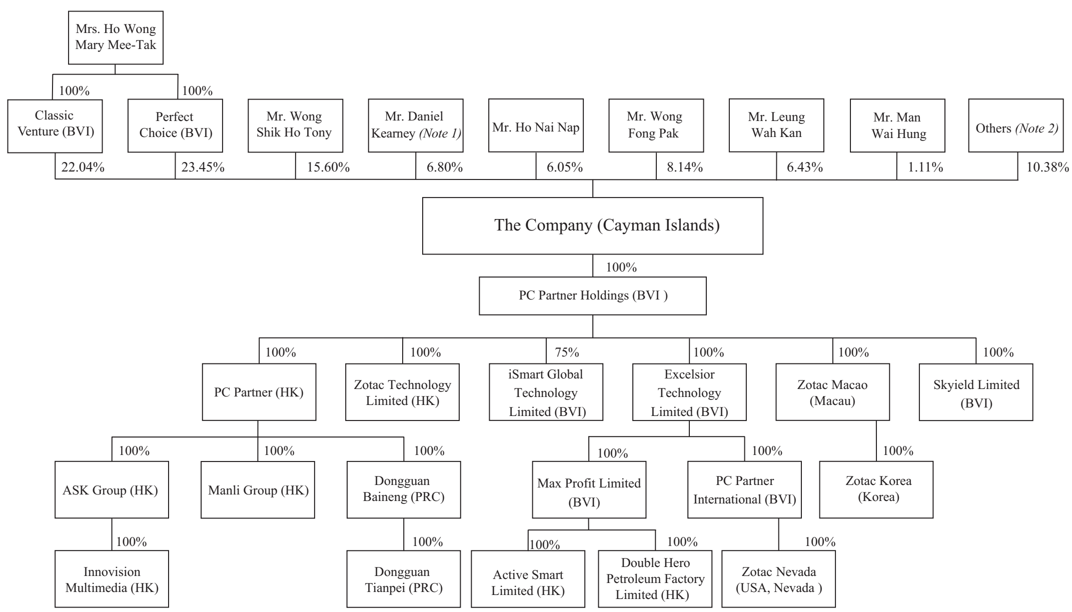
(h) On 14 December 2011, Mr. Lee, Mr. Man, Manli Group, PC Partner and PC Partner Holdings entered into a sale and purchase agreement pursuant to which Mr. Lee and Mr. Man each sold 2,000 shares in Manli Group (representing their respective 20% interest in Manli Group) to PC Partner at the aggregate consideration of HK$32,321,148, being an agreed multiple of the average annual profit of Manli Group and Manli Technology for the 3 years ended 31 December 2009, which was satisfied by PC Partner Holdings, the holding company of PC Partner, allotting and issuing 47,446 new shares in PC Partner Holdings to each of Mr. Lee and Mr. Man respectively.

(i) On 21 December 2011, the Company entered into a deed for sale and purchase with, inter alia, the PC Partner Holdings Shareholders pursuant to which the Company acquired from the PC Partner Holdings Shareholders in aggregate 4,264,757 shares in PC Partner Holdings (representing in aggregate the entire issued share capital of PC Partner Holdings) and in consideration thereof, the Company allotted and issued in aggregate 330,518,665 Shares to the PC Partner Holdings Shareholders credited as fully paid in such proportion as shall mirror their then shareholding proportion in PC Partner Holdings such that the shareholding structure of PC Partner Holdings is replicated at the Company level.

Particulars of the Reorganisation are set out in the section headed "1. Further information about the Company and its subsidiaries — 1.4 Corporate Reorganisation" in Appendix V to this prospectus.

THE GROUP'S CORPORATE STRUCTURE

The following chart sets out the corporate and shareholding structure of the Group as at the Latest Practicable Date:



Notes:

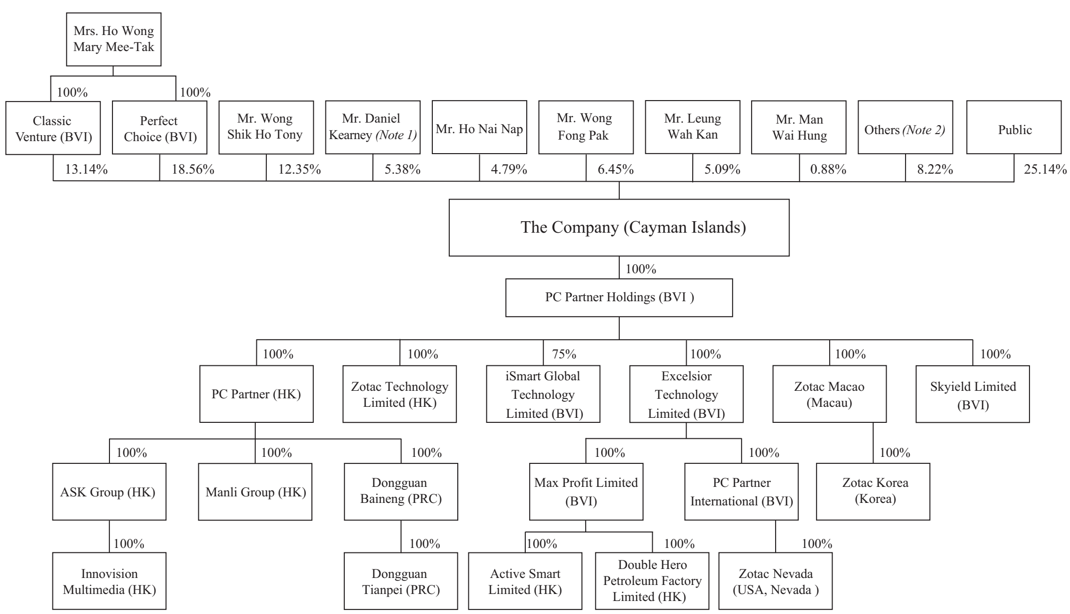
1. Mr. Daniel Kearney is an Independent Third Party

2. Other Shareholders include:

Name	No of Shares	Approximate shareholding percentage in the Company
Chiu Kan Ho	11,330,500	3.43%
K.U. INTERNATIONAL LIMITED	6,277,500	1.90%
Kingdom Right Limited	4,650,000	1.41%
Lee Wing Chung	3,677,065	1.11%
Lee Ming Wai David	2,325,000	0.70%
Lai Shui Wah	1,705,000	0.52%
Tsang Chiu Po	1,550,000	0.47%
Tsang Wan Wai	775,000	0.23%
Fong Wing Fai	387,500	0.12%
Gong Jian Hua	387,500	0.12%
Hong Wen Zheng	232,500	0.07%
Chow Hon Fat	155,000	0.05%
Chow Pak Keung	155,000	0.05%
Lau Chee Keung	155,000	0.05%
Lee Po Yuk Juanne	155,000	0.05%
Zhang Ji Ming	155,000	0.05%
Lee Siu Wai	77,500	0.02%
Liao Yang Lin	77,500	0.02%
Liu Yao Ming	77,500	0.02%

With the exception of Lee Wing Chung, a director of Manli Group, the above persons are all Independent Third Parties. The beneficial shareholder of K.U. INTERNATIONAL LIMITED is Lam Lai Mui, a private investor independent from the Company and the Controlling Shareholders. The beneficial shareholder of Kingdom Right Limited is Ho Mook Lam, who is assigned by a consultancy company engaged by the Company to provide, inter alia, certain financial consultation services to the Group, and is not connected to the Company or the Controlling Shareholders within the meaning of the Listing Rules. Prior to completion of the Reorganisation, Classic Venture gifted approximately 1.41% of the issued share capital of PC Partner Holdings to Kingdom Right Limited at the nominal consideration of HK$1. Such shares in PC Partner Holdings were subsequently exchanged for Shares pursuant to the Reorganisation. Other than Chiu Kan Ho, Hong Wen Zheng (a former employee of the Group), K.U. INTERNATIONAL LIMITED, Kingdom Right Limited and Lee Ming Wai David, the rest are employees of the Group. So far as the Directors are aware, each such person is the beneficial owner of the number of Shares set against his/her/its name in the table above.

The following chart sets out the corporate and shareholding structure of the Group immediately following completion of the Offering (assuming that the Over-allotment Option is not exercised and no Shares are issued pursuant to the exercise of share options granted under the Pre-IPO Share Option Scheme):



Notes:

1. Mr. Daniel Kearney is an Independent Third Party

2. Other Shareholders include:

Name	No of Shares	Approximate shareholding percentage in the Company
Chiu Kan Ho	11,330,500	2.71%
K.U. INTERNATIONAL LIMITED	6,277,500	1.50%
Kingdom Right Limited	4,650,000	1.11%
Lee Wing Chung	3,677,065	0.88%
Lee Ming Wai David	2,325,000	0.56%
Lai Shui Wah	1,705,000	0.41%
Tsang Chiu Po	1,550,000	0.37%
Tsang Wan Wai	775,000	0.19%
Fong Wing Fai	387,500	0.09%
Gong Jian Hua	387,500	0.09%
Hong Wen Zheng	232,500	0.06%
Chow Hon Fat	155,000	0.04%
Chow Pak Keung	155,000	0.04%
Lau Chee Keung	155,000	0.04%
Lee Po Yuk Juanne	155,000	0.04%
Zhang Ji Ming	155,000	0.04%
Lee Siu Wai	77,500	0.02%
Liao Yang Lin	77,500	0.02%
Liu Yao Ming	77,500	0.02%

With the exception of Lee Wing Chung, a director of Manli Group, the above persons are all Independent Third Parties and are accordingly considered as public Shareholders. The beneficial shareholder of K.U. INTERNATIONAL LIMITED is Lam Lai Mui, a private investor independent from the Company and the Controlling Shareholders. The beneficial shareholder of Kingdom Right Limited is Ho Mook Lam, who is assigned by a consultancy company engaged by the Company to provide, inter alia, certain financial consultation services to the Group, and is not connected to the Company or the Controlling Shareholders within the meaning of the Listing Rules. Prior to completion of the Reorganisation, Classic Venture gifted approximately 1.41% of the issued share capital of PC Partner Holdings to Kingdom Right Limited at the nominal consideration of HK$1. Such shares in PC Partner Holdings were subsequently exchanged for Shares pursuant to the Reorganisation. Other than Chiu Kan Ho, Hong Wen Zheng (a former employee of the Group), K.U. INTERNATIONAL LIMITED, Kingdom Right Limited and Lee Ming Wai David, the rest are employees of the Group. So far as the Directors are aware, each such person is the beneficial owner of the number of Shares set against his/her/its name in the table above.