

A. FURTHER INFORMATION ABOUT THE COMPANY AND ITS SUBSIDIARIES**1. Incorporation of the Company**

The Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on 18 May 2010. The Company has established a place of business in Hong Kong at Units 609-610, 6/F, Bio-Informatics Centre, No.2 Science Park, West Avenue, Hong Kong Science Park, Shatin, New Territories, Hong Kong, and was registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part XI of the Companies Ordinance on 13 October 2010. Mr. Poon of 9A, Block 3, Pokfulam Gardens, 180 Pokfulam Road, Hong Kong and Ms. Fok Pui Yin of Flat A, 18/F., Block 35, Cityone, Shatin, New Territories, Hong Kong have been appointed as the authorised 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 Companies Law and to its constitution comprising the Memorandum and the Articles of Association. A summary of certain provisions of its constitution and relevant aspects of the Companies Law is set out in Appendix V to this prospectus.

2. Changes in share capital of the Company

- (a) As at the date of incorporation of the Company, its authorised share capital was HK\$380,000 divided into 38,000,000 Shares of HK\$0.01 each, one Share was allotted and issued at fully paid to the subscriber to the memorandum of association of the Company, and the one fully-paid Share was subsequently transferred from the subscriber to Mr. Cheng on 18 May 2010.
- (b) On 18 May 2010, 99 Shares with the par value of HK\$0.01 were allotted and issued at nil paid to Mr. Cheng.
- (c) On 12 August 2010, Mr. Cheng transferred the 100 Shares, of which one Share is fully paid and 99 Shares are nil paid, to Dragon Fortune.
- (d) On 31 December 2010, in consideration of the transfer by Dragon Fortune to the Company of the entire interests in Telefield (BVI), an additional 9,900 Shares were allotted and issued by the Company at premium, credited as fully paid: as to 8,018 Shares to Dragon Fortune, 1,000 Shares to the Telefield Charitable Fund, 409 Shares to Miss Cheng, 31 Shares to Ms. Ko, 65 Shares to Ms. Fok, 88 Shares to Mr. KB Lee, 88 Shares to Mr. KY Ng, 53 Shares to Mr. Wong, 35 Shares to Mr. Chiu, 31 Shares to Mr. Tam, 65 Shares to Mr. Sum and 17 Shares to Mr. Poon.

(a) *Increase in the authorised share capital*

Pursuant to the resolutions in writing of all the Shareholders passed on 31 December 2010 as referred to in paragraph 3 of this Appendix VI, the authorised share capital of the Company was increased from HK\$380,000 to HK\$100,000,000 by the creation of an additional 9,962,000,000 Shares.

Immediately following completion of the Share Offer and the Capitalisation Issue but not taking into account any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option or any options which may be granted under the the Share Option Scheme, the issued share capital of the Company will be HK\$4,000,000 divided into 400,000,000 Shares, all fully paid or credited as fully paid and 9,600,000,000 Shares will remain unissued.

Other than pursuant to the exercise of any options which have been or may be granted under the Share Option Scheme, the Directors do not have any present intention to issue any of the authorised but unissued share capital of the Company and, without the prior approval of the Shareholders in general meeting, no issue of the Shares will be made which would effectively alter the control of the Company.

Save as disclosed herein and in paragraph 3 of this Appendix VI below, there has been no alteration in the share capital of the Company since its incorporation.

(b) *Founder shares*

The Company has no founder shares, management shares or deferred shares.

3. Resolutions in writing of all the Shareholders passed on 31 December 2010

Pursuant to the resolutions in writing passed by all the Shareholders on 31 December 2010:

- (a) the Company adopted the new Articles of Association;
- (b) the Company adopted the rules of the Share Option Scheme, the principal terms of which are set out in paragraph 13 of this Appendix VI, and the Directors were authorised to grant options to subscribe for the Shares thereunder and, conditional on the Listing Committee granting of the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of the options granted under the Share Option Scheme on or before the date falling 30 days after the date of this prospectus, to allot, issue and deal with the Shares pursuant to the exercise of options granted under the Share Option Scheme;

- (c) conditional on the Listing Committee granting the listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in this prospectus and on the obligations of the Underwriters under the Underwriting Agreements becoming unconditional and not being terminated in accordance with the terms of the Underwriting Agreements or otherwise, in each case on or before the day falling 30 days after the date of this prospectus:
- (i) the authorised share capital was increased from HK\$380,000 to HK\$100,000,000 by the creation of an additional 9,962,000,000 Shares;
 - (ii) the Share Offer was approved and the Directors were authorised to allot and issue the Offer Shares;
 - (iii) the rules of the Share Option Scheme, the principal terms of which are set out in paragraph 13 of this Appendix VI, were approved and adopted and the Directors were authorised to grant options to subscribe for the Shares thereunder and to allot, issue and deal with the Shares pursuant to the exercise of options which may be granted under the Share Option Scheme and to take all such steps as may be necessary, desirable or expedient to carry into effect the Share Option Scheme;
 - (iv) conditional on the share premium account of the Company being credited as a result of the Share Offer, the Directors were authorised to capitalise approximately HK\$2,999,900 standing to the credit of the share premium account of the Company by applying such sum in paying up in full at par for 299,990,000 Shares for allotment and issue to the Shareholders whose names appear on the register of members of the Company at the close of business on 31 December 2010 (or as they may direct) in proportion (as nearly as possible without involving fractions so that no fraction of a Share shall be allotted and issued) to their then existing shareholdings in the Company so that the Shares allotted and issued shall rank *pari passu* in all respects with the then existing issued Shares;
 - (v) a general unconditional mandate was given to the Directors to exercise all powers of the Company to allot, issue and deal with, otherwise than by way of rights issue, scrip dividend schemes or similar arrangements in accordance with the Articles of Association, or pursuant to the exercise of any options which have been or may be granted under the Share Option Scheme, or under the Share Offer or the Capitalisation Issue, Shares with an aggregate nominal amount of not exceeding the sum of (aa) 20% of the aggregate nominal amount of the share capital of the Company in issue immediately following completion of the Capitalisation Issue and the Share Offer (excluding any Shares which may fall to be allotted and issued pursuant to the exercise of the Over-allotment Option); and (bb) the aggregate nominal amount of the share capital of the Company which may be purchased by the Company

pursuant to the authority granted to the Directors as referred to in paragraph (vi) below, until the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable Cayman Islands law to be held, or the passing of an ordinary resolution by the Shareholders revoking or varying the authority given to the Directors as set out in this paragraph (v), whichever occurs first; and

- (vi) a general unconditional mandate (the “**Repurchase Mandate**”) was given to the Directors to exercise all powers of the Company to purchase the Shares with an aggregate nominal amount of not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue immediately following completion of the Capitalisation Issue and the Share Offer (excluding any Shares which may fall to be allotted and issued pursuant to the exercise of the Over-allotment Option) until the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by the Articles of Association or any applicable Cayman Islands law to be held, or the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors as set out in this paragraph (vi), whichever occurs first.

4. Group reorganisation

The companies comprising the Group underwent a reorganisation to rationalise the Group’s structure in preparation for the listing of the Shares on the Stock Exchange. The reorganisation involved the following major steps:

- (a) On 18 May 2010, the Company was incorporated in the Cayman Islands with an authorised share capital of HK\$380,000 divided into 38,000,000 Shares of HK\$0.01 each, one Share was allotted and issued at fully paid to the subscriber to the memorandum of association of the Company, and the one fully-paid Share was subsequently transferred from the subscriber to Mr. Cheng on 18 May 2010.
- (b) On 18 May 2010, 99 Shares with the par value of HK\$0.01 were allotted and issued at nil paid to Mr. Cheng.
- (c) On 12 August 2010, Mr. Cheng transferred the 100 Shares, of which one Share is fully paid and 99 Shares are nil paid, to Dragon Fortune.

- (d) On 31 December 2010, in consideration of the transfer by Dragon Fortune to the Company of the entire interests in Telefield (BVI), an additional 9,900 Shares were allotted and issued by the Company at premium, credited as fully paid: as to 8,018 Shares to Dragon Fortune, 1,000 Shares to the Telefield Charitable Fund, 409 Shares to Miss Cheng, 31 Shares to Ms. Ko, 65 Shares to Ms. Fok, 88 Shares to Mr. KB Lee, 88 Shares to Mr. KY Ng, 53 Shares to Mr. Wong, 35 Shares to Mr. Chiu, 31 Shares to Mr. Tam, 65 Shares to Mr. Sum and 17 Shares to Mr. Poon; and credited as fully paid the 99 nil paid Shares transferred to Dragon Fortune as referred to in item (c) above.
- (e) Immediately after completion of the share transfer referred to in item (d) above, the Company then became the holding company of the Group.

5. Changes in share capital of subsidiaries

The Company's 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 the Company during the two years preceding the date of this prospectus:

(a) *Alagona*

- (i) On 23 October 2009, Alagona was incorporated in the BVI as a limited liability company with an issued share capital of US\$1.00 made up of one share of US\$1.00 each, and wholly owned by Telefield (BVI).

(b) *Bracciano*

- (i) On 5 January 2010, Bracciano was incorporated in the BVI as a limited liability company with an issued share capital of US\$1.00 made up of one share of US\$1.00 each, and wholly owned by Telefield (BVI).

(c) *Guangzhou Telefield*

- (i) On 28 August 2008, the board of directors of Guangzhou Telefield resolved to increase the registered capital of Guangzhou Telefield from US\$6,060,000 to US\$7,060,000 with the increase contributed by Telefield (HK).

(d) *Metro Creator*

- (i) On 4 August 2009, Metro Creator was incorporated in Hong Kong as a limited liability company with an issued share capital of HK\$1.00 made up of one share of HK\$1.00 each, and wholly owned by the founder member, Cartech Limited.

- (ii) On 14 October 2009, Metro Creator allotted and issued 9,999 shares, representing 99.99% of its enlarged issued share capital, to Telefield (BVI).

(e) *Modern Channel*

- (i) On 4 August 2009, Modern Channel was incorporated in Hong Kong as a limited liability company with an issued share capital of HK\$1.00 made up of one share of HK\$1.00 each, and wholly owned by the founder member, Cartech Limited.
- (ii) On 30 September 2009, Modern Channel allotted and issued 9,999 shares, representing 99.99% of its enlarged issued share capital, to Telefield (BVI).

(f) *SAL (HK)*

- (i) On 30 August 2008, SAL (HK) further allotted and issued 2,990,000 shares, representing 99.67% of its enlarged issued share capital, to Telefield (BVI).
- (ii) On 30 December 2009, SAL (HK) allotted and issued 2,000,000 shares, representing 40% of its enlarged issued share capital, to Telefield (BVI).

(g) *Space Wisdom*

- (i) On 6 January 2010, Space Wisdom was incorporated in the BVI as a limited liability company with an issued share capital of US\$1.00 made up of one share of US\$1.00 each, and wholly owned by Telefield (BVI).

(h) *Telefield (HK)*

- (i) On 22 December 2008, Telefield (HK) allotted and issued further 19,979,001 ordinary shares and 19,999 ordinary shares to Telefield (BVI) and Dragon Fortune, respectively.

(i) *Telefield Medical*

- (i) On 25 January 2010, Telefield Medical was incorporated in Hong Kong as a limited liability company with an issued share capital of HK\$1.00 made up of one share of HK\$1.00 each, and wholly owned by the founder member, Expertsec Limited.
- (ii) On 9 February 2010, Telefield Medical allotted and issued 999 shares, representing 99.9% of its enlarged issued share capital, to Bracciano.

(j) *TFNA (US)*

- (i) On 26 December 2008, TFNA (US) was established in Oregon, the United States, as a corporation with 1,000 authorised shares of no par value common stock, no shares of which were issued or outstanding on the date of establishment. On 15 January 2009, TFNA (US) issued 50 shares of its common stock to TFUL (HK).

(k) *TFUL (HK)*

- (i) On 2 December 2008, TFUL (HK) was established in Hong Kong as a limited liability company with an issued share capital of HK\$1.00 made up of one share of HK\$1.00 each, and wholly owned by the founder member, GNL08 Limited.
- (ii) On 31 August 2009, TFUL (HK) allotted and issued 15,599,999 shares to Telefield (BVI).

(l) *TrekStor (HK)*

- (i) On 8 September 2009, TrekStor (HK) was established in Hong Kong as a limited liability company with an issued share capital of HK\$1.00 made up of one share of HK\$1.00 each, and wholly owned by Alagona.
- (ii) On 28 October 2010, TrekStor (HK) allotted and issued additional 50 shares to Alagona, 33 shares to Tarez and 16 shares to Tavida.

(m) *TrekStor (Germany)*

- (i) On 9 September 2009, TrekStor (Germany) was established in Germany as a limited liability company with an issued share capital of Euro25,000.00 made up of two shares, one in the amount of Euro1,000.00 and a second share in the amount of Euro24,000.00 both shares are wholly owned by Telefield TrekStor.

(n) *Telefield TrekStor*

- (i) On 29 October 2009, Telefield TrekStor was established in Luxembourg as a private limited liability company with an issued share capital of Euro 12,500 made up of 100 shares of Euro 125.00 each, and wholly owned by Metro Creator.
- (ii) On 5 November 2010, Telefield TrekStor allotted and issued additional two shares to Metro Creator, 66 shares to Tarez and 32 shares to Tavida.

Save for the subsidiaries mentioned in Appendix I to this prospectus, the Company has no other subsidiaries.

Save as set out above, there has been no alteration in the share capital of any of the subsidiaries of the Company within the two years immediately preceding the date of this prospectus.

6. Repurchase by the Company of its own securities

This paragraph includes information required by the Stock Exchange to be included in this prospectus concerning the repurchase by the Company of its own securities.

(a) Provisions of the Listing Rules

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their securities on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

(i) Shareholders' approval

All proposed repurchases of securities (which must be fully paid up in the case of shares) by a company listed on the Stock Exchange must be approved in advance by an ordinary resolution of the Shareholders, whether by way of general mandate (the "**Repurchase Mandate**") or by a specific approval.

Note: Pursuant to a resolution in writing passed by all Shareholders on 31 December 2010, the Repurchase Mandate was given to the Directors to exercise all powers of the Company to purchase Shares on the Stock Exchange or any other stock exchange on which the securities of the Company may be listed and which is recognised by the SFC and the Stock Exchange for this purpose, of up to 10% of the aggregate nominal amount of the share capital of the Company in issue immediately following completion of the Capitalisation Issue and the Share Offer. The Repurchase Mandate will expire at the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable Cayman Islands law to be held, or the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors, whichever occurs first.

(ii) Source of funds

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the its Memorandum and Articles of Association, the Listing Rules and the applicable laws of the Cayman Islands. Under the Cayman Islands law, repurchases by the Company may only be made out of profits of the Company or out of the proceeds of a fresh issue of Share made for the purpose of the repurchase, or, if so authorised by its Articles of Association and subject to the provisions of the Companies Law, out of capital. Any premium payable on a redemption or purchase over the par value of the Shares to be purchased must be provided for out of profits of the Company or out of the Company's share premium account, or, if so authorised by its Articles of Association and subject to the provisions of the Companies Law, out of capital.

(iii) Connected parties

The Listing Rules prohibit the Company from knowingly repurchasing its own shares on the Stock Exchange from a “connected person”, that is, a director, chief executive or substantial shareholder of the Company or any of its subsidiaries or any of their associates and a connected person is prohibited from knowingly sell his/her Shares to the company.

(iv) Status of repurchased Shares

All repurchased Shares (whether effected on the Stock Exchange or otherwise) will be automatically delisted and the certificates for those Shares must be cancelled and destroyed.

Under Companies Law, a company’s repurchased shares will be treated as cancelled but the repurchase of shares shall not be taken as reducing the amount of the company’s authorised share capital.

(v) Suspension of repurchase

Pursuant to the Listing Rules, the Company may not make any repurchase of Shares after a price sensitive development has occurred or has been the subject of a decision until such time as the price sensitive information has been made publicly available. In particular, under the requirements of the Listing Rules in force as at the date of this prospectus, during the period of one month immediately preceding the earlier of:

- (i) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company’s results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (ii) the deadline for the Company to publish an announcement of the Company’s results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), and in each case ending on the date of the results announcement, the Company may not repurchase Shares on the Stock Exchange unless the circumstances are exceptional. In addition, the Stock Exchange may prohibit a repurchase of the Shares on the Stock Exchange if the Company has breached the Listing Rules.

(vi) Procedural and reporting requirements

As required by the Listing Rules, repurchases of Shares on the Stock Exchange or otherwise must be reported to the Stock Exchange in the prescribed form no later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the Stock Exchange business day following any day on which the Company makes a purchase of Shares. The report must state the total number of the Shares purchased the previous day, the purchase price per Share or the highest and lowest prices paid for such purchases. In addition, the Company's annual report and accounts are required to disclose a monthly breakdown of purchases of Shares made each month (whether on the Stock Exchange or otherwise) and the purchase price per Share or the highest and lowest price paid for all such purchases, where relevant, the aggregate price paid by the Company for such purchases. The Directors' report is also required to contain reference to the purchases made during the year and the Directors' reasons for making such purchases.

(b) *Reasons for repurchases*

The Directors believe that it is in the best interests of the Company and the Shareholders for the Directors to have general authority from the Shareholders to enable the Company to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made if the Directors believe that such repurchases will benefit the Company and the Shareholders.

(c) *Funding of repurchases*

In repurchasing securities, the Company may only apply funds legally available for such purpose in accordance with its memorandum and articles of association, the Listing Rules and the applicable laws of the Cayman Islands.

On the basis of the current financial position of the Group as disclosed in this prospectus and taking into account the current working capital position of the Group, the Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Group as compared with the position disclosed in this prospectus. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Group or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Group.

(d) *Exercise of the Repurchase Mandate*

The exercise in full of the Repurchase Mandate, on the basis of 400,000,000 Shares in issue after completion of the Share Offer, could result in up to 40,000,000 Shares, being repurchased by the Company during the period prior to (i) the next annual general meeting of the Company following the passing of the ordinary resolution referred to above, (ii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by the ordinary resolution referred to above or (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws to be held, whichever is the earlier.

(e) *General*

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates currently intends to sell any Shares to the Company or its subsidiaries if the Repurchase Mandate is exercised.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

No connected person has notified the Company that he/she/it has a present intention to sell Shares to the Company, or has undertaken not to do so if the Repurchase Mandate is exercised.

If, as a result of a securities repurchase, a Shareholder's proportionate interest in the voting rights of the Company is increased, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate.

B. FURTHER INFORMATION ABOUT THE BUSINESS OF THE GROUP**7. Summary of material contracts**

The following contracts (not being contracts in the ordinary course of business) have been entered into by members of the Group within the two years preceding the date of this prospectus and are or may be material:

- (a) The TrekStor Transfer Agreement dated 3 November 2009 entered into between Dr. Jan Markus Plathner (the “Vendor”), acting in his capacity as insolvency administrator for the estate of TrekStor GmbH & Co. KG (in liquidation) as vendor and TrekStor (Germany) and TrekStor (HK) as purchasers, whereby Dr. Jan Markus Plathner agreed to sell and TrekStor (Germany) and TrekStor (HK) agreed to purchase the tangible fixed assets, certain inventory stock, contracts and intangible assets set out therein for a cash consideration of Euro 1 million, plus the purchase price of the inventory stocks purchased by the Vendor and delivered to TrekStor GmbH & Co. KG (in liquidation) during the period from 21 July 2009 to 31 October 2009 and the consideration will be subject to upward adjustment based, *inter alia*, on the happening of certain events and the performance of TrekStor (Germany) and TrekStor (HK) for the five years following the date of the TrekStor Transfer Agreement up to a cap of Euro 0.8 million;
- (b) The Reorganisation Agreement dated 31 December 2010 made among Dragon Fortune as vendor, the Company as purchaser and the below persons, for the acquisition of the 100% equity interest in Telefield (BVI) and in consideration thereof, (i) the Company allotted and issued, credited as fully paid, an aggregate of 9,900 Shares to the following Shareholders, as to 8,018 Shares to Dragon Fortune, 1,000 shares to Telefield Charitable Fund, 409 Shares to Miss Cheng, 31 Shares to Ms. Ko, 65 Shares to Ms. Fok, 88 Shares to Mr. KB Lee, 88 Shares to Mr. KY Ng, 53 Shares to Mr. Wong, 35 Shares to Mr. Chiu, 31 Shares to Mr. Tam, 65 Shares to Mr. Sum and 17 Shares to Mr. Poon; and (ii) credited as fully paid the 99 nil paid Shares held by Dragon Fortune;
- (c) A shareholders’ agreement relating to Telefield TrekStor entered into among Metro Creator, Tarez, Tavida and Telefield TrekStor dated 24 September 2010, to regulate their respective rights and obligations as shareholders of Telefield TrekStor and the conduct of the business and affairs of Telefield TrekStor and its subsidiaries;
- (d) A shareholders’ agreement relating to TrekStor (HK) entered into among Alagona, Tarez, Tavida and TrekStor(HK) dated 24 September 2010, to regulate their respective rights and obligations as shareholders of TrekStor (HK) and the conduct of the business and affairs of TrekStor (HK) and its subsidiaries;
- (e) The non-competition deed dated 13 January 2011 given by each of Mr. Cheng, Mrs. Cheng, Century Win and Dragon Fortune in favour of the Company (for itself and for the benefit of its subsidiaries) regarding the non-competition undertaking as more particularly referred to in the section headed “Relationship with the Controlling Shareholders” in this prospectus;

- (f) The deed of indemnity dated 13 January 2011 given by each of Mr. Cheng, Mrs. Cheng, Century Win and Dragon Fortune in favour of the Company more particularly referred to in the paragraph headed “Tax and other indemnities” in this Appendix VI; and
- (g) The Public Offer Underwriting Agreement, the principal terms of which are summarised in the section headed “Underwriting – Underwriting arrangements and expenses” in this prospectus.

8. Intellectual Property Rights of the Group

(a) *TrekStor-related Trademarks*

As at the Latest Practicable Date, the Group owned certain trademarks registered in the European Union, details of which are as follows:

Trademark	Registrant (after transfers completed)	Class	Registration Date	Expiry date	Registration Number
DataStation	TrekStor (HK) (Note 1)	9	26 January 2007	22 February 2016	4918025
MovieStation	TrekStor (HK)	9	4 December 2007	8 March 2017	5743257
	TrekStor (HK) (Note 1)	9, 25, 38	22 March 2007	6 June 2016	5119961
i.Beat	TrekStor (HK)	9	21 May 2007	10 April 2016	5009139
SatCorder	TrekStor (HK) (Note 1)	9	22 May 2008	16 August 2017	6204821
Antarius	TrekStor (HK) (Note 1)	9	11 December 2009	4 May 2019	8277584
TREKSTOR [®]	TrekStor (HK) (Note 1)	9, 38, 42	17 January 2007	20 February 2016	4913661
TrekStor	TrekStor (HK) (Note 1)	9, 38, 42	31 October 2005	15 July 2014	3936184
TrekStor	TrekStor (HK) (Note 1)	25, 37, 42	17 November 2008	13 February 2018	6665863

As at the Latest Practicable Date, the Group owned certain trademarks registered in Germany, details of which are as follows:

Trademark	Registrant (after transfers completed) (Note 1)	Class	Registration Date	Expiry date	Registration Number
TREKSTOR [®]	TrekStor (HK)	9	22 November 2006	22 November 2016	908224
TREKSTOR [®]	TrekStor (HK)	9, 35, 41	20 April 2007	30 April 2017	30726432

Note 1: Pursuant to the TrekStor Transfer Agreement, details of which are set out in the paragraph headed "Summary of material contracts" in this Appendix VI, the beneficial rights to the trademarks currently registered in the name of TrekStor GmbH & Co. KG were transferred to TrekStor (HK). Steps have been taken by the Group to register these trademarks in the name of TrekStor (HK).

As at the Latest Practicable Date, the Group owned the following trademark in Hong Kong, details of which are as follows:

Trademark	Registrant	Class	Registration Date	Expiry date	Registration Number
TELEFIELD [™]	Telefield Limited	7, 9, 10, 11, 15	10 July 2009*****	9 July 2019	301380979

***** This is the Date of Registration. The Actual Date of Registration is 16 December 2009.

(b) Domain name

As at the Latest Practicable Date, the Group was the registrant of the following domain names:

Domain name	Registration date	Expiry date
telefieldgroup.com.hk	18 June 2010	18 June 2015
telefield.com.hk.	29 July 1996	1 October 2011
trekstor.at	Domain was first registered on 25 November 2004. It is owned by TrekStor GmbH since 14 January 2010.	There is no specific expiration date. The domain is renewed every year until the owner cancels it.
trekstor.de	13 December 2000	There is no specific expiration date. A.de-domain is valid until the owner cancels it.

Pursuant to the TrekStor Transfer Agreement, certain domain names were transferred to the Group. Steps will be taken by the Group to register the following domain names in the Group's name:

Domain name	Registration date	Expiry date
trekstor.es	15 May 2006	15 May 2011
trekstor.eu	13 June 2006	There is no specific expiration date. The domain is renewed every year until the owner cancels it.
trekstor.hk	18 June 2006	18 June 2011
trekstor.it	14 December 2005	5 November 2011

Domain name	Registration date	Expiry date
trekstor.pl	6 October 2004	There is no specific expiration date.
trekstore.de***	7 January 2003	There is no specific expiration date. A.de-domain is valid until the owner cancels it.

*** *The owner of this domain is Mr. Daniel Szmigiel (TrekStor GmbH). Mr. Daniel Szmigiel is obliged to transfer this domain to TrekStor Ltd. according to the "German Domain Name Transfer Agreement" dated January 7, 2010.*

Save as disclosed herein, there are no other trade or service marks, patents, other intellectual or industrial property rights which are material to the business of the Group.

9. Further information about the Group's establishments in the PRC

The Group has interests in three major PRC subsidiaries and a PRC branch office. Set out below is a summary of the corporate information of these PRC subsidiaries and the PRC branch office:

(a) Name of enterprise:	Guangzhou Telefield
Economic nature:	Limited liability company (solely invested by Taiwan, Hong Kong, Macau corporate)
Registered owner:	Telefield (HK)
Present member and percentage of shareholding:	100% held by Telefield (HK)
Total investment:	US\$7,060,000
Registered capital:	US\$7,060,000
Term of operation:	30 years commencing from 27 October 1992 to 27 October 2022

Scope of business:	Production, processing and design of various types of telecommunications products, such as corded phone, indoor cordless phone and answering machine, household appliances and electronic products (restricted products excluded), such as media system (DVD, CD and amplifier) and accessories, hydraulic heater, electronic massager, such as medical appliances and raw plastic components for various types of products, sales of products of the company (Business prohibited by law and regulations shall not be conducted; Business involving permitted category shall be conducted in accordance with the permits; Obtained permit for producing medical appliances under permitted category: type 2: 6820 general diagnostic appliances, the permit valid until 1 August 2013)
(b) Name of enterprise:	Huizhou Telefield
Economic nature:	Limited liability company (solely invested by Taiwan, Hong Kong, Macau corporate)
Registered owner:	SAL (HK)
Present member and percentage of shareholding:	100% held by SAL (HK)
Total investment:	HK\$15,000,000
Total registered capital:	HK\$15,000,000
Term of operation:	30 years commencing from 27 February 2008 to 24 February 2038
Scope of business:	Production and sales of DAB and GPS products and key components thereof, DVB products and plastic components and processing of electronic products (Excluded productions of the national restricted category). The products are for domestic and export sales

(c)	Name of enterprise:	Aiko (Shenzhen)
	Economic nature:	Limited liability company (solely invested by Taiwan, Hong Kong, Macau corporate)
	Registered owner:	Aiko
	Present member and percentage of shareholding:	100% held by Aiko
	Total investment:	HK\$1,000,000
	Total registered capital:	HK\$1,000,000
	Term of operation:	30 years commencing from 26 September 2006 to 26 September 2036
	Scope of business:	Engaged in electronic products, fitness equipment, massage equipment, household appliances, telephone, and air cleaners design, wholesale, commission agency (excluding auction), import and export and related ancillary services (involving administration and granting authorisation of quota, specified regulated and administered products shall be handled according to relevant regulations of the state), and provision of performance testing and technical consultation related to the above mentioned products
(d)	Name of enterprise:	Shenzhen Telefield
	Economic nature:	Branch of Guangzhou Telefield
	Registered owner:	Guangzhou Telefield
	Operation capital:	RMB200,000
	Term of operation:	from 15 November 1994 to 27 October 2022
	Scope of business:	Design of electronic communication products such as various types of programmable and semiconductor recording telephone sets

C. FURTHER INFORMATION ABOUT DIRECTORS, MANAGEMENT AND STAFF

10. Directors

(a) Disclosure of interests of Directors and experts

- (i) Save as disclosed herein and in the sub-paragraph headed “Summary of material contracts” in this Appendix VI, none of the Directors or the experts named in the sub-paragraph headed “Qualifications of experts” in this Appendix VI has any direct or indirect interest in the promotion of the Company or in any assets acquired or disposed of by or leased to any member of the Group or is proposed to be acquired or disposed of by or leased to any member of the Group within the two years immediately preceding the date of this prospectus.
- (ii) Save as disclosed in the sub-paragraph headed “Summary of material contracts” in this Appendix VI, 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.

(b) Particulars of service contracts

Each of Mr. Cheng, Mr. Poon, Mr. KY Ng, Ms. Fok and Mr. KB Lee, being all the executive Directors, has entered into a service contract with the Company commencing from 1 July 2010 (save for Mr. Cheng, whose service contract commenced from 18 May 2010) until termination in accordance with the respective contract. Each of these executive Directors is entitled to the respective monthly remuneration set out below (subject to review by the Board). In addition, the executive Directors are also entitled to an end of year payment (payable on the date as determined by the Board) and an interim payment (payable on 31 July) of a sum equal to one month remuneration of that executive Director or a proportion of that amount calculated in the manner described in the Employment Ordinance (Chapter 57 of the Laws of Hong Kong) if the executive Director has been employed by the Company for less than one year. Subject to terms of the service contract, each service contract may be terminated by either party thereto giving to the other party not less than three months’ prior notice in writing and the current monthly remuneration of the executive Directors are as follows:

Name	Amount
Mr. Cheng	HK\$140,000
Mr. Poon	HK\$72,000
Mr. KY Ng	HK\$77,500
Ms. Fok	HK\$75,000
Mr. KB Lee	HK\$65,100

In addition, each of the executive Directors is entitled to reimbursement of his/her accommodation expenses to the following extent for each month:

Name	Reimbursement of accommodation expense (per month)
Mr. Cheng	HK\$35,000
Mr. Poon	Nil
Mr. KY Ng	HK\$20,000
Ms. Fok	Nil
Mr. KB Lee	HK\$20,000

Mr. Cheng is also entitled to the use of a company car. The Group will be responsible for the hiring and payment of the remuneration of a chauffeur and all running and maintenance cost of the car.

Each of the independent non-executive Directors has signed a letter of appointment with our Company, pursuant to which each of them accepts that, for a specific term of three years from the date of signing of their respective letter of appointment, their appointment as an independent non-executive Director shall be governed by the terms and conditions set out therein. The letter of appointment may be terminated by, among others, giving three months' prior notice in writing by either party to the other, and upon such termination, the independent non-executive Director shall, upon the Company's request, resign immediately from such offices held by him in the Company or any other member of the Group.

Save as aforesaid, none of the Directors has or is proposed to have a service contract with the Company or any of its subsidiaries (other than contracts expiring or determinable by the Group within one year without the payment of compensation (other than statutory compensation)).

(c) Directors' remuneration

For the three years ended 31 December 2007, 2008 and 2009 and the eight months ended 31 August 2010, the aggregate of the remuneration (including salaries and allowance) paid and benefits in kind granted by the Group to the Directors amounted to approximately HK\$5,339,000, HK\$8,478,000, HK\$8,800,000 and HK\$4,373,000, respectively.

Under the arrangements currently in force, the aggregate emoluments (excluding any discretionary bonus, if any, payable to the Director) payable by the Group to and benefits in kind receivable by the Directors for the year ending 31 December 2011 is estimated to be approximately HK\$7,400,000.

None of the Directors or any past directors of any member of the Group has been paid any sum of money for the three years ended 31 December 2007, 2008 and 2009 and the eight months ended 31 August 2010 (i) as an inducement to join or upon joining the Company; or (ii) for loss of office as a director of any member of the Group or of any other office in connection with the management of the affairs of any member of the Group.

There has been no arrangement under which a Director has waived or agreed to waive any emoluments for the three years ended 31 December 2007, 2008 and 2009 and the eight months ended 31 August 2010.

(d) *Interests and short positions of Directors in the share, underlying shares or debentures of the Company and its associated corporations*

Immediately following the completion of the Share Offer and the Capitalisation Issue, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (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 (including interests and short positions in which they are 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 to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix 10 of the Listing Rules, will be as follows:

Long position in the Shares

Name	Company/name of associated corporation	Nature of Interest	Number of Shares held	Extent of holding and which company
Mr. Cheng	The Company	Interested in controlled corporation (Note 1)	243,510,000	60.88%
	The Company	Interested in controlled corporation (Note 1)	30,000,000	7.50%
Mr. KB Lee	The Company	Beneficial Interest	2,640,000	0.66%
	Dragon Fortune	Interested in associated corporation	969	8.77%
Mr. KY Ng	The Company	Beneficial Interest	2,640,000	0.66%
	Dragon Fortune	Interested in associated corporation	969	8.77%
Mr. Poon	The Company	Beneficial Interest	540,000	0.13%
	Dragon Fortune	Interested in associated corporation	194	1.76%

Name	Company/name of associated corporation	Nature of Interest	Number of Shares held	Extent of holding and which company
Ms. Fok	The Company	Beneficial Interest	1,950,000	0.49%
	Dragon Fortune	Interested in associated corporation (Note 2)	727	6.58%

Notes:

- (1) Mr. Cheng holds approximately 53.68% interest in Century Win and Century Win respectively holds approximately 52.62% interest in each of Dragon Fortune and Telefield Charitable Fund. Therefore, Mr. Cheng is deemed or taken to be interested in all the Shares which are beneficially owned by each of Dragon Fortune and Telefield Charitable Fund.
- (2) Dragon Fortune is owned as to 6.58% by Titanic Horizon which is wholly owned by Ms. Fok. Therefore, Ms. Fok is deemed or taken to be interested in all the shares in Dragon Fortune which are beneficially owned by Titanic Horizon.

Interest discloseable under the SFO and substantial shareholders

So far as the Directors are aware, immediately following the completion of the Capitalisation Issue and the Share Offer and taking no account of any Shares which may be taken up under the Share Offer or any Shares which may be allotted and issued upon the exercise of any option which have been or may be granted under the Share Option Scheme, the following persons/entities will have an interest or a short position in the Shares or the underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be recorded in the register of the Company required to be kept under section 336 of the SFO, or who will be, directly or indirectly, to be 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 the Company or any other members of the Group:

(a) *Interest in the Company*

Name	Company/name of associated corporation	Nature of Interest	Number of Shares held	Extent of holding
Dragon Fortune	The Company	Beneficial Interest	243,510,000	60.88%
Telefield Charitable Fund	The Company	Beneficial Interest	30,000,000	7.50%
Century Win	The Company	Interested in controlled corporation (Note 1)	243,510,000	60.88%
	The Company	Interested in controlled corporation (Note 2)	30,000,000	7.50%

Name	Company/name of associated corporation	Nature of Interest	Number of Shares held	Extent of holding
Mr. Cheng	The Company	Interested in controlled corporation (Note 3)	243,510,000	60.88%
	The Company	Interested in controlled corporation (Note 3)	30,000,000	7.50%
Mrs. Cheng	The Company	Interested in controlled corporation (Note 4)	243,510,000	60.88%
	The Company	Interested in controlled corporation (Note 4)	30,000,000	7.50%

Notes:

- (1) Century Win holds approximately 52.62% interest in Dragon Fortune. Therefore, Century Win is deemed or taken to be interested in all the Shares which are beneficially owned by Dragon Fortune for the purpose of the SFO.
- (2) Century Win holds approximately 52.62% interest in Telefield Charitable Fund. Therefore, Century Win is deemed or taken to be interested in all the Shares which are beneficially owned by Telefield Charitable Fund for the purpose of the SFO.
- (3) Mr. Cheng holds approximately 53.68% interest in Century Win and Century Win respectively holds approximately 52.62% interest in each of Dragon Fortune and Telefield Charitable Fund. Therefore, Mr. Cheng is deemed or taken to be interested in all the Shares which are beneficially owned by each of Dragon Fortune and Telefield Charitable Fund.
- (4) Mrs. Cheng holds approximately 46.32% interest in Century Win and Century Win respectively holds approximately 52.62% interest in each of Dragon Fortune and Telefield Charitable Fund. Therefore, Mrs. Cheng is deemed or taken to be interested in all the Shares which are beneficially owned by each of Dragon Fortune and Telefield Charitable Fund.

(b) Interest in other members of the Group

Name of shareholder(s)	Name of subsidiary of the Company	Number of Shares held	Percentage of equity interest
Tarez	TrekStor (HK)	33	33%
Tarez	Telefield TrekStor	66	33%
Tavida	TrekStor (HK)	16	16%
Tavida	Telefield TrekStor	32	16%

11. Related party transactions

Details of the related party transactions are set out under note 40 to the Accountants' Report set out in Appendix I to this prospectus.

12. Disclaimers

Save as disclosed in this prospectus:

- (a) and taking no account of any Shares which may be taken up or acquired under the Share Offer or any Shares which may be allotted and issued upon the exercise of any options which have been or may be granted under the Share Option Scheme, the Directors are not aware of any person who immediately following completion of the Capitalisation Issue and the Share Offer will have an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or who is, either 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 the general meetings of the Company or any other members of the Group;
- (b) none of the Directors nor chief executive of the Company has for the purpose of Divisions 7 and 8 of Part XV of the SFO or the Listing Rules, nor is any of them taken to or deemed to have under Divisions 7 and 8 of Part XV of the SFO, an interest or short position in the shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of the SFO) or any interests which will have to be entered in the register to be kept by the Company pursuant to section 352 of the SFO or which will be required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix 10 of the Listing Rules once the Shares are listed on the Stock Exchange;
- (c) none of the Directors nor the experts named in paragraph 21 of this Appendix VI has been interested in the promotion of, or has any direct or indirect interest in any assets acquired or disposed of by or leased to, any member of the Group within the two years immediately preceding the date of this prospectus, or which are proposed to be acquired or disposed of by or leased to any member of the Group nor will any Director apply for Offer Shares either in his/her own name or in the name of a nominee;
- (d) 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; and
- (e) none of the experts named in paragraph 21 of this Appendix VI has any shareholding in any company in the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any company in the Group.

D. SHARE OPTION SCHEME**13. Share Option Scheme**

For the purpose of this paragraph 13 of this Appendix VI, the following expressions have the meanings set out below unless the context requires otherwise:

“Adoption Date”	31 December 2010, the date on which the Share Option Scheme is conditionally adopted by the Shareholders by way of written resolution
“Grantee”	any Participant who accept an Offer in accordance with the terms of the Share Option Scheme
“Group”	the Company and any entity in which the Company directly or indirectly holds any equity interests
“Offer”	an offer of the grant of Options made in accordance with the terms of the Share Option Scheme
“Offer Date”	the date on which an Offer is made to a Participant
“Option(s)”	option(s) to subscribe for Shares granted and accepted pursuant to the Share Option Scheme
“Option Period”	the period for the exercise of an Option to be notified by the Board to the Grantee, but in any event shall not exceed ten years from the Offer Date
“Participant”	any person who satisfied the eligibility requirements set out in paragraph (a)(ii) below
“Subscription Price”	the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option

Summary of terms

The following is a summary of the principal terms of the Share Option Scheme conditionally adopted by a resolution in writing passed by all the Shareholders on 31 December 2010. The terms of the Share Option Scheme are in compliance with the provisions of Chapter 17 of the Listing Rules.

(i) Purpose of the Share Option Scheme

The Share Option Scheme is a share incentive scheme and is established to recognise, motivate and provide incentives to those who make contributions to the Group. The purpose of the Share Option Scheme is to

attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), directors, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners or service providers of the Group and to promote the success of the business of the Group.

The Share Option Scheme will give the Participants an opportunity to have a personal stake in the Company and will help achieve the following objectives:

- (aa) motivate the Participants to optimise their performance and efficiency; and
 - (bb) attract and retain the Participants whose contributions are important to the long-term growth and profitability of the Group.
- (ii) Who may join
- (aa) The Board may, at its absolute discretion, invite any person belonging to any of the following classes of persons, to be a Participant of the Share Option Scheme and to take up an Option to subscribe for Shares:
 - (i) any full-time or part-time employee of any member of the Group;
 - (ii) any consultant or adviser of any member of the Group;
 - (iii) any director (including executive, non-executive or independent non-executive directors) of any member of the Group;
 - (iv) any substantial shareholder of any member of the Group; and
 - (v) any distributor, contractor, supplier, agent, customer, business partner or service provider of any member of the Group,

and for the purposes of the Share Option Scheme, the Options may be granted to any company wholly owned by one or more persons belonging to any of the above classes of Participants.

For the avoidance of doubt, the grant of any Options by the Company for the subscription of Shares or any other securities of the Group to any person who fall within any of the above classes of Participants shall not, by itself, unless the Board otherwise determined, be construed as a grant of Option under the Share Option Scheme.

- (bb) The basis of eligibility of any Participant to the grant of any Option shall be determined by the Board (or as the case may be, the independent non-executive Directors) from time to time on the basis of the Participant's contribution or potential contribution to the development and growth of the Group.
- (iii) Subscription Price for the Shares and consideration for the Option
 - (aa) the Subscription Price shall be determined solely by the Board and notified to a Participant and shall be at least the higher of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Offer Date, which must be a Business Day; (ii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotations sheets for the five Business Days immediately preceding the Offer Date; and (iii) the nominal value of a Share on the Offer Date.
 - (bb) A nominal consideration of HK\$1.00 is payable on acceptance of the grant of Options.
- (iv) Maximum number of Shares
 - (aa) The aggregate number of 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 must not exceed 30% of the Shares in issue from time to time. No Options may be granted under the Share Option Scheme or any other share option schemes of the Company if this will result in the limit being exceeded.
 - (bb) Subject to sub-paragraphs (cc) and (dd) below, the maximum number of Shares issuable upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company as from the Adoption Date (excluding, for this purpose, Shares issuable upon exercise of options which have been granted but which have lapsed in accordance with the Share Option Scheme or any other share option schemes of the Company) must not in aggregate exceed 10% of all the Shares in issue upon the Listing Date (i.e. 40,000,000 Shares assuming the Over-allotment Option is not exercised at all).
 - (cc) The 10% limit as mentioned under above sub-paragraph (bb) may be refreshed at any time by approval of the Shareholders in general meeting provided that the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the

Company must not exceed 10% of the Shares in issue as at the date of approval of the refreshed limit. Options previously granted under the Share Option Scheme and any other share option schemes of the Company (including those outstanding, cancelled or lapsed in accordance with the terms of the Share Option Scheme and other share option schemes of the Company) will not be counted for the purpose of calculating the limit as “refreshed”. A circular must be sent to the Shareholders containing the information as required under the Listing Rules in this regard.

- (dd) Subject to the above sub-paragraph (aa), the Company may seek separate approval by the Shareholders in general meeting for granting Options beyond the 10% limit under sub-paragraphs (bb) and (cc) provided the Options in excess of the limit are granted only to Participants specifically identified by the Company before such approval is sought. In such event, the Company must send a circular to the Shareholders containing a generic description of the specified persons who may be granted such Options, the number and terms of such Options to be granted and the purpose of granting such Options to the specified persons with an explanation of how the terms of the Options will serve the purpose and all other information required under the Listing Rules.

- (v) Maximum entitlement of each Participant

The total number of Shares issued and to be issued upon exercise of the Options granted to each Participant (including both exercised and outstanding Options) under the Share Option Scheme or any other share option schemes of the Company in any 12-month period up to date of grant must not exceed 1% of the Shares in issue. Any further grant must be separately approved by the Shareholders in general meeting with such Participant and his associates abstaining from voting, and the number and terms (including the Subscription Price) of Options to be granted to such Participant must be fixed before the Shareholders' approval. In such event, the Company must send a circular to the Shareholders containing the identity of the Participant, the number and terms of Options to be granted (and Options previously granted to such person) and all other information required under the Listing Rules.

- (vi) Grant of Options to the Directors, chief executive or substantial shareholders of the Company or their respective associates

- (aa) Each grant of Options to a Director, chief executive or substantial shareholder of the Company or any of their respective associates must be approved by independent non-executive Directors (excluding independent non-executive Director(s) who is/are the Grantee(s)). Where any grant of Options to a substantial shareholder of the Company or an independent non-executive Director of the Company or any of their respective associates

would result in the total number of Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) under the Share Option Scheme and any other share option schemes of the Company to such person in any 12-month period up to and including the date of such grant:

- (i) representing in aggregate over 0.1% of the Shares in issue; and
- (ii) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5 million,

such further grant of Options must be approved by the Shareholders at a general meeting of the Company, with voting to be taken by way of poll. The Company shall send a circular to the Shareholders containing all information as required under the Listing Rules in this regard. All connected persons (as defined in the Listing Rules) of the Company shall abstain from voting (except where any connected person intends to vote against the proposed grant and his intention to do so has been stated in the aforesaid circular). Any change in the terms of an Option granted to a substantial shareholder of the Company or an independent non-executive Director or any of their respective associates is also required to be approved by Shareholders in the aforesaid manner.

(vii) Time of grant and acceptance of Option

- (aa) The Board shall be entitled at any time and from time to time within ten years after the Adoption Date to make an Offer to any Participant as the Board may in its absolute discretion select, and subject to such conditions as the Board may think fit, which may include a condition that the Grantee shall not dispose of the Shares issued upon exercise of the Option within such period of time or under such conditions as the Board may at its absolute discretion determine, minimum period for which an Option must be held and performance targets that must be achieved before an Option can be exercised, to subscribe during the Option Period for such number of Shares as the Directors may determine at the Subscription Price.
- (bb) An Option may be accepted in accordance with the terms of the Share Option Scheme and shall remain open for acceptance by the Participant concerned for a period of seven days from the Offer Date (inclusive of the Offer Date).
- (cc) Any Offer must be accepted in its entirety and can under no circumstances be accepted of less than the number of Shares for which it is offered.

(viii) Time of exercise of Option

An Option may be exercised in accordance with the terms of the Share Option Scheme at any time during the period to be notified by the Directors to the Grantee at the time of making an Offer, but in any event shall not exceed ten years from the date on which an Option is offered to a Participant.

(ix) Administration of exercise of Option

(aa) An Option may be exercised in whole or in part in the manner by the Grantee giving notice in writing to the Company in such form as the Board may from time to time determine 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 aggregate Subscription Price of the Shares in respect of which the notice is given together with the reasonable administration fee specified by the Company from time to time. Within 28 days after receipt of the notice and the remittance, the Company shall issue and allot the relevant Shares, credited as fully paid, and a share certificate for the relevant Shares so allotted to the Grantee.

(bb) A Grantee shall ensure that any exercise of his Option under paragraph (x) is valid and complies with all laws, legislations and regulations to which he is subject. The Directors may, as a condition precedent to allotting Shares upon an exercise of an Option, require the relevant Grantee to produce such evidence as they may reasonable require for such purpose.

(x) Rights are personal to Grantee

An Option shall be personal to the Grantee. Except for the transmission of an Option on the death of a Grantee to his/her legal personal representative(s), the Option shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or otherwise dispose or create any interest in favour of any third party over or in relation to any Option (where the Grantee is a company, any change of its major shareholder or any substantial change in its management will be deemed to be a sale or transfer of interest as aforesaid, if so determined by the Directors at their sole discretions). Any breach of the foregoing by a Grantee shall entitle the Company to cancel, revoke or terminate any Option granted to such Grantee to the extent not already exercised.

(xi) Performance targets

The Board may at its absolute discretion to determine and state in the Offer for the grant of Options to a Grantee that a performance target must be achieved before any Options granted under the Share Options Scheme can be exercised.

(xii) Rights on death

In the event that the Grantee (being an individual) dies before exercising the Option in full, his legal personal representative(s) may exercise the Option up to the Grantee's entitlement (to the extent which has become exercisable and not already exercised) within the period of 12 months following his death PROVIDED THAT where any of the events set out in paragraphs (xv) and (xvi) occurs prior to his death or within such 12-month period following his death, then his legal personal representative(s) may so exercise the Option within such of the various periods respectively set out in such clauses instead of the period referred to in this paragraph (xii) and provided further that if within a period of three years prior to the Grantee's death, the Grantee had committed any of the acts as specified in subparagraph (xxiii)(dd) below which would have entitled the Company to terminate his employment prior to his death, the Board may at any time forthwith terminate the Option of the Grantee (to the extent not already exercised) by written notice to his legal personal representatives and the Option (to the extent not already exercised) shall lapse on the date of the relevant Board resolution.

(xiii) Rights on ceasing employment

In the event that the Grantee is an employee of the Group when an Offer is made to him and he subsequently ceases to be an employee of the Group for any reason other than (i) his death or (ii) the termination of his employment on one or more of the grounds specified in subparagraph (xxiii)(dd) below, the Option (to the extent not already exercised) shall lapse on the expiry of three months after the date of cessation of such employment (which date will be the last actual working day on which the Grantee was physically at work with the Company or the relevant member of the Group whether salary is paid in lieu of notice or not).

(xiv) Rights on dismissal

In the event that the Grantee is an employee of the Group when an Offer is made to him and he subsequently ceases to be an employee by reason of a termination of his employment on one or more of the grounds specified in subparagraph (xxiii)(dd) and the Grantee has exercised the Option in whole or in part pursuant to clause (ix), but Shares have not been allotted to him, the Grantee shall, unless the Board determines otherwise, be deemed not to have

so exercised such Option and the Company shall return to the Grantee the amount of the Subscription Price for the Shares in respect of the purported exercise of such Option.

(xv) Rights on winding up

In the event a general meeting is convened for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, each Grantee shall be entitled to exercise all or any of his Options (to the extent not already exercised) at any time not later than two Business Days prior to the proposed general meeting of the Company by giving notice in writing to the Company in accordance with the terms of the Share Option Scheme, accompanied by a remittance for the full amount of the aggregate Subscription Price of 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 referred to above, allot the relevant Shares to the Grantee credited as fully paid.

(xvi) Rights on a general offer, a compromise or arrangement

In the event of a general or partial offer (whether by way of takeover offer or share repurchase offer scheme of arrangement or otherwise in like manner) being made to all the Shareholders (or all such holders other than the offeror and/or any persons controlled by the offeror and/or any person acting in association or concert with the offeror) the Company shall use its best endeavours to procure that an appropriate offer is extended to all Grantees (on comparable terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the Options granted to them, as Shareholders). If such offer becoming or being declared unconditional, a Grantee shall, notwithstanding any terms on which his Options were granted, be entitled to exercise the Option in full (to the extent not already exercised) at any time within one month after the date on which the offer becomes or is declared unconditional.

In the event of a compromise or arrangement between the Company and the Shareholders or its creditors being proposed in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies pursuant to the Companies Law, the Company shall give notice thereof to all the Grantees on the same day as it gives notice of the meeting to the Shareholders or its creditors to consider such a compromise or arrangement and the Options (to the extent not already exercised) shall become exercisable in whole or in part on such date until the earlier of (i) two months after that date or (ii) at any time not later than two Business Days prior to the date of the general meeting directed to be convened by the court for the purposes of considering such compromise or arrangement (the "Suspension Date"), by giving notice in writing to the Company in accordance with paragraph (ix) above, 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 practicable and, in any event, no later than 3:00 p.m. on the Business Day immediately prior to the date of the proposed general meeting, allot and issue the relevant Shares to the Grantee credited as fully paid. With effect from the Suspension Date, 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. The Board shall endeavour to procure that the Shares issued as a result of the exercise of Options under this paragraph (xvi) shall for the purposes of such compromise or arrangement form part of the issued share capital of the Company on the effective date thereof and that such Shares shall in all respects be subject to such compromise or arrangement. If for any reason such compromise or arrangement is not approved by the court (whether upon the terms presented to the court or upon any other terms as may be approved by such court), the rights of Grantees to exercise their respective Options shall with effect from the date of the making of the order by the court be restored in full but only up to the extent not already exercised and shall thereupon become exercisable (but subject to the other terms of this Scheme) as if such compromise or arrangement had not been proposed by the Company and no claim shall lie against the Company or any of its officers for any loss or damage sustained by any Grantee as a result of such proposal;

(xvii) Adjustments to the Subscription Price

(aa) In the event of any alteration in the capital structure of the Company whilst any Option remains exercisable, whether by way of capitalisation of profits or reserves, rights issue, open offer, consolidation, subdivision or reduction of the share capital of the Company, such corresponding adjustments (if any) shall be made in:

- (i) the number of Shares subject to the Option so far as unexercised; and/or
- (ii) the Subscription Prices of any unexercised Option,

as the auditors shall certify in writing or the financial adviser shall confirm in writing (as the case may be) to the Board to be in their opinion fair and reasonable and in compliance with the relevant provisions of the Listing Rules (or any guideline or supplementary guidance as may be issued by the Stock Exchange from time to time) (no such certification or confirmation is required in case of adjustment made on a capitalisation issue), provided that the overriding principle is that no adjustments should be made to the advantage of the Grantee or that would increase the intrinsic value of any Option.

For avoidance of doubt, (a) an issue of any securities of the Company for cash or as consideration in respect of a transaction; and (b) an issue of any securities of the Company under the authority of a general mandate or specific mandate granted to the Board by the shareholders of the Company, will not be regarded as circumstances requiring adjustment under this paragraph (xvii)(aa).

(bb) Any adjustment under paragraph (xvii)(aa) will be made, to the extent practicable, in accordance with the following:

- (i) any such adjustment shall be made on the basis that the proportion of the issued share capital of the Company to which a Grantee is entitled after such adjustment shall remain the same as that to which he was entitled before such adjustment;
- (ii) no such adjustment shall be made the effect of which would be to enable any Share to be issued at less than its nominal value;
- (iii) the auditors or financial advisers selected by the Board (as appropriate) must confirm to the Board in writing that the adjustment is in their opinion fair and reasonable and in compliance with the relevant provisions of the Listing Rules (or any guideline or supplementary guidance as may be issued by the Stock Exchange from time to time) (no such confirmation is required in case of adjustment made on a capitalisation issue).

(xviii) Ranking of Shares

The Shares to be allotted and issued upon the exercise of an Option will be subject to all the provisions of the Memorandum and the Articles of Association for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue on the date of allotment and accordingly will entitle the holders to participate in all dividends or other distributions paid or made after the date of allotment other than any dividend or other distribution previously declared or recommended or resolved to be paid or made with respect to a record date which shall be on or before the date of allotment, save that the Shares allotted and issued upon the exercise of any Option shall not carry any voting rights until the name of the Grantee has been duly entered on the register of members of the Company as the holder thereof.

(xix) Period of the Share Option Scheme

The Share Option Scheme will remain in force for a period of ten years commencing on the date on which the Share Option Scheme is adopted.

(xx) Restrictions on the time of the Offer

No Offer may be made after a price sensitive event of the Group has occurred or a price sensitive matter has been the subject of a decision until such price sensitive information has been announced in accordance with the requirements of the Listing Rules. No Option may be granted during the period commencing one month immediately preceding the earlier of:-

(aa) the date of the meeting of the Board (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and

(bb) the last day on which the Company shall publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement.

(xxi) Cancellation of Options

Any cancellation of Options granted but not exercised may be effected on such terms as may be agreed with the relevant Grantee, as the Board may in its absolute discretion sees fit and in a manner that complies with all applicable legal requirements for such cancellation. Where the Company cancels Options and issues new ones to the same Grantee, the issue of such new Options may only be made under the Share Option Scheme with available unissued Options (excluding the cancelled Options) and in compliance with the terms of the Share Option Scheme, in particular within the limit approved by the Shareholders and, subject to the maximum number of Shares available for subscription stipulated under the Listing Rules.

(xxii) Termination of the Share Option Scheme

The Company by resolution in general meeting or the Board may at any time terminate the operation of the Share Option Scheme and in such event no further Options will be offered but Options granted prior to such termination shall continue to be valid and exercisable in accordance with the provisions of the Share Option Scheme.

(xxiii) Lapse of Option

An Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

- (aa) the expiry of the Option Period;
- (bb) the expiry of any of the periods referred to in paragraphs (xii), (xiii) and (xvi);
- (cc) subject to paragraph (xv), the date of the commencement of the winding-up of the Company;
- (dd) in the event that the Grantee is an employee of the Group when an Offer is made to him and he subsequently ceases to be an employee of the Group on any one or more of the grounds that he has been guilty of serious misconduct, or has committed an act of bankruptcy or has become insolvent or has made any arrangement or composition with his or her creditors generally, or has been convicted of any criminal offence involving his integrity or honesty or (if so determined by the Board) on any other ground on which an employer 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, the date of cessation of his employment with the Group;
- (ee) the occurrence of any act of bankruptcy, insolvency or entering into of any arrangements or compositions with his creditors generally by the Grantee, or conviction of the Grantee of any criminal offence involving his integrity or honesty;
- (ff) the date on which the Board exercises the Company's right to cancel, revoke or terminate the Option on the ground that the Grantee commits a breach of paragraph (x) in respect of that or any other Option; or
- (gg) subject to the compromise or arrangement as referred to in paragraph (xvi) becoming effective, the date on which such compromise or arrangement becomes effective.

(xxiv) 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, vesting period and (if appropriate) a valuation of options granted during the financial year/period in the annual/interim reports in accordance with the Listing Rules in force from time to time.

(xxv) Present status of the Share Option Scheme

As of the date of this prospectus, no option has been granted or agreed to be granted under the Share Option Scheme. Application has been made to the Listing Committee for the Listing and permission to deal in the Shares which may fall to be issued pursuant to the exercise of the options which may be granted under the Share Option Scheme.

(xxvi) Others

- (aa) The terms and conditions of the Share Option Scheme relating to the matters set out in Rule 17.03 of the Listing Rules shall not be altered to the advantage of the grantees or the prospective grantees of the options except with the approval of the Shareholders in general meeting.
- (bb) Any alterations to the terms and conditions of the Share Option Scheme which are of a material nature must be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the Share Option Scheme.
- (cc) Any change to the authority of the Directors or the scheme administrators in relation to any alteration to the terms of the Share Option Scheme shall be approved by the Shareholders in general meeting.

E. OTHER INFORMATION

14. Tax and other indemnities

Each of Mr. Cheng, Mrs. Cheng, Century Win and Dragon Fortune (collectively, the “**Indemnifiers**”) has entered into a deed of indemnity with and in favour of the Company (for itself and as trustee for each of its present subsidiaries) (being the material contract referred to in paragraph 7 of this Appendix VI) to provide indemnities on a joint and several basis in respect of, among other matters, any liability for tax which might be incurred by any member of the Group (as defined in the Listing Rules) on or before the Listing Date. The Directors have been advised that no material liability for estate duty is likely to fall on the Company or any of its subsidiaries under the laws of the Cayman Islands, BVI, the United States, Germany, Luxembourg and the PRC, being jurisdictions in which one or more of the companies comprising the Group are incorporated.

Under the deed of indemnity, the Indemnifiers have also given indemnities to the Group on a joint and several basis in relation to the amount of any and all taxation which might be payable by any member of the Group resulting from or by reference to any income, profits or gains earned, accrued or received on or before the Listing Date or any event or transaction entered into or occurring on or before the Listing Date.

The deed of indemnity does not cover any claim and the Indemnifiers shall be under no liability under the deed of indemnity in respect of any taxation:

- (a) to the extent that provision has been made for such taxation in the combined audited accounts of the Company or the audited accounts of the relevant Group members up to 31 August 2010; or
- (b) to the extent that such taxation or liability would not have arisen but for some act or omission of, or transaction entered into by any member of the Group (whether alone or in conjunction with some other act, omission or transaction, whenever occurring) otherwise than in the course of normal day to day operations of that company or carried out, made or entered into pursuant to a legally binding commitment created on or before the Listing Date;
- (c) to the extent that any provision or reserve made for taxation in the audited accounts of any member of the Group up to 31 August 2010 which is finally established to be an over-provision or an excessive reserve;
- (d) to the extent that such taxation claim arises or is incurred as a result of the imposition of taxation as a consequence of any retrospective change in the laws rules or negotiations or the interpretation or practice thereof by the Inland Revenue Department in Hong Kong or any other relevant authority coming into force after the Listing Date or to the extent that such taxation claim arises or is increased by an increase in rates of taxation after such date with retrospective effect; or
- (e) for any penalty imposed on any member of the Group under section 42 of the Estate Duty Ordinance (Chapter 111 of the Laws of Hong Kong) or the equivalent thereof under the laws of any jurisdiction outside Hong Kong by reason of any member of the Group defaulting, at any time after the date hereof, in any obligation to give information to the Commissioner under section 42(1) of the Estate Duty Ordinance (Chapter 111 of the Laws of Hong Kong) or the equivalent authority thereof under the laws of any jurisdiction outside Hong Kong, but the Indemnifiers shall be liable for any interest on unpaid estate duty.

15. Litigation

Neither the Company nor any of its subsidiaries is engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened against the Company or any of its subsidiaries.

16. Sponsor

The Sponsor has made an application for and on behalf of the Company to the Listing Committee for the listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in this prospectus, including the Offer Shares and any Shares which may fall to be allotted and issued pursuant to (a) the Capitalisation Issue; and (b) the exercise of options which may be granted under the Share Option Scheme, representing 10% of the Shares in issue on the Listing Date.

17. Compliance adviser

In accordance with the requirements of the Listing Rules, the Company will appoint China Merchants Securities as its compliance adviser to provide advisory services to the Company to ensure compliance with the Listing Rules for a period commencing on the Listing Date and ending on the date on which the Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year after the Listing Date.

18. Preliminary expenses

The preliminary expenses relating to the incorporation of the Company are approximately US\$5,000 (equivalent to approximately HK\$38,875) and are payable by the Company.

19. Promoters

The Company has no promoter.

20. Qualifications of experts

The qualifications of the experts who have given reports, letter or opinions (as the case may be) in this prospectus are as follows:

Name	Qualification
China Merchants Securities	a licensed corporation to conduct types 1 (dealing in securities), 2 (dealing in futures contracts), 4 (advising on securities), 6 (advising on corporate finance) and 9 (asset management) regulated activities (as set out in Schedule 5 of the SFO)
RSM Nelson Wheeler	Certified public accountants
Appleby	Legal advisers to the Company as to Cayman Islands law
King & Wood PRC Lawyers	Legal advisers to the Company as to PRC law
Stoel Rives LLP	Legal advisers to the Company as to US law
Beiten Burkhardt Rechtsanwaltsgesellschaft mbH	Legal advisers to the Company as to German law
DSM DI STEFANO MOYSE Avocats à la Cour	Legal advisers to the Company as to Luxembourg law
DTZ Debenham Tie Leung Limited	Property valuer

21. Consents of experts

Each of China Merchants Securities, RSM Nelson Wheeler, Appleby, King & Wood PRC Lawyers, Stoel Rives LLP, Beiten Burkhardt Rechtsanwalts-gesellschaft mbH, DSM DI STEFANO MOYSE Avocats à la Cour and DTZ Debenham Tie Leung Limited has given and has not withdrawn their respective written consents to the issue of this prospectus with copies of their reports, letters, opinions or summaries of opinions (as the case may be) and the references to their names included herein in the form and context in which they respectively appear.

22. 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 penalty provisions) of sections 44A and 44B of the Companies Ordinance so far as applicable.

23. Taxation of holders of Shares*(a) Hong Kong**(i) Profits*

No tax is imposed in Hong Kong in respect of capital gains from the sale of property such as the Shares. Trading gains from the sale of property by persons carrying on a trade, profession or business in Hong Kong where such gains are derived from or arise in Hong Kong from such trade, profession or business will be chargeable to Hong Kong profits tax, which is currently imposed at the rate of 16.5% on corporations and at a rate of 15% on unincorporated businesses. Gains from sales of the Shares effected on the Stock Exchange will be considered to be derived from or arise in Hong Kong. Liability for Hong Kong profits tax would thus arise in respect of trading gains from sales of the Shares realised by persons carrying on a business of trading or dealing in securities in Hong Kong.

(ii) Stamp duty

Hong Kong stamp duty will be payable by the purchaser on every purchase and by the seller on every sale of the Shares. The duty is charged at the current rate of 0.2% of the consideration or, if higher, the fair value of the Shares being sold or transferred (the buyer and seller each paying half of such stamp duty). In addition, a fixed duty of HK\$5 is currently payable on any instrument of transfer of shares.

(iii) Estate duty

Estate duty has been abolished in Hong Kong by the Revenue (Abolition of Estate Duty) Ordinance 2005 which came into effect on 11 February 2006. The estate of a person who died before 11 February 2006 is subject to the provisions of the Estate Duty Ordinance (Chapter 111 of the Laws of Hong Kong), and the Shares are regarded as Hong Kong property for this purpose. The estate duty chargeable in respect of estates of persons dying between the transitional period from and including 15 July 2005 to 11 February 2006 with the principal value exceeding HK\$7.5 million shall be a nominal amount of HK\$100. 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 11 February 2006.

(b) *The Cayman Islands*

No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands.

(c) *Consultation with professional advisers*

Intended holders of the Shares are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of or dealing in the Shares or exercising any rights attaching to them. It is emphasised that none of the Company, the Directors or the other parties involved in the Share Offer can accept responsibility for any tax effect on, or liabilities of, holders of the Shares resulting from their subscription for, purchase, holding or disposal of or dealing in the Shares or exercising any rights attaching to them.

24. 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 Prospectus from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

25. Miscellaneous

(a) Save as disclosed herein:

(i) within two years preceding the date of this prospectus:

(aa) no share or loan capital of the Company or of any of its subsidiaries has been issued, agreed to be issued or is proposed to be issued fully or partly paid either for cash or for a consideration other than cash; and

(bb) no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any share or loan capital of the Company or any of its subsidiaries;

(cc) 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;

(ii) the Directors confirm that there has been no material adverse change in the financial or trading position or prospects of the Group since 31 August 2010 (being the date to which the latest audited combined financial statements of the Group were made up); and

- (iii) there has not been any interruption in the business of the Group which has had a material adverse effect on the financial position of the Group in the 24 months preceding the date of this prospectus.
- (b) Save as disclosed in this prospectus, neither the Company nor any of its subsidiaries has issued or agreed to issue any founders shares, management shares, deferred shares or any debentures.
- (c) Save as disclosed in this prospectus, none of the persons named in the paragraph headed “Consents of experts” in Appendix VI to this prospectus is interested beneficially or non-beneficially in any shares in any member of the Group or has any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any share in any member of the Group.
- (d) No company within the Group is presently listed on any stock exchange or traded on any trading system.
- (e) Subject to the provisions of the Companies Law, 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 Tricor Investor Services Limited. Unless the Directors otherwise agree, all transfers and other documents of title of the Shares must be lodged for registration with and registered by, the Company’s branch share registrar in Hong Kong and may not be lodged in the Cayman Islands.
- (f) The Directors have been advised that, under the Companies Law, the use of a Chinese name by the Company in conjunction with its English name does not contravene the Companies Law.
- (g) All necessary arrangements have been made to enable the Shares to be admitted into CCASS.
- (h) The English text of this prospectus shall prevail over the Chinese text.