

1. FURTHER INFORMATION ABOUT OUR COMPANY AND ITS SUBSIDIARIES**A. Incorporation**

Our Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability in the Cayman Islands on 16 July 2010. Our Company has established a place of business in Hong Kong at Unit No. 3, 18th Floor, Convention Plaza, Office Tower, No. 1 Harbour Road, Hong Kong. Our Company was registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part XI of the Hong Kong Companies Ordinance on 30 September 2010. Mr. CHONG Yat Chin and Mr. KWAN Chun Yuen have been appointed as the authorised representatives of our Company for the acceptance of service of process and notices on behalf of our Company in Hong Kong.

As our Company was incorporated in the Cayman Islands, we are subject to the relevant law of the Cayman Islands and to our constitution comprising our memorandum of association and the Articles. A summary of certain provisions of our Company's constitution and relevant aspects of the Cayman Islands company law is set out in Appendix IV to this prospectus.

B. Change in share capital of our Company

The authorised share capital of our Company as at the date of its incorporation was HK\$380,000 divided into 3,800,000 shares of HK\$0.1 each.

On 16 July 2010, one subscriber Share with the par value of HK\$0.1 of our Company which was nil paid was transferred to Lirun.

On 4 August 2010, 97 Shares and two shares were allotted and issued to each of Lirun and Silver Coin nil paid, respectively.

On 29 November 2010, resolutions were passed by our Company to capitalise an advances in an aggregate amount of US\$1,457,600 due to Lirun and Silver Coin by (i) issuing 112,602 Shares, credited as fully paid, to Lirun and crediting in full at par the 98 nil paid Shares held by Lirun; and (ii) issuing 2,298 Shares, credited as fully paid, to Silver Coin and crediting in full at par the two nil paid Shares held by Silver Coin.

On 29 November 2010, resolutions were passed by our Company to capitalise an advances in an aggregate amount of US\$26,600,000 due to Lirun, Ansen and Silver Coin by (i) issuing 635,500 Shares, credited as fully paid, to Lirun; (ii) under the direction of Lirun, issuing 16,500 Shares, credited as fully paid, to Sure Port; (iii) issuing 33,000 Shares, credited as fully paid, to Ansen; and (iv) issuing 13,650 Shares, credited as fully paid, to Silver Coin.

On 29 November 2010, resolutions were passed by our Company to capitalise an advance in an amount of HK\$26,000,000 due to Lirun by issuing 11,350 Shares, credited as fully paid, to Lirun.

On 30 November 2010, pursuant to the resolutions in writing of the Shareholders, details of which are set out in the sub-paragraph headed “C. Resolutions in writing of the Shareholders passed on 30 November 2010, 7 March 2011 and 23 May 2011” of this paragraph, our authorised share capital of HK\$380,000 was increased to HK\$400,000,000 divided into 4,000,000,000 Shares.

Immediately following completion of the Global Offering and the Capitalisation Issue (and before the exercise of the Over-allotment Option and any options which may be granted under the Share Option Scheme), the issued share capital of our Company will be HK\$110,000,000 divided into 1,100,000,000 Shares, all fully paid or credited as fully paid and 2,900,000,000 Shares will remain unissued.

Save for aforesaid and as mentioned in the sub-paragraph headed “C. Resolutions in writing of the Shareholders passed on 30 November 2010, 7 March 2011 and 23 May 2011” below, there has been no alteration in the share capital of our Company since its incorporation.

C. Resolutions in writing of the Shareholders passed on 30 November 2010, 7 March 2011 and 23 May 2011

Pursuant to the resolutions in writing passed by the Shareholders on 30 November 2010, 7 March 2011 and 23 May 2011, the following resolutions, among other resolutions, were duly approved:

- (a) our Company approved and adopted the Articles;
- (b) the authorised share capital of our Company was increased from HK\$380,000 to HK\$400,000,000 by the creation of an additional 3,996,200,000 Shares;
- (c) conditional on (i) 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 (including any additional Shares which may be issued pursuant to the Over-allotment Option and options which may be granted under the Share Option Scheme); (ii) the Offer Price has been determined by our Company and the Sole Global Coordinator by entering into the Price Determination Agreement by the Price Determination Date; and (iii) the obligations of the Underwriters under the Underwriting Agreements becoming unconditional and not being terminated in accordance with the terms therein or otherwise, in each case on or before such dates as may be specified in the Underwriting Agreements:
 - (i) the Global Offering was approved and the Directors were unconditionally authorised to effect the same and to allot and issue new Shares pursuant to the Global Offering;
 - (ii) the Over-allotment Option was approved and our Directors were authorised to effect the Over-allotment Option and to allot and issue the Shares which may be required to be issued if the Over-allotment Option is exercised;

- (iii) the Share Option Scheme, the principal terms of which are set out in the paragraph headed “A. Share Option Scheme” under the section entitled “7. Other information” in this Appendix, was approved and adopted and the Directors were authorised to grant options to subscribe for Shares thereunder and to allot, issue and deal with Shares pursuant to the exercise of options granted under the Share Option Scheme and to take all such actions as may be necessary and/or desirable to implement and give effect to the Share Option Scheme; and
 - (iv) conditional on the share premium account of our Company being credited as a result of the issue of our Offer Shares by our Company pursuant to the Global Offering, the Directors were authorised to capitalise the amount of up to HK\$82,417,500 from the amount standing to the credit of the share premium account of our Company by applying such sum in paying up in full at par up to 824,175,000 Shares for allotment and issue to Shareholders whose names appear on the register of members of our Company at the close of business on 30 November 2010 (or as they may direct) in proportion (as nearly as possible without involving fractions) to their existing shareholdings in our Company and our Directors were authorised to give effect to such appropriation, capitalisation and distribution, and to do all such things and sign all such documents thereof.
- (d) a general unconditional mandate was given to our Directors to allot, issue and deal with (including the power to make and grant offers, agreements and options which would or might require Shares to be allotted and issued), otherwise than the issue of Shares pursuant to a rights issue or pursuant to any scrip dividend schemes or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles, or an issue of Shares upon the exercise of the Over-allotment Option, or an issue of Shares upon the exercise of the subscription rights under the Share Option Scheme or other similar arrangement or pursuant to a specific authority granted by the shareholders of our Company in general meeting, unissued Shares with a total nominal value not exceeding 20% of the aggregate nominal value of the share capital of our Company in issue immediately following completion of the Global Offering and Capitalisation Issue, such mandate to remain in effect until whichever is earlier of the conclusion of the next annual general meeting of our Company, or the expiration of the period within which the next annual general meeting of our Company is required by the Articles or any applicable laws to be held, or the revocation or variation of this resolution by an ordinary resolution of the Shareholders in general meeting;
- (e) a general unconditional mandate was given to our Directors authorising them to exercise all powers of and on behalf of our Company to repurchase its own Shares on the Stock Exchange or on any other approved stock exchange on which the securities of our Company may be listed and which is recognised by the SFC and the Stock Exchange for this purpose such number

of Shares as will represent up to 10% of the aggregate nominal amount of the share capital of our Company in issue immediately following completion of the Global Offering and the Capitalisation Issue, such mandate to remain in effect until whichever is earlier of the conclusion of the next annual general meeting of our Company, or the expiration of the period within which the next annual general meeting of our Company is required by the Articles or any applicable laws to be held, or the revocation or variation of this resolution by an ordinary resolution of the Shareholders in general meeting; and

- (f) conditional upon resolutions mentioned in paragraphs (d) and (e) above being passed, the aggregate nominal amount of the Shares which are repurchased by our Company under the authority granted to our Directors as mentioned in resolution mentioned in paragraph (e) above shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by our Directors pursuant to resolution mentioned in paragraph (d) above.

2. CORPORATE REORGANISATION

The companies comprising our Group underwent the Reorganisation in preparation for the Listing. As a result, our Company became the holding company of our Group. A diagram illustrating our Group's corporate structure after completion of the Reorganisation as of the date of this prospectus is set forth in "Reorganisation" in this prospectus. The Reorganisation involved the following principal steps:–

- establishment of our Company, Lirun, Silver Coin, Ansen, Sure Port, Ocean Ahead, Sinolake, Quick Response, Sea Triumph, Ideal Huge and Ocean Access;
- acquisition of 65% equity interests in Tianjin Tianlong from DC Investments;
- acquisition of 40% shareholding interests in Dragon Bussan from Mitsui & Co., Ltd. and Mitsui & Company (Hong Kong) Limited; and
- subscriptions for new shares and/or conversions of certain shares into non-voting deferred shares in Dragon Bussan, DC Petrochemicals and Dragon Source.

Details of the Reorganisation are set forth in "Reorganisation" in this prospectus.

3. CHANGES IN SHARE CAPITAL OF SUBSIDIARIES OF OUR COMPANY

Our Company's subsidiaries include Ocean Ahead, Sinolake, Quick Response, Sea Triumph, Ideal Huge, Ocean Access, Dragon Bussan, DC Petrochemicals, Dragon Source, Tianjin Tianlong, Tianlong Haixiang, Ningbo Ningxiang, Nanjing Dragon Crown and Ningbo Xinxiang. Details of our subsidiaries are set forth in "History and development – Our corporate history" in this prospectus. Save as disclosed above and in "History and Development" and "Reorganisation" in this prospectus, there has been no alterations in the share capital of any of the subsidiaries of our Company within the two years immediately preceding the date of this prospectus.

Set out below are the rights and restrictions of non-voting deferred shares in Dragon Bussan, DC Petrochemicals and Dragon Source:–

A. Rights and restrictions of non-voting deferred shares in Dragon Bussan

- (a) *as regards income.* The profits which Dragon Bussan may determine to distribute in respect of any financial year shall be distributed among the holders of ordinary shares according to the amounts paid up on the ordinary shares held by them respectively and no part of the profits shall be distributed among the holders of the non-voting deferred shares;
- (b) *as regards capital.* On a return of assets on winding up or otherwise, the assets of Dragon Bussan to be returned shall be distributed as regards the first HK\$100,000,000,000,000 thereof among the holders of ordinary shares in proportion to the nominal amounts of ordinary shares held by them respectively and one half of the balance of such assets shall belong to and be distributed among the holders of non-voting deferred shares and the other half thereof to and among the holders of the ordinary shares in each case in proportion to the nominal amounts of the shares held by them respectively; and
- (c) *as regards voting.* On a show of hands, every holder of ordinary shares (being an individual) present in person or by proxy or (being a corporation) is represented by its duly authorised representative shall have one vote, and on a poll every holder of ordinary shares present in person or by proxy or in the case of a corporation, by its authorised representative, shall have one vote for every ordinary shares held by him but the non-voting deferred shares shall not entitle the holders thereof to receive notice of or to attend or vote at any general meeting.

B. Rights and restrictions of non-voting deferred shares in DC Petrochemicals

- (a) *as regards income.* The profits which DC Petrochemicals may determine to distribute in respect of any financial year shall be distributed among the holders of ordinary shares according to the amounts paid up on the ordinary shares held by them respectively and no part of the profits shall be distributed among the holders of the non-voting deferred shares;

- (b) *as regards capital.* On a return of assets on winding up or otherwise, the assets of DC Petrochemicals to be returned shall be distributed as regards the first HK\$100,000,000,000,000 thereof among the holders of ordinary shares in proportion to the nominal amounts of ordinary shares held by them respectively and one half of the balance of such assets shall belong to and be distributed among the holders of non-voting deferred shares and the other half thereof to and among the holders of the ordinary shares in each case in proportion to the nominal amounts of the shares held by them respectively; and
- (c) *as regards voting.* On a show of hands, every holder of ordinary shares (being an individual) present in person or by proxy or (being a corporation) is represented by its duly authorised representative shall have one vote, and on a poll every holder of ordinary shares present in person or by proxy or in the case of a corporation, by its authorised representative, shall have one vote for every ordinary shares held by him but the non-voting deferred shares shall not entitle the holders thereof to receive notice of or to attend or vote at any general meeting.

C. Rights and restrictions of non-voting deferred shares in Dragon Source

- (a) *as regards income.* The profits which Dragon Source may determine to distribute in respect of any financial year shall be distributed among the holders of ordinary shares according to the amounts paid up on the ordinary shares held by them respectively and no part of the profits shall be distributed among the holders of the non-voting deferred shares;
- (b) *as regards capital.* On a return of assets on winding up or otherwise, the assets of Dragon Source to be returned shall be distributed as regards the first HK\$100,000,000,000,000 thereof among the holders of ordinary shares in proportion to the nominal amounts of ordinary shares held by them respectively and one half of the balance of such assets shall belong to and be distributed among the holders of non-voting deferred shares and the other half thereof to and among the holders of the ordinary shares in each case in proportion to the nominal amounts of the shares held by them respectively; and
- (c) *as regards voting.* On a show of hands, every holder of ordinary shares (being an individual) present in person or by proxy or (being a corporation) is represented by its duly authorised representative shall have one vote, and on a poll every holder of ordinary shares present in person or by proxy or in the case of a corporation, by its authorised representative, shall have one vote for every ordinary shares held by him but the non-voting deferred shares shall not entitle the holders thereof to receive notice of or to attend or vote at any general meeting.

4. REPURCHASE OF SHARES BY THE COMPANY

A. Provisions of the Listing Rules

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

(a) Shareholders' approval

All proposed repurchases of securities on the Stock Exchange by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of shareholders, either by way of general mandate or by specific approval of a particular transaction.

Pursuant to resolutions passed by the Shareholders on 30 November 2010, 7 March 2011 and 23 May 2011, the Repurchase Mandate was granted to our Directors authorising the repurchase by our Company on the Stock Exchange, or on any other stock exchange on which the securities of our Company may be listed and which is recognised by the SFC and the Stock Exchange for this purpose, of Shares with an aggregate nominal value not exceeding 10% of the aggregate nominal amount of the share capital of our Company in issue and to be issued as mentioned herein, at any time until the conclusion of the next annual general meeting of our Company, the expiration of the period within which the next annual general meeting of our Company is required by an applicable law or the Articles to be held or when such mandate is revoked or varied by an ordinary resolution of the shareholders of our Company in general meeting, whichever is the earliest.

(b) Source of funds

Repurchases must be funded out of funds legally available for the purpose in accordance with the Articles and the laws of the Cayman Islands. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

B. Reasons for repurchases

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

C. Funding of repurchases

In repurchasing securities, our Company may only apply funds legally available for such purpose in accordance with the Articles and the applicable laws of the Cayman Islands.

It is presently proposed that any repurchase of Shares will be made out of the profits of our Company or the proceeds of a fresh issue of shares made for the purpose of the purchase or, subject to the Companies Law, out of capital and, in the case of any premium payable on the purchase, out of the profits of our Company or from sums standing to the credit of the share premium account of our Company or, subject to the Companies Law, out of capital.

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 our Company or its gearing levels which, in the opinion of the Directors, are from time to time appropriate for our Company.

D. General

None of our Directors or, to the best of their knowledge, having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules), has any present intention to sell any Shares to our Company or its subsidiaries.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands. Our Company has not repurchased any Shares in the previous six months.

No connected person (as defined in the Listing Rules) has notified our Company that he/she or it has a present intention to sell Shares to our Company, or has undertaken not to do so, if the Repurchase Mandate is exercised.

If as a result of a securities repurchase pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of our Company increases, such increase will be treated as an acquisition for the purpose of the Takeover Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of our Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeover Code as a result of any such increase. Our Directors are not aware of any consequences which may arise under the Takeover Code if the Repurchase Mandate is exercised.

If the Repurchase Mandate is fully exercised immediately following completion of the Global Offering but taking no account of any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option and any options which may be granted under the Share Option Scheme, the total number of Shares which will be repurchased pursuant to the Repurchase Mandate shall be 110,000,000 Shares (being 10% of the issued share capital of our Company based on the aforesaid assumptions). The percentage shareholding of the Controlling Shareholders of our Company, will be

increased to approximately 78.39% of the issued share capital of our Company immediately following the full exercise of the Repurchase Mandate. In the event that the Repurchase Mandate is exercised in full, the number of Shares held by the public would fall below 25% of the total number of Shares in issue. Any repurchase of Shares which results in the number of Shares held by the public being reduced to less than the prescribed percentage of the Shares then in issue could only be implemented with the approval of the Stock Exchange to waive the Listing Rule requirements regarding the public float under Rule 8.08 of the Listing Rules. However, our Directors have no present intention to exercise the Repurchase Mandate to such an extent that, in the circumstances, there is insufficient public float as prescribed under the Listing Rules.

5. FURTHER INFORMATION ABOUT THE BUSINESS OF OUR GROUP

A. Summary of material contracts

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





- (a) the share sale agreement dated 27 September 2010 entered into among Mitsui & Co., Ltd., Mitsui & Co. (Hong Kong) Ltd. and Quick Response, pursuant to which Mitsui & Co., Ltd. and Mitsui & Co. (Hong Kong) Ltd. agreed to sell and Quick Response agreed to purchase an aggregate of 600,000 shares in Dragon Bussan at an aggregate consideration of US\$1,457,600;
- (b) the deed of novation dated 29 November 2010 entered into among Lirun, Silver Coin, Quick Response and our Company, pursuant to which our Company agreed to assume all obligations as debtor in respect of indebtedness of Quick Response due to Lirun and Silver Coin in an aggregate amount of US\$1,457,600;
- (c) the deed of novation dated 29 November 2010 entered into among Lirun, Ansen, Silver Coin, Sea Triumph and our Company, pursuant to which our Company agreed to assume all obligations as debtor in respect of indebtedness of Sea Triumph due to Lirun, Ansen and Silver Coin in an aggregate amount of US\$26,600,000;
- (d) the deed of novation dated 29 November 2010 entered into among Lirun, Ideal Huge and our Company, pursuant to which our Company agreed to assume all obligations as debtor in respect of indebtedness of Ideal Huge due to Lirun in an amount of HK\$26,000,000;
- (e) the deed of indemnity dated 23 May 2011 entered into between our Controlling Shareholders and our Company, pursuant to which our Controlling Shareholders agree to provide us with certain indemnities, a summary of which is set out in the section headed “Other information – Estate duty, tax and other indemnities” in Appendix V to this prospectus; and

(f) the Hong Kong Underwriting Agreement .



B. Intellectual property rights of our Group

(a) Trademarks

As of the Latest Practicable Date, our Group has the following registered trademarks:

Trademark	Trade Mark No.	Registrant	Class	Place of Registration	Effective Period
(A) 	301655424	DC Petrochemicals	39	Hong Kong	5 July 2010 – 4 July 2020
(B) 					
(A) 	301657341	DC Petrochemicals	39	Hong Kong	7 July 2010 – 6 July 2020
(B) 					

As of the Latest Practicable Date, our Group had filed applications for the registration of the following trademark, but registration of the same has not yet been granted:

Trademark	Application No.	Applicant	Application Date	Class	Place of Application
(A) 	8614787	DC Petrochemicals	27 August 2010	39	the PRC
(B) 					

(b) Domain Name

As of the Latest Practicable Date, our Group is a registered proprietor of the following domain name:

Domain name	Name of Proprietor	Expiry Date
www.dragoncrown.com	Our Company	12 October 2013

6. FURTHER INFORMATION ABOUT OUR DIRECTORS AND OUR SUBSTANTIAL SHAREHOLDERS

A. Directors

(a) Disclosure of interest – interests and short positions of the Directors and the chief executives of our Company in the Shares, underlying Shares and debentures of our Company and its associated corporations

Immediately following completion of the Global Offering and the Capitalisation Issue without taking into consideration of the Shares which may be taken up under the Global Offering and that may be issued pursuant to the exercise of the Over-allotment Option and the options granted under the Share Option Scheme, the interest or short position of the Directors or chief executives of our Company in the Shares, underlying Shares and debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest or short positions which they were taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required, pursuant to Model Code for Securities Transactions by Directors of Listed Companies, once the Shares are listed are as follows:

(i) Long positions in Shares

Name of Director	Nature of interest	Number of Shares	Approximate Percentage of interest immediately after the completion of the Global Offering and the Capitalisation Issue (%)
Mr. NG ⁽¹⁾⁽²⁾	Corporate interest	776,050,000	70.55
Mr. TING Yian Ann ⁽³⁾	Corporate interest	33,000,000	3

Name of Director	Nature of interest	Number of Shares	Approximate Percentage of interest immediately after the completion of the Global Offering and the Capitalisation Issue (%)
Mr. CHONG Yat Chin ⁽⁴⁾	Corporate interest	15,950,000	1.45

Notes:

- (1) Mr. NG is the beneficial owner of all the issued share of Lirun which holds 759,550,000 Shares.
- (2) Mr. NG is the beneficial owner of all the issued share of Sure Port which holds 16,500,000 Shares. Sure Port was incorporated as a holding company for the interests of Mr. NG in our Group with his intent to distribute such interests to his designated management members in the future. As of the Latest Practicable Date, the allocation of interests of our Group held by Sure Port was yet to be determined.
- (3) Mr. TING Yian Ann is the beneficial owner of all the issued share of Ansen which holds 33,000,000 Shares.
- (4) Mr. CHONG Yat Chin is the beneficial owner of all the issued share of Silver Coin which holds 15,950,000 Shares.

(ii) Long positions in shares of associated corporations

Name of Director	Name of associated corporations	Capacity	Number of shares	Percentage of issued shares (%)
Mr. NG	Lirun	Beneficial owner	40	100
Mr. NG	Sure Port	Beneficial owner	10	100
Mr. TING Yian Ann	Ansen	Beneficial owner	20	100
Mr. CHONG Yat Chin	Silver Coin	Beneficial owner	30	100

(b) *Particulars of our Directors' service contracts*

Each of the executive Directors has entered into a service contract with our Company for a term of three years commencing from 1 December 2010, which may be terminated by not less than three months' notice in writing served by either party on the other.

(c) *Directors' remuneration*

Each of the executive Directors is entitled to a director's fee. Each executive Director shall be paid a remuneration on the basis of twelve months in a year. The current annual director's fees and remuneration of the executive Directors are as follows:

Mr. NG – HK\$935,000 per annum
Mr. TING Yian Ann – HK\$3,000,000 per annum
Mr. CHONG Yat Chin – HK\$1,300,200 per annum
Ms. CHAN Wan Ming – HK\$1,200,000 per annum
Mr. KWAN Chun Yuen – HK\$1,002,000 per annum

The independent non-executive Directors have been appointed for a term of one year commencing from 1 December 2010. Our Company will pay the following director's fees to the independent non-executive Directors:–

Mr. LUO Shijie – HK\$150,000 per annum
Mr. ZHU Wujun – HK\$150,000 per annum
Mr. LAU Sik Yuen – HK\$240,000 per annum

The aggregate amount of remuneration (including fees, salaries, discretionary bonus, retirement benefit contribution (including pension), housing and other allowances, and other benefits in kind) that was payable our Directors during the Track Record Period was approximately HK\$157,000, HK\$295,000 and HK\$1,037,000, respectively.

Under the arrangement currently in force, the aggregate amount of emoluments payable by our Group to our Directors for the year ending 31 December 2011 will be approximately HK\$8.0 million.

Further details of the terms of the above service contracts are set out in "Further information about our Directors and our substantial Shareholders – Directors – Particulars of our Directors' service contracts" in this Appendix.

B. Substantial Shareholders

So far as our Directors are aware, immediately following the completion of the Capitalisation issue and Global Offering without taking into consideration of the Shares which may be taken up under the Global Offering and that may be issued pursuant to the exercise of the Over-allotment Option and the options granted under the Share

Option Scheme, the following persons will have or be deemed or taken to have an interest and/or short position in the Shares or the underlying Shares which would fall to be disclosed under the provisions of Division 2 and 3 of Part XV of the SFO:

Name of Shareholder	Nature of interest	Number of Shares	Approximate percentage of shareholding interest immediately after the Global Offering and the Capitalisation issue (%)
Lirun	Beneficial owner	759,550,000 Shares	69.05
Sure Port	Beneficial owner	16,500,000 Shares	1.5
Mr. NG ⁽¹⁾	Corporate interest ⁽²⁾⁽³⁾	776,050,000 Shares	70.55

Notes:

1. Mr. NG is an executive Director.
2. Pursuant to the SFO, as Mr. NG holds 100% interest in Lirun, Mr. NG is deemed to be interested in the 759,550,000 Shares held by Lirun.
3. Pursuant to the SFO, as Mr. NG holds 100% interest in Sure Port, Mr. NG is deemed to be interested in the 16,500,000 Shares held by Sure Port.

Sure Port was incorporated as a holding company for the interests of Mr. NG in our Group with his intent to distribute such interests to his designated management members in the future. As of the Latest Practicable Date, Mr. NG had not yet made up his final decision as to the allocation of interests of our Group held by Sure Port.

C. Agency fees or commissions received

Save as disclosed in this prospectus, no commissions, discounts, brokerages or other special terms were granted within the two years preceding the date of this prospectus in connection with the issue or sale of any capital of any member of our Group.

D. Disclaimers

Save as disclosed herein:

- (a) none of the Directors or chief executives of our Company has any interest or short position in the Shares, underlying Shares or debentures of our Company or any of its associated corporation (within the meaning of the

SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies once the Shares are listed;

- (b) none of our Directors or experts referred to under “Other information – Consents of experts” in this Appendix has any direct or indirect interest in the promotion of our Company, or in any assets which have within the two years immediately preceding the date of this prospectus been acquired or disposed of by or leased to any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group;
- (c) none of our 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 our Group taken as a whole;
- (d) none of our Directors has any existing or proposed service contracts with any member of our Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation));
- (e) taking no account of Shares which may be taken up under the Global Offering and Shares to be issued upon the exercise of the Over-allotment Option or the option to be granted under the Share Option Scheme, none of our Directors knows of any person (not being a Director or chief executive of our Company) who will, immediately following completion of the Global Offering, have an interest or short position in the Shares or underlying Shares of our Company which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of SFO or be interested, directly or indirectly, in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of our Group;
- (f) none of the experts referred to under “Other information – Consents of experts” in this Appendix has any shareholding in any member of our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group;
- (g) so far as is known to our Directors, none of our Directors, their respective associates (as defined under the Listing Rules) or shareholders of our Company who are interested in more than 5% of the issued share capital of our Company has any interests in the five largest customers or the five largest suppliers of our Group; and

- (h) save as disclosed in this prospectus, none of our Directors has any direct or indirect interest in the promotion of, or in any assets which have been, within the two years immediately preceding the date of this prospectus, acquired or disposed of by or leased to any member of our Group.

7. OTHER INFORMATION

A. Share Option Scheme

The following is a summary of the principal terms of the Share Option Scheme conditionally adopted by the resolutions in writing of the Shareholders of our Company passed on 23 May 2011.

(a) Purpose

The Share Option Scheme is a share incentive scheme and is established to recognise and acknowledge the contributions Eligible Participants (as defined in paragraph (b) below) had or may have made to our Group. The Share Option Scheme will provide Eligible Participants an opportunity to have a personal stake in our Company with the view to achieving the following objectives:

- (i) motivate Eligible Participants to optimise their performance efficiency for the benefit of our Group; and
- (ii) attract and retain or otherwise maintain on-going business relationship with Eligible Participants whose contributions are or will be beneficial to the long-term growth of our Group.

(b) Who may join

The Board may, at its discretion, offer to grant an option to subscribe for such number of new Shares as the Board may determine at an exercise price determined in accordance with paragraph (e) below to:

- (i) any full-time or part-time employees, executives or officers of our Company or any of its subsidiaries;
- (ii) any directors (including non-executive directors and independent non-executive directors) of our Company or any of its subsidiaries; and
- (iii) any advisers, consultants, suppliers, customers and agents to our Company or any of its subsidiaries.

(collectively, the “**Eligible Participants**”)

Upon acceptance of the option, the grantee shall pay HK\$1.00 to our Company by way of consideration for the grant. Any offer to grant an option to subscribe for Shares may be accepted in respect of less than the number of Shares for which it is offered provided that it is accepted in respect of a board lot of

dealing in Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate offer document constituting the acceptance of the option. To the extent that the offer to grant an option is not accepted by any prescribed acceptance date, it shall be deemed to have been irrevocably declined.

(c) *Maximum number of Shares*

The maximum number of Shares in respect of which options may be granted under the Share Option Scheme and under any other share option schemes of our Company must not in aggregate exceed 10% of the total number of Shares in issue immediately following completion of the Global Offering, being 110,000,000 Shares, excluding for this purpose Shares which would have been issuable pursuant to the Over-allotment Option and options which have lapsed in accordance with the terms of the Share Option Scheme (or any other share option schemes of our Company). Subject to the issue of a circular by our Company and the approval of the Shareholders in general meeting and/or such other requirements prescribed under the Listing Rules from time to time, the Board may:

- (i) renew this limit at any time to 10% of the Shares in issue as at the date of the approval by the Shareholders in general meeting; and/or
- (ii) grant options beyond the 10% limit to Eligible Participants specifically identified by the Board. The circular issued by our Company to the Shareholders shall contain a generic description of specified Eligible Participants who may be granted such options, the number and terms of the options to be granted, the purpose of granting options to specified Eligible Participants with an explanation as to how the options serve such purpose, the information required under Rule 17.02(2)(d) and the disclaimer required under Rule 17.02(4) of the Listing Rules.

Notwithstanding the foregoing, the Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of our Company at any time shall not exceed 30% of the Shares in issue from time to time. No options shall be granted under any schemes of our Company (including the Share Option Scheme) if this will result in the 30% limit being exceeded. The maximum number of Shares in respect of which options may be granted shall be adjusted, in such manner as the auditors of our Company or an approved independent financial adviser shall certify to be appropriate, fair and reasonable in the event of any alteration in the capital structure of our Company in accordance with paragraph (q) below whether by way of consolidation, capitalisation issue, rights issue, sub-division or reduction of the share capital of our Company but in no event shall exceed the limit prescribed in this paragraph.

(d) *Maximum number of options to any one individual*

The total number of Shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of our Company (including both exercised and outstanding options) to each Eligible Participant in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue as at the date of grant. Any further grant of Options in excess of this 1% limit shall be subject to:

- (i) the issue of a circular by our Company containing the identity of the Eligible Participant, the numbers of and terms of the options to be granted (and options previously granted to such participant) the information as required under Rules 17.02(2)(d) and the disclaimer required under 17.02(4) of the Listing Rules; and
- (ii) the approval of the Shareholders in general meeting and/or other requirements prescribed under the Listing Rules from time to time with such Eligible Participant and his associates (as defined in the Listing Rules) abstaining from voting. The numbers and terms (including the exercise price) of options to be granted to such participant must be fixed before the Shareholders' approval and the date of the Board meeting at which the Board proposes to grant the options to such Eligible Participant shall be taken as the date of grant for the purpose of calculating the subscription price of the Shares. The Board shall forward to such Eligible Participant an offer document in such form as the Board may from time to time determine.

(e) *Price of Shares*

The subscription price of a Share in respect of any particular option granted under the Share Option Scheme shall be such price as the Board in its absolute discretion shall determine, save that such price will not be less than the highest of:

- (i) the official closing price of the Shares as stated in the Stock Exchange's daily quotation sheets on the date of grant, which must be a day on which the Stock Exchange is open for the business of dealing in securities;
- (ii) the average of the official closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and
- (iii) the nominal value of a Share.

(f) *Granting options to connected persons*

Any grant of options to a director, chief executive or substantial shareholder (as defined in the Listing Rules) of our Company or any of their respective associates (as defined in the Listing Rules) is required to be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Options). If the Board proposes to grant options to a substantial shareholder or any independent non-executive Director or their respective associates (as defined in the Listing Rules) which will result in the number of Shares issued and to be issued upon exercise of options granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:

- (i) representing in aggregate over 0.1% or such other percentage as may be from time to time provided under the Listing Rules of the Shares in issue; and
- (ii) having an aggregate value in excess of HK\$5 million or such other sum as may be from time to time provided under the Listing Rules, based on the official closing price of the Shares at the date of each grant, such further grant of options will be subject to the issue of a circular by our Company and the approval of the Shareholders in general meeting on a poll at which all connected persons (as defined in the Listing Rules) of our Company shall abstain from voting in favour, and/or such other requirements prescribed under the Listing Rules from time to time. Any vote taken at the meeting to approve the grant of such options shall be taken as a poll.

The circular to be issued by our Company to the Shareholders pursuant to the above paragraph shall contain the following information:

- (i) the details of the number and terms (including the exercise price) of the options to be granted to each selected Eligible Participant which must be fixed before the Shareholders' meeting and the date of Board meeting for proposing such further grant shall be taken as the date of grant for the purpose of calculating the exercise price of such options;
- (ii) a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options) to the independent Shareholders as to voting;
- (iii) the information required under Rule 17.02(2)(c) and (d) and the disclaimer required under Rule 17.02(4) of the Listing Rules; and
- (iv) the information required under Rule 2.17 of the Listing Rules.

(g) Restrictions on the times of grant of Options

A grant of options may not be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision until such price sensitive information has been published pursuant to the requirements of the Listing Rules. In particular, no options may be granted during the period commencing one month immediately preceding the earlier of:

- (i) the date of the Board meeting (as such date to first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of our Company's annual, half-year, quarterly or other interim period results (whether or not required under the Listing Rules); and
- (ii) the deadline for our Company to publish an announcement of its annual or half-year, or quarterly or other interim period results (whether or not required under the Listing Rules)

and ending on the date of actual publication of the results announcement.

(h) Rights are personal to grantee

An option is personal to the grantee and may be exercised or treated as exercised, as the case may be, in whole or in part. No grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any option or attempt so to do.

(i) Time of exercise of Option and duration of the Share Option Scheme

An option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the Option is deemed to be granted and accepted and prior to the expiry of 10 years from that date. The period during which an option may be exercised will be determined by the Board in its absolute discretion, save that no option may be exercised more than 10 years after it has been granted. No option may be granted more than 10 years after the date of approval of the Share Option Scheme. Subject to earlier termination by our Company in general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of 10 years from the date of its adoption. There is no minimum period for which an option must be held before it can be exercised.

(j) Performance target

A grantee may be required to achieve any performance targets as the Board may then specify in the grant before any options granted under the Share Option Scheme can be exercised.

(k) Rights on ceasing employment or death

If the grantee of an option ceases to be an employee of our Company or any of its subsidiaries

- (i) by any reason other than death or termination of his employment on the grounds specified in paragraph (l) below, the grantee may exercise the option up to the entitlement of the grantee as at the date of cessation (to the extent not already exercised) within a period of one month from such cessation; or
- (ii) by reason of death, his personal representative(s) may exercise the option within a period of 12 months from such cessation, which date shall be the last actual working day with our Company or the relevant subsidiary whether salary is paid in lieu of notice or not, failing which it will lapse.

(l) Rights on dismissal

If the grantee of an option ceases to be an employee of our Company or any of its subsidiaries on the grounds that he has been guilty of serious misconduct, or in relation to an employee of our Group (if so determined by the Board) on any other ground on which an employee would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the grantee's service contract with our Group, or has been convicted of any criminal offence involving his integrity or honesty, his option will lapse and not be exercisable after the date of termination of his employment.

(m) Rights on takeover

If a general offer is made to all the Shareholders (or all such Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror (as defined in the Takeovers Codes)) and such offer becomes or is declared unconditional during the option period of the relevant option, the grantee of an option shall be entitled to exercise the option in full (to the extent not already exercised) at any time within 14 days after the date on which the offer becomes or is declared unconditional.

(n) Rights on winding-up

In the event a notice is given by our Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up our Company, our Company shall forthwith give notice thereof to all grantees and thereupon, each grantee (or his legal personal representative(s)) shall be entitled to exercise all or any of his options (to the extent not already exercised) at any time not later than two business days prior to the proposed general meeting of our Company referred to above by giving notice in writing to our Company, accompanied by a remittance for the full amount of the aggregate subscription price for the Shares in respect of which the notice is

given, whereupon our Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting, allot the relevant Shares to the grantee credited as fully paid.

(o) Rights on compromise or arrangement between our Company and its members or creditors

If a compromise or arrangement between our Company and its members or creditors is proposed for the purposes of a scheme for the reconstruction of our Company or its amalgamation with any other companies pursuant to the laws of jurisdictions in which our Company was incorporated, our Company shall give notice to all the grantees of the options on the same day as it gives notice of the meeting to its members or creditors summoning the meeting to consider such a scheme or arrangement and any grantee may by notice in writing to our Company accompanied by a remittance for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given (such notice to be received by our Company not later than two business days prior to the proposed meeting), exercise the option to its full extent or to the extent specified in the notice and our Company shall as soon as possible and in any event no later than the business day immediately prior to the date of the proposed meeting, allot and issue such number of Shares to the grantee which falls to be issued on such exercise of the option credited as fully paid and register the grantee as holder thereof.

With effect from the date of such meeting, the rights of all grantees to exercise their respective options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all options shall, to the extent that they have not been exercised, lapse and determine. If for any reason such compromise or arrangement does not become effective and is terminated or lapses, the rights of grantees to exercise their respective options shall with effect from such termination be restored in full but only upon the extent not already exercised and shall become exercisable.

(p) Ranking of Shares

The Shares to be allotted upon the exercise of an option will not carry voting rights until completion of the registration of the grantee (or any other person) as the holder thereof. Subject to the aforesaid, Shares allotted and issued on the exercise of options will rank *pari passu* in all respects and shall have the same voting, dividend, transfer and other rights, including those arising on liquidation as attached to the other fully paid Shares in issue on the date of exercise.

(q) Effect of alterations to capital

In the event of any alteration in the capital structure of our Company whilst any option may become or remains exercisable, whether by way of capitalisation issue, rights issue, open offer, consolidation, sub-division or reduction of share capital of our Company, or otherwise howsoever, such corresponding alterations

(if any) shall be made in the number or nominal amount of Shares subject to any options so far as unexercised and/or the subscription price per Share of each outstanding option as the auditors of our Company or an independent financial adviser shall certify in writing to the Board to be in their/his opinion fair and reasonable in compliance with Rule 17.03(13) of the Listing Rules and the note thereto and the supplementary guidance issued by the Stock Exchange on 5 September 2005 and any future guidance and interpretation of the Listing Rules issued by the Stock Exchange from time to time.

Any such alterations will be made on the basis that a grantee shall have the same proportion of the issued share capital of our Company for which any grantee of an option is entitled to subscribe pursuant to options held by him before such alteration and the aggregate subscription price payable on full exercise of any option is to remain as nearly as possible the same (and in any event not greater than) as it was before such event. No such alteration will be made the effect of which would be to enable a Share to be issued at less than its nominal value. The issue of securities as consideration in a transaction is not to be regarded as a circumstance requiring any such alterations.

(r) Expiry of option

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

- (i) the date of expiry of the option as may be determined by the Board;
- (ii) the expiry of any of the periods referred to in paragraphs (k), (l), (m), (n) or (o);
- (iii) the date on which the scheme of arrangement of our Company referred to in paragraph (o) becomes effective;
- (iv) subject to paragraph (n), the date of commencement of the winding-up of our Company;
- (v) the date on which the grantee ceases to be an Eligible Participant by reason of such grantee's resignation from the employment of our Company or any of its subsidiaries or the termination of his or her employment or contract on any one or more of the grounds that he or she has been guilty of serious misconduct, or has been convicted of any criminal offence involving his or her integrity or honesty, or in relation to an employee of our Group (if so determined by the Board) or any other ground on which an employee would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the grantee's service contract with our Group. A resolution of the Board to the effect that the employment of a grantee has or has not been terminated on one or more of the grounds specified in this paragraph shall be conclusive; or

- (vi) the date on which the Board shall exercise our Company's right to cancel the option at any time after the grantee commits a breach of paragraph (h) above or the options are cancelled in accordance with paragraph (t) below.

(s) *Alteration of the Share Option Scheme*

The Share Option Scheme may be altered in any respect by resolution of the Board except that:

- (i) any alteration to the advantage of the grantees or Eligible Participants (as the case may be) in respect of matters contained in Rule 17.03 of the Listing Rules; and
- (ii) any material alteration to the terms and conditions of the Share Option Scheme or any change to the terms of options granted, shall first be approved by the Shareholders in general meeting provided that if the proposed alteration shall adversely affect any option granted or agreed to be granted prior to the date of alteration, such alteration shall be further subject to the grantees' approval in accordance with the terms of the Share Option Scheme. The amended terms of the Share Option Scheme shall still comply with Chapter 17 of the Listing Rules and any change to the authority of the Board in relation to any alteration to the terms of the Share Option Scheme must be approved by Shareholders in general meeting.

(t) *Cancellation of Options*

Subject to paragraph (h) above, any cancellation of options granted but not exercised must be approved by the grantees of the relevant options in writing.

(u) *Termination of the Share Option Scheme*

Our Company may by resolution in general meeting or the Board at any time terminate the Share Option Scheme and in such event no further option shall be offered but the provisions of the Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any option granted prior thereto or otherwise as may be required in accordance with the provisions of the Share Option Scheme. Options granted prior to such termination but not yet exercised at the time of termination shall continue to be valid and exercisable in accordance with the Share Option Scheme.

(v) *Administration of the Board*

The Share Option Scheme shall be subject to the administration of the Board whose decision as to all matters arising in relation to the Share Option Scheme or its interpretation or effect (save as otherwise provided herein) shall be final and binding on all parties.

(w) *Condition of the Share Option Scheme*

The Share Option Scheme is conditional on:

- (i) the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Shares which may fall to be issued pursuant to the exercise of options to be granted under the Share Option Scheme;
- (ii) the obligations of the Underwriters under the Underwriting Agreements becoming unconditional (including, if relevant, as result of the waiver of any such condition(s)) and not being terminated in accordance with the terms of the Underwriting Agreements or otherwise;
- (iii) the approval of the rules of the Share Option Scheme by the Shareholders in general meeting; and
- (iv) the commencement of dealings in Shares on the Stock Exchange.

(x) *Disclosure in annual and interim reports*

Our Company will disclose details of the Share Option Scheme in its annual and interim reports including the number of options, date of grant, exercise price, exercise period and vesting period during the financial year/period in the annual/interim reports in accordance with the Listing Rules in force from time to time.

(y) *Present status of the Share Option Scheme*

As of the Latest Practicable Date, no option had been granted or agreed to be granted under the Share Option Scheme.

Application has been made to the Listing Committee of the Stock Exchange for the listing of and permission to deal in Shares which may fall to be issued pursuant to the exercise of the options to be granted under the Share Option Scheme, being 110,000,000 Shares in total.

B. Estate duty, tax and other indemnities

The Controlling Shareholders have entered into the Deed of Indemnity with and in favour of our Company (for itself and as trustee for each of its present subsidiaries) (being the contract referred to in paragraph (e) of the subsection headed “Summary of material contracts” in this Appendix) to provide indemnities on a joint and several basis in respect of, among other matters, Hong Kong estate duty which might be payable by any member of our Group, by reason of any transfer of property (within the meaning of Section 35 of the Estate Duty Ordinance, Chapter 111 of the Laws of Hong Kong, as amended by the Revenue (Abolition of Estate Duty) Ordinance) to any member of our Group on or before the date on which dealings in Shares first commence on the Stock Exchange (the “Effective Date”).

The Deed of Indemnity also contains, amongst other things, indemnities given by the Controlling Shareholders in respect of taxation resulting from income, profits, gains, transactions, events, matters or things earned, accrued, received entered into or occurring on or before the Effective Date which might be payable by any member of our Group.

C. Litigation

As of the Latest Practicable Date, no member of our Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is pending or threatened by or against any member of our Group.

D. Sponsor

The Sponsor has made an application on behalf of our Company to the Listing Committee of the Stock Exchange for a listing of, and permission to deal in, all the Shares in issue and to be issued as mentioned in this prospectus (including any Shares which may fall to be issued pursuant to the exercise of the Over-allotment Option and options which may be granted under the Share Option Scheme).

E. Preliminary expenses

The preliminary expenses of our Company are estimated to be approximately US\$10,000 and are payable by our Company.

F. Promoter

There are no promoters of our Company.

G. Taxation of holders of Shares

(a) Hong Kong

The sale, purchase and transfer of Shares registered with our Company's Hong Kong branch register of members will be subject to Hong Kong stamp duty, the current rate charged on each of the purchaser and seller is 0.1% of the consideration of, if higher, of the fair value of the Shares being sold or transferred. Profits from dealings in the Shares arising in or derived from Hong Kong may also be subject to Hong Kong profits tax. The Revenue (Abolition of Estate Duty) Ordinance 2005 came into effect on 11 February 2006 in Hong Kong. No Hong Kong estate duty is payable and no estate duty clearance papers are needed for a grant of representation in respect of holders of Shares whose death occurs on or after 11 February 2006.

(b) Cayman Islands

Under present Cayman Islands law, there is no stamp duty payable in the Cayman Islands on transfers of Shares. There is no estate duty payable in Cayman Islands.

(c) Consultation with professional advisers

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

H. Qualification of experts

The following are qualifications of experts who have given opinion or advice which are contained in this prospectus:

Name	Qualifications
China Everbright Capital Limited	Licensed corporation under the SFO to engage in type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) activities
Ernst & Young	Certified Public Accountants
King & Wood	PRC lawyers
Conyers Dill & Pearman	Cayman Islands attorneys-at-law
CB Richard Ellis Limited	Property valuers

I. Consents of experts

Each of China Everbright Capital Limited, Ernst & Young, King & Wood, Conyers Dill & Pearman and CB Richard Ellis Limited has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion of its report and/or letter and/or valuation certificate and/or opinion and/or the references to its name included herein in the form and context in which it is respectively included.

J. Bilingual prospectus

The English language and the Chinese language versions of this prospectus are being published separately, in reliance upon the exemption provided by section 4 of the Hong Kong Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

K. Binding effect

This prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of Sections 44A and 44B of the Companies Ordinance so far as applicable.

L. Miscellaneous

- (a) Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus:
 - (i) no share or loan capital of our Company or any of its subsidiaries has been issued or agreed to be issued or is proposed to be fully or partly paid either for cash or a consideration other than cash;
 - (ii) no share or loan capital of our Company or any of its subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
 - (iii) no outstanding convertible debt securities or debentures;
 - (iv) no commissions, discounts, brokerages or other special terms have been granted or agreed to be granted in connection with the issue or sale of any share or loan capital of our Company or any of its subsidiaries;
 - (v) no founders, management or deferred shares of our Company or, any of its subsidiaries have been issued or agreed to be issued;
 - (vi) no commission has been paid or is payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any share in our Company or any of its subsidiaries;
- (b) save as disclosed in this prospectus, there are no founder, management or deferred shares nor any debentures in our Company or any of its subsidiaries;
- (c) none of the persons named in “Other information – Consents of experts” in this Appendix is interested beneficially or otherwise in any shares of any member of our Group or has any right or option (whether legally enforceable or not) to subscribe for or nominate persons to subscribe for any securities in any member of our Group;
- (d) our Directors confirm that there has been no material adverse change in the financial or trading position or prospects of our Group since 31 December 2010 (being the date to which the latest audited consolidated financial statements of our Group were made up);
- (e) there has not been any interruption in the business of our Group which may have or has had a significant effect on the financial position of our Group in the 12 months preceding the date of this prospectus;
- (f) the principal register of members of our Company will be maintained in the Cayman Islands by Codan Trust Company (Cayman) Limited and a branch register of members of our Company will be maintained in Hong Kong by

Tricor Investor Services Limited. Unless our Directors otherwise agree, all transfer and other documents of title of Shares must be lodged for registration with and registered by our Company's share register in Hong Kong and may not be lodged in the Cayman Islands. All necessary arrangements have been made to enable Shares to be admitted to CCASS;

- (g) no company within our Group is presently listed on any stock exchange or traded on any trading system;
- (h) there is no arrangement under which future dividends are waived or agreed to be waived;
- (i) all necessary arrangement have been made to enable our Shares to be admitted into CCASS for clearing and settlement.