This summary aims to give you an overview of the information contained in this prospectus. As this is a summary, it does not contain all of the information which may be important to you. You should read this prospectus in its entirety before you decide to invest in the Shares.

There are risks associated with any investment. Some of the particular risks in investing in the Shares are summarised in the section headed "Risk factors" in this prospectus. You should read that section carefully before you decide to invest in the Shares.

OVERVIEW

We are a stainless steel products manufacturer principally engaged in the development and manufacture of stainless steel watch bracelets, costume jewellery and accessories for our customers on OEM basis. Based on the Synovate Report, our market share of the global stainless steel watch bracelet market for brands of watches which have an average retail price of HK$10,000 or above was about 9.6% in 2010. Our customers are mainly intermediary agents of internationally renowned brands, as well as some brand owners with headquarters mainly based in Europe (such as Switzerland and Italy).

The manufacture and sale of stainless steel watch bracelets had been our business focus during the Track Record Period. The manufacture and sale of stainless steel watch bracelets contributed more than 70% of our total turnover during the Track Record Period. During the Track Record Period, we manufactured about 1.0 million, 0.6 million and 1.2 million watch bracelets for each of the years ended 31 December 2008, 2009 and 2010, respectively.

Our core management team possesses more than 20 years of experience and technical knowledge in handling stainless steel materials and product design. Since 2004, we expanded our product portfolio to include costume jewellery such as earrings, rings, pendants, necklaces, bracelets and cufflinks. By 2007, our product portfolio had expanded to cover accessories such as bag accessories and by 2009, leather belt buckles.

In order to leverage on our experience in the industry to capture the growing market demand for stainless steel products and manufacturing capacities, and to broaden our products portfolio, in June 2011, we also commenced trial production of stainless steel mobile phone cases. We plan to commence the commercial production of our stainless steel mobile phone cases at our Dongfengcun Factory in the third quarter of 2011.

As at the Latest Practicable Date, we had entered into a master agreement with one mobile phone manufacturer for the manufacture of stainless steel mobile phone cases. However, we have only received sales order for trial production and we had not yet generated any turnover from our stainless steel mobile phone cases business up to the Latest Practicable Date.

Our sales and customers

During the Track Record Period, our customers were mainly intermediary agents of brand owners. The table below sets forth an analysis of our sales by customer type during the Track Record Period:

	For the year ended 31 December		
	2008	2009	2010
	Percentage of total turnover	Percentage of total turnover	Percentage of total turnover
Intermediary agents	84.7%	77.3%	75.7%
Brand owners	15.3%	22.7%	24.3%
Total	100.0%	100.0%	100.0%

Set out below is an analysis of our sales by product category during the Track Record Period:

	For the year ended 31 December					
	2008		2009		2010	
	Turnover	Percentage of total turnover	Turnover	Percentage of total turnover	Turnover	Percentage of total turnover
	HK$'million		HK$'million		HK$'million	
Watch bracelet	242.4	74.7%	180.8	70.4%	308.0	77.3%
Costume jewellery	76.8	23.6%	67.5	26.3%	69.5	17.4%
Accessories	5.4	1.7%	8.6	3.3%	21.1	5.3%
Total	324.6	100.0%	256.9	100.0%	398.6	100.0%

In each of 2008, 2009 and 2010, a significant portion of our turnover was derived from sales to customers located in Switzerland. The following table sets forth, for the periods indicated, the percentage breakdown of our turnover categorised by geographical locations of our customers.

	For the year ended 31 December					
	2008		2009		2010	
	Turnover	Percentage of turnover	Turnover	Percentage of turnover	Turnover	Percentage of turnover
	HK$'million		HK$'million		HK$'million	
Switzerland	255.0	78.6%	216.0	84.1%	284.6	71.4%
Hong Kong	56.6	17.4%	30.7	11.9%	69.8	17.5%
Other European and Asian countries	13.0	4.0%	10.2	4.0%	44.2	11.1%
Total	324.6	100.0%	256.9	100.0%	398.6	100.0%

We have long business relationship with our intermediary agent customers and our direct brand owner customers, some of which for over 10 years. During each of the years ended 31 December 2008, 2009 and 2010, sales to our top five customers accounted for about 95.7%, 91.7% and 86.6% of our total turnover, respectively. Two of these customers, namely Winox S.A. and UVW Limited, both being Independent Third Parties, have been our customers since our establishment in 1999. The table below sets forth the brief information of our top five customers during the Track Record Period:

Our top five customers	Percentage of turnover	Principal products sourced by the customer	Number of brands for which our Group is authorised to produce products	Base country of the brands
For the year ended 31 December 2010				
1. Winox S.A. (intermediary agent) . . .	54.9%	Watch bracelets	Five	Switzerland
2. UVW Limited (intermediary agent) . .	12.7%	Watch bracelets	Seven	Switzerland
3. Customer A (brand owner)	10.4%	Costume jewellery	Two	Switzerland
4. Customer B (brand owner)	4.5%	Watch bracelets	One	Switzerland
5. Maillor S.A. (intermediary agent) . . .	4.1%	Watch bracelets	Five	Switzerland
For the year ended 31 December 2009				
1. Winox S.A. (intermediary agent) . . .	58.0%	Watch bracelets	Five	Switzerland
2. Customer A (brand owner)	14.5%	Costume jewellery	Two	Switzerland
3. UVW Limited (intermediary agent) . .	9.7%	Watch bracelets	Seven	Switzerland
4. Customer C (brand owner)	7.2%	Costume jewellery	Five	Italy
5. Customer D (brand owner)	2.3%	Accessories	One	Italy
For the year ended 31 December 2008				
1. Winox S.A. (intermediary agent) . . .	59.6%	Watch bracelets	Five	Switzerland
2. UVW Limited (intermediary agent) .	16.0%	Watch bracelets	Seven	Switzerland
3. Customer A (brand owner)	11.4%	Costume jewellery	Two	Switzerland
4. Customer C (brand owner)	7.0%	Costume jewellery	Five	Italy
5. Customer E (brand owner)	1.7%	Costume jewellery	One	Italy

Our suppliers

Our major suppliers include production materials suppliers as well as component parts suppliers. Set out below is an analysis of our purchase from our top suppliers during the Track Record Period:

	For the year ended 31 December					
	2008		2009		2010	
	Purchase	Percentage of purchase	Purchase	Percentage of purchase	Purchase	Percentage of purchase
	HK$'million		HK$'million		HK$'million	
Largest supplier	22.1	28.5%	6.7	9.1%	22.2	23.4%
Second to fifth largest suppliers, in aggregate	22.2	28.5%	13.6	18.4%	16.4	17.4%
Other suppliers	33.4	43.0%	53.7	72.5%	56.1	59.2%
	77.7	100.0%	74.0	100.0%	94.7	100.0%

Winox S.A., an Independent Third Party which was our largest customer during the Track Record Period, was also our largest and second largest supplier during each of the years ended 31 December 2008 and 2009, respectively, supplying component parts such as screws and pins to us for production of the products ordered by it. Winox S.A. has subsequently revised the sales terms with us so that the component parts required for the production of products ordered by Winox S.A. have been supplied by Winox S.A. to us without charges, with a corresponding downward adjustment in the price of the products ordered by Winox S.A.. Winox S.A. ceased to be one of our top five suppliers in the year ended 31 December 2010. Please refer to the section headed "Business – Supply chain management" of this prospectus for details.

Our business history

The word "Winox" is derived from "inox", meaning "stainless steel" in French and "stainless" in Italian. Our Group and Winox S.A., our Group's largest customer during the Track Record Period and an Independent Third Party, have been using the same business name of "Winox" because so far as our Directors are aware of, both the assets and equipment for manufacture of stainless steel watch bracelets acquired by us in 1999 when our Group was founded and the trading of stainless steel watch bracelet business currently conducted by Winox S.A. originally belonged to the same group of companies, being Independent Third Parties, which carried "Winox" as their business name. In 1999, Mr. Yiu founded our Group after acquiring the said assets and equipment for manufacturing business and continued to adopt "Winox" as our business name. Our Directors understand that our customer, Winox S.A., continued to carry on the said trading business under the same business name.

For further details relating to our Group's business and corporate development, please refer to the section headed "History and development" of this prospectus.

Our manufacturing facilities

As at the Latest Practicable Date, we operated two production facilities in the PRC, namely the Dalang Factory and the Dongfengcun Factory. Our Dalang Factory is located in Dalang Town, Dongguan, Guangdong Province, the PRC, with an aggregate site area of about 59,009 sq.m. and 15 buildings erected thereon, comprising factory buildings, warehouse, staff quarters, training centre and other ancillary buildings with an aggregate gross floor area of about 46,380 sq.m. Our Dalang Factory is principally responsible for the development and manufacture of stainless steel watch bracelets, costume jewellery and accessories, with a workforce of more than 3,000 employees as at 31 December 2010. As at 31 December 2010, our Dalang Factory had an annual production capacity of about 2.4 million watch bracelets, or about 9.8 million necklaces, or about 20.3 million bag accessories, with our production lines adjustable to accommodate the production of different products depending on our production needs. We estimate that the utilisation rate of our Dalang Factory for the year ended 31 December 2008, 2009 and 2010 amounted to about 89.8%, 67.4% and 88.9%, respectively. Please refer to the section headed "Business – Manufacturing facilities and machinery" in this prospectus for the basis of the calculations of our production capacity.

Our Dongfengcun Factory is located in Dongfengcun, Boluo County, Huizhou, Guangdong Province, the PRC with an aggregate site area of about 6,666 sq.m. and four buildings erected thereon, comprising one factory building, two ancillary buildings and one electricity room with an aggregate gross floor area of about 3,730 sq.m. As at the Latest Practicable Date, our Dongfengcun Factory had a workforce of about 90 employees, with a planned annual production capacity of about 948,000 stainless steel mobile phone cases. Please refer to the section headed "Business – Manufacturing facilities and machinery" in this prospectus for the basis of the calculation of our production capacity. Our Dongfengcun Factory has been leased by us since May 2011 for temporary production use pending completion of the planned development of our own production facilities at Huzhen, Huizhou, Guangdong Province, the PRC, further details of which are set out in the section headed " Business – Business strategies – Expansion of production capacity" in this prospectus.

Our business

We develop and manufacture products for our customers based on their production orders and have not entered into any long-term supply agreements or any agreements for committed sales volume with them. With our production and development capabilities, refined manufacturing techniques, commitment to product quality and quality management system, we have been able to maintain and develop our relationship with our customers and cater to our customers' needs with reliable quality standard, flexibility in design and manufacturing process, competitive pricing and on-time delivery.

During the Track Record Period, we have maintained CAGRs of about 10.8% and 21.6% in respect of our turnover and net profit respectively, and our Group achieved gross profit margins of about 37.6%, 38.8% and 42.8% for each of the three years ended 31 December 2010, respectively. Our Directors consider that such growth in turnover (which exceeds the industry average) and net profit and the relatively high gross profit margins achieved by us during the Track Record Period were attributable to our continued success in maintaining our product quality at reasonable costs and satisfying our customers' requirements. It also demonstrates our success in capturing the business opportunities with our extensive experience and strong market position in the stainless steel watch bracelet manufacturing industry for internationally renowned brands, and our dedication to product quality, new production techniques and processes development.

COMPETITIVE STRENGTHS

We attribute our success to the following key competitive strengths:

- Long term business relationships with our customers and our ability to develop new customers
- Ability to offer comprehensive product development and manufacturing solutions
- Refined quality management system and high quality products
- Refined manufacturing techniques and processes in handling stainless steel products
- Experienced management team with a proven track record

BUSINESS STRATEGIES

With our proven track record, our Directors believe that our Group is well-positioned to further develop our business as an OEM manufacturer specialising in the manufacture of stainless steel products, in particular stainless steel watch bracelets, costume jewellery and accessories, for our customers based on their design and specifications and to capture new business opportunities. We aim to continue to establish our market presence in the industry and expand our product category to capture growth in the market. To achieve this, we plan to leverage our competitive strengths and implement our business strategies as follows:

- Strengthen and expand our customer base
- Broaden our products portfolio
- Expansion of production capacity
- Stringent quality control to maintain product quality
- Focus on staff welfare and labour relations

EXPANSION PLAN

Our Directors believe that stainless steel is becoming more common as a base material for accessories such as leather belt buckles and mobile phone cases. According to the Synovate Report, it is expected that the global demand for usage of stainless steel in costume jewellery, accessories and mobile phone cases will increase at a faster pace than that for watch bracelets in the near future. We consider that this trend represents an opportunity for us to capture market demand and business growth, broaden our product portfolio and diversify our income source.

We consider that our Group's existing production capacity may not be sufficient to cater for our Group's expansion needs as a result of business growth and planned expansion of our Group's products portfolio as part of our business strategies. To ensure that our Group is in a position to capture market demand and business growth as outlined under the sections headed "Industry overview – Growth and application of stainless steel in the global luxury products market" and "Industry overview – Application of stainless steel in mobile phone cases", as well as the section headed "Business – Business strategies" of this prospectus, we consider it necessary to expand our Group's production capacity.

The following table sets forth, among others, the details of our expansion plans, estimated investments up to 30 April 2011 and sources of funding:

Details of expansion plan	Status of expansion	Date of expected commencement of production	Total investment up to 30 April 2011	Expected time of completion of payment	Estimated investment and sources of funding
To acquire equipment and machinery for the Dongfengcun Factory	Currently under trial run of the production lines for stainless steel mobile phone cases at Dongfengcun Factory	Currently expect to commence commercial production of stainless steel mobile phone cases in the third quarter of 2011	About RMB8.9 million (equivalent to about HK$10.5 million) for acquisition of equipment and machinery	October 2011	HK$137 million, to be financed mostly by the net proceeds from the Share Offer

Details of expansion plan	Status of expansion	Date of expected commencement of production	Total investment up to 30 April 2011	Expected time of completion of payment	Estimated investment and sources of funding
To establish the Huzhen Factory for manufacturing stainless steel costume jewellery, accessories, and mobile phone cases, to be completed by stages	We have obtained the operating rights of land in respect of five parcels of land in the Huzhen Site. Subject to the permitted land uses of the Huzhen Site being converted from agricultural land uses to industrial land uses and the local government having expropriated the land for public auction, we can undergo the public auction procedures	Currently expect to complete the initial stage of construction of production facilities for the production of initially stainless steel costume jewellery, accessories and mobile phone cases by end of 2012	About RMB17.7 million (equivalent to about HK$20.8 million), comprising (i) about RMB15.9 million (equivalent to about HK$18.7 million) for the part payment of the costs for obtaining operating rights of land for the Huzhen Site and (ii) construction costs amounting to about RMB1.8 million (equivalent to about HK$2.1 million)	Land auction expected to be conducted by end of 2011 or early 2012, other costs such as machinery costs and construction costs to follow upon successful bidding of the land by our Group	Initial phase of the Huzhen Factory will involve total capital expenditure of about HK$180 million involving the following: (1) machinery costs of about HK$83 million, (2) land costs of about HK$48 million, and (3) construction costs of about HK$49 million, to be financed by the net proceeds from the Share Offer, our Group's internal resources, funds generated from our business operations and/or bank borrowings

For further details, please refer to the sections headed "Business – Business strategies – Expansion of production capacity" and "Future plans and use of proceeds from the Share Offer" of this prospectus for further details in relation to our Group's expansion plan.

RISK FACTORS

Our Directors believe that there are certain risks involved in our Group's business and operations and in connection with the Share Offer. Such risks can be categorised into (i) risks relating to our Group; (ii) risks relating to the industry; and (iii) risks relating to conducting business in the PRC; and (iv) risks relating to the Share Offer. These risks are set out in the section headed "Risks factors" in this prospectus.

SUMMARY FINANCIAL INFORMATION

Information about our Group's combined statements of comprehensive income

The following table is a summary of the combined results of our Group for each of the three years ended 31 December 2010 prepared on the basis that the current structure of our Group was in existence throughout the Track Record Period or since the respective dates of incorporation/establishment of the relevant member of our Group, where this is a shorter period. Our Group's combined results have been prepared in accordance with the HKFRS. The summary should be read in conjunction with the accountants' report set out in Appendix I to this prospectus.

	Year ended 31 December		
	2008	**2009**	**2010**
	HK$'000	**HK$'000**	**HK$'000**
Turnover	324,598	256,928	398,606
Cost of goods sold	(202,692)	(157,356)	(227,936)
Gross profit	121,906	99,572	170,670
Other income	1,118	1,275	4,055
Other losses	(8,464)	(1,756)	(1,254)
Selling and distribution costs	(17,995)	(12,588)	(20,075)
Administrative expenses	(23,346)	(25,058)	(35,010)
Listing expenses	–	–	(5,240)
Finance costs	(551)	(2,981)	(4,900)
Profit before taxation	72,668	58,464	108,246
Taxation	(11,169)	(6,296)	(17,267)
Profit for the year	61,499	52,168	90,979
Profit for the year attributable to:			
Owners of our Company	59,553	52,168	90,979
Non-controlling interests	1,946	–	–
	61,499	52,168	90,979

Our turnover for each of the three years ended 31 December 2008, 2009 and 2010 amounted to about HK$324.6 million, HK$256.9 million and HK$398.6 million, respectively. Turnover decreased by about 20.8% from about HK$324.6 million to about HK$256.9 million due to the decreased sales volume in the year 2009 primarily resulting from the worldwide decline in demand for luxury goods affected by the global financial crisis beginning from the fourth quarter of 2008 when the global market conditions were thereby adversely affected. Turnover had increased by about 55.1% from about HK$256.9

million for the year ended 31 December 2009 to about HK$398.6 million for the year ended 31 December 2010, primarily as a result of an increase in sales volume due to the increasing market demand following the global economic recovery after the global financial crisis in 2008 and 2009.

Our gross profit for the three years ended 31 December 2010 were about HK$121.9 million, HK$99.6 million and HK$170.7 million respectively. Our gross profit margin was about 37.6%, 38.8% and 42.8% respectively for each of the three years ended 31 December 2010. Our gross profit had declined with sales in the year 2009 when compared with 2008 as a result of the global financial crisis. Following the recovery in the post-financial crisis, the gross profit of our Group in the year ended 31 December 2010 had demonstrated a strong growth in pace with the strong economic recovery in the emerging market.

Despite that sales volume declined during the year 2009, we successfully passed on our increased labour costs and cost of production materials to our customers, we therefore successfully maintained the gross profit margin of our Group at about 38.8%, which is comparable to the 37.6% gross profit margin of the year 2008. By increasing the use of in-house production process, we reduced the use of subcontractors and thus significantly reduced the subcontracting charges incurred by us during the year 2010. Despite that there was an increase of about 22.8% in turnover in 2010 when compared to that of 2008, a decrease of about 55.8% in subcontracting charges from about HK$31.9 million in 2008 to about HK$14.1 million in 2010 was observed. Together with the strong recovery in the global demand for luxury goods after the financial crisis, the continuing improvement in our production efficiency and economies of scale which enabled us to reduce our production costs, our gross profit margin of the year 2010 had increased from about 38.8% in 2009 to about 42.8% in 2010.

Our net profit for the three years ended 31 December 2010 were about HK$61.5 million, HK$52.2 million and HK$91.0 million respectively. Our net profit margin was about 18.9%, 20.3% and 22.8% respective for each of the three years ended 31 December 2010. The fluctuation of our net profit is about the same as that of our gross profit during the Track Record Period. Our net profit margin also demonstrated similar movement as that of the gross profit margin during the Track Record Period.

For further information about our results of operations during the Track Record Period, please refer to the section headed "Financial information" of this prospectus.

Information about our Group's condensed combined statements of financial position

	At 31 December		
	2008	2009	2010
	HK$'000	HK$'000	HK$'000
Non-current assets	71,436	71,666	133,362
Current assets	142,029	134,511	200,572
Current liabilities	160,364	136,075	197,974
Net current (liabilities) assets	(18,335)	(1,564)	2,598
Total assets less current liabilities	53,101	70,102	135,960
Non-current liabilities	5,608	56	–
Net assets	47,493	70,046	135,960

During the Track Record Period, our net current assets value position as at the three years ended 31 December 2010 had been improving gradually from a net current liabilities position of about HK$18.3 million as at 31 December 2008 to a net current assets position of about HK$2.6 million as at 31 December 2010. Our net current liabilities position as at 31 December 2008 and 2009 were mainly resulted from the utilisation of bank borrowings and advances from related parties and a Director for financing our expansion during the Track Record Period. As detailed in the section headed "Financial information – Indebtedness" of this prospectus, such bank borrowings was resulted from the increase in utilisation of our bank facilities to reduce our credit balances with, and hence reliance on, our related parties and Directors and as a result of increased investments in production facilities, purchase of inventories and working capital financing during the Track Record Period. Our Group had achieved a net current assets position as at 31 December 2010 as a result of the income stream generated from our business.

LEGAL AND REGULATORY MATTERS

We breached certain laws and regulations inadvertently during the Track Record Period of different nature, including failure to contribute fully the registered capital of one of our PRC subsidiary within the prescribed time, non-compliance with environmental regulations and export customs regulations by one of our PRC subsidiary, and failure to obtain building ownership certificates for some of our buildings in our Dalang Factory. As at the Latest Practicable Date, we had taken remedial actions to rectify the non-compliance incidents and preventive measures to prevent future occurrence of such non-compliance. For details of such non-compliance incidents, remedial actions and preventive measures taken and their status please refer to the sections headed "Business – Non-compliance and legal proceedings" and "Business – Internal control measures" in this prospectus.

KEY FINANCIAL RATIOS

Set out below is the summary of the key financial ratios of our Group during the Track Record Period:

	Year ended 31 December		
	2008	**2009**	**2010**
Gross profit margin	37.6%	38.8%	42.8%
Net profit margin	18.9%	20.3%	22.8%
Return on equity	96.3%	88.8%	88.3%
Inventories turnover days	49.8	83.2	52.9
Debtors' turnover days	55.2	52.0	59.8
Creditors' turnover days	59.1	36.0	31.5

	As at 31 December		
	2008	**2009**	**2010**
Current ratio	0.89	0.99	1.01
Gearing	0.17	0.34	0.42

For further information about the key financial ratios of our Group during the Track Record Period, please refer to the section headed "Financial information – Management discussion and analysis – Key financial ratios" of this prospectus.

PROFIT FORECAST FOR THE YEAR ENDING 31 DECEMBER 2011

Forecast consolidated profit attributable to owners of our Company for the year ending 31 December 2011*(Note 1)* .... not less than HK$110 million

Unaudited forecast earnings per Share on a pro forma basis for the year ending 31 December 2011*(Notes 2)* .... not less than HK$0.22

Notes:

(1) The basis and assumptions on which the forecast consolidated profit attributable to owners of our Company for the year ending 31 December 2011 have been prepared are summarised in Appendix III to this prospectus.

(2) The calculation of the unaudited pro forma forecast earnings per Share is based on the forecast consolidated profit attributable to owners of our Company for the year ending 31 December 2011, assuming that the Share Offer was completed on 1 January 2011 and a total of 500,000,000 Shares had been issued and outstanding during the entire year. This calculation assumes that no options are granted under the Share Option Scheme and no exercise of Over-allotment Option.

APPLICATION FOR THE OFFER SHARES

Subject to the events as described in the section headed "How to apply for the Public Offer Shares – Effect of bad weather on the opening of the application lists" in this prospectus, you may lodge your application for the Public Offer Shares by the various means as referred to in the section headed "How to apply for the Public Offer Shares" in this prospectus during the period from Wednesday, 30 June 2011 to Wednesday, 13 July 2011 covering 14 calendar days, which is longer than the normal market practice of about four days. The application monies (including the brokerages, SFC transaction levies and Stock Exchange trading fees) will be held by the receiving bank on behalf of our Company and the refund monies, if any, will be returned to the applicants without interests on Tuesday, 19 July 2011. Investors should be aware that the dealings in the Shares on the Stock Exchange are expected to commence on Wednesday, 20 July 2011.

OFFER STATISTICS

	Based on an Offer Price of HK$1.87 per Share	**Based on an Offer Price of HK$2.86 per Share**
Market capitalisation of the Shares *(note 1)*	HK$935 million	HK$1,430 million
Pro forma forecast price/earnings multiple *(note 2)*	8.5 times	13.0 times
Unaudited pro forma adjusted net tangible asset value per Share *(note 3)*	HK$0.68	HK$0.92

Notes:

(1) The calculation of the market capitalisation of the Shares is based on 500,000,000 Shares in issue immediately after completion of the Share Offer but does not take into account any Shares which may be issued upon the exercise of the Over-allotment Option or of any options which may be granted under the Share Option Scheme or any Shares which may be allotted and issued or repurchased by our Company pursuant to the issuing mandate and the repurchase mandate as set forth under the section headed "Further information about our Company and its subsidiaries – Written resolutions of the shareholders of our Company" in Appendix VI to this prospectus.

(2) The calculation of forecast price/earnings multiple on a pro forma fully diluted basis is based on the forecast consolidated profit attributable to owners of our Company for the year ending 31 December 2011, the indicative range of the Offer Price of HK$1.87 and HK$2.86 per Share, and on the basis that 500,000,000 Shares had been in issue throughout the year (assuming the Shares in issue at the date of this prospectus and those Shares to be issued pursuant to the Share Offer had been in issue on 1 January 2011 but without taking into account any Shares which may be issued upon the exercise of the Over-allotment Option or of any options which may be granted under the Share Option Scheme or any Shares which may be allotted and issued or repurchased by our Company pursuant to the issuing mandate and repurchase mandate as set forth under the section headed "Further information about our Company and its subsidiaries – Written resolutions of the shareholders of our Company" in Appendix VI to this prospectus).

(3) The unaudited pro forma adjusted net tangible asset value of our Group per Share has been arrived at after the adjustments referred to in the section headed "Financial information – Unaudited pro forma adjusted net tangible assets" in this prospectus and on the basis of 500,000,000 Shares in issue, the indicative range of the Offer Price of HK$1.87 and HK$2.86 per Share, immediately following completion of the Share Offer but without taking into account any Shares which may be issued upon the exercise of the Over-allotment Option or any options which may be granted under the Share Option Scheme or any Shares which may be allotted and issued or repurchased by our Company pursuant to the issuing mandate and the repurchase mandate as set forth under the section headed "Further information about our Company and its subsidiaries – Written resolutions of the shareholders of our Company" in Appendix VI to this prospectus.

DIVIDEND POLICY

Except for certain subsidiaries of our Company declared interim dividends totalling HK$34,800,000 in 2009, HK$29,320,000 in 2010 and HK$8,800,000 in 2011 to their then shareholders prior to the Reorganisation, no dividend has been declared by other companies comprising our Group during the Track Record Period or our Company since our incorporation.

Our historical dividend distributions in the past are not indicative of our future dividend policy. In general, the amount of future dividends, if any, that may be declared by our Company will depend on our Group's results, working capital requirement, cash position, capital requirements, the provisions of the relevant laws and other factors as may be considered relevant at such time by our Directors. The declaration, form, payment and the amount of dividends will be subject to the Board's discretion and the approval of our Shareholders from time to time.

USE OF PROCEEDS

Assuming that the Over-allotment Option is not exercised and an Offer Price of HK$2.37 per Share (being the mid-point of the estimated price range), our Directors estimate that the net proceeds to be received by our Company from the Share Offer will be about HK$261.1 million, after deducting the underwriting commissions and other estimated expenses in relation to the Share Offer. The Directors presently intend to use the net proceeds from the Share Offer as follows:

- as to 25% of the net proceeds from the Share Offer, or about HK$65.3 million, to finance the development of the Huzhen Factory (such as defraying the related construction and land costs), further details of which are set out in the sections headed "Business – Business strategies – Expansion of production capacity" and "Business – Properties – Leased properties and the operating rights of land" in this prospectus;

- as to 65% of the net proceeds from the Share Offer, or about HK$169.7 million, to acquire equipment and machinery for the Dongfengcun Factory and Huzhen Factory and for the expansion of the production capacity of our existing facilities, further details of which are set out in the section headed "Business – Business strategies – Expansion of production capacity" in this prospectus; and

- the remaining net proceeds from the Share Offer, or about HK$26.1 million, to be applied as general working capital and other general corporate purposes of our Group.

In the event that the Over-allotment Option is exercised, the additional net proceeds of the Share Offer of about HK$43.1 million (assuming that the Offer Price is determined at the mid-point of the stated offer price range) will be applied by our Company to the above purposes in the same proportions as set out above.

If the Offer Price is fixed above or below HK$2.37 per Share (being the mid-point of the estimated price range), our Directors presently intend to adjust the allocation of the net proceeds of the Share Offer to the above purposes in the same proportions as set out above.

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