
DEFINITIONS

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

“1st Former Foreign Party”	永好貿易公司 (Wing Ho Trading Co.*), the first former foreign party to the Processing Agreements, who transferred its obligations and rights under the Master Processing Agreement to the 2nd Former Foreign Party pursuant to the 1st Supplemental Processing Agreement and is an Independent Third Party
“1st Supplemental Processing Agreement”	the supplemental agreement to the Master Processing Agreement dated 16 April 1990 entered into amongst, the 2nd Former Foreign Party, the Processing Factory and the Former PRC Processing Party pursuant to which, among other things, the 1st Former Foreign Party was changed to the 2nd Former Foreign Party together with a change of authorised representative
“2nd Former Foreign Party” or “Yick Sang”	香港益生實業織造廠 (Hong Kong Yick Sang Industrial Knitting Factory*), the second former foreign party to the Master Processing Agreement (as amended by the 1st Supplemental Processing Agreement), who transferred its obligations and rights under the Master Processing Agreement (as amended by the 1st and 2nd Supplemental Processing Agreements) to Nice Regent pursuant to the 3rd Supplemental Processing Agreement and is an Independent Third Party
“2nd Supplemental Processing Agreement”	the supplemental agreement to the Master Processing Agreement (as amended by the 1st Supplemental Processing Agreements) dated 10 May 1991 entered into amongst the 2nd Former Foreign Party, the Processing Factory and the Former PRC Processing Party pursuant to which the Master Processing Agreement (as amended by the 1st Supplemental Processing Agreement) was agreed to be extended for an additional five years to 30 October 1996
“3rd Supplemental Processing Agreement”	the supplemental agreement to the Master Processing Agreement (as amended by the 1st and 2nd Supplemental Processing Agreements) dated 21 April 1995 entered into amongst the Processing Factory, Nice Regent and the Former PRC Processing Party pursuant to which, among other things, the Processing Factory changed its name from Yangpo Yonghao to its current name and the rights and obligations of Yick Sang were transferred to Nice Regent

DEFINITIONS

“4th Supplemental Processing Agreement”	the supplemental agreement to the Master Processing Agreement (as amended by the 1st , 2nd and 3rd Supplemental Processing Agreements) dated 5 May 1995 entered into amongst Nice Regent, the Former PRC Processing Party and the Processing Factory pursuant to which Nice Regent agreed to provide a series of production machinery for carrying out the production in the Processing Factory
“5th Supplemental Processing Agreement”	the supplemental agreement to the Master Processing Agreement (as amended by the 1st, 2nd, 3rd and 4th Supplemental Processing Agreements) dated 9 September 1996 entered into amongst Nice Regent, the Former PRC Processing Party, the Processing Factory and the PRC Processing Party pursuant to which, among other things, (i) the Former PRC Processing Party agreed to transfer its rights and obligations under the Master Processing Agreement (as amended by the 1st, 2nd, 3rd and 4th Supplemental Processing Agreements) to the PRC Processing Party; (ii) the Former PRC Processing Party shall become the business agent of the processing arrangement thereunder; and (iii) the Master Processing Agreement (as amended by the 1st, 2nd, 3rd and 4th Supplemental Processing Agreements) was agreed to be extended for an additional five years to 31 October 2001
“6th Supplemental Processing Agreement”	the supplemental agreement to the Master Processing Agreement (as amended by the 1st, 2nd, 3rd, 4th and 5th Supplemental Processing Agreements) dated 28 May 2001 entered into amongst Nice Regent, the Former PRC Processing Party, the Processing Factory and the PRC Processing Party pursuant to which the Master Processing Agreement (as amended by the 1st, 2nd, 3rd, 4th and 5th Supplemental Processing Agreements) was agreed to be extended for an additional five years to 31 October 2006
“7th Supplemental Processing Agreement”	the supplemental agreement to the Master Processing Agreement (as amended by the 1st, 2nd, 3rd, 4th, 5th and 6th Supplemental Processing Agreements) dated 20 September 2006 entered into amongst Nice Regent, the Former PRC Processing Party, the Processing Factory and the PRC Processing Party pursuant to which the Master Processing Agreement (as amended by the 1st, 2nd, 3rd, 4th, 5th and 6th Supplemental Processing Agreements) was agreed to be extended for additional two years to 31 October 2008

DEFINITIONS

“8th Supplemental Processing Agreement”	the supplemental agreement to the Master Processing Agreement (as amended by the 1st, 2nd, 3rd, 4th, 5th, 6th and 7th Supplemental Processing Agreements) dated 29 July 2008 entered into amongst Nice Regent, the Processing Factory, the PRC Processing Party and the Former PRC Processing Party pursuant to which the Master Processing Agreement (as amended by the 1st, 2nd, 3rd, 4th, 5th, 6th and 7th Supplemental Processing Agreements) was agreed to be extended for additional two years to 31 October 2011
“9th Supplemental Processing Agreement”	the supplemental agreement to the Master Processing Agreement (as amended by the 1st, 2nd, 3rd, 4th, 5th, 6th, 7th and 8th Supplemental Processing Agreements) dated 23 June 2011 entered into amongst Nice Regent, the Processing Factory, the PRC Processing Party and the Former PRC Processing Party pursuant to which the Master Processing Agreement (as amended by the 1st, 2nd, 3rd, 4th, 5th, 6th, 7th and 8th Supplemental Processing Agreements) was agreed to be extended for additional two years to 31 October 2013
“Application Form(s)”	collectively, WHITE Application Form(s) and YELLOW Application Form(s) or, where the context so requires, any of them, relating to the Public Offer
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Baishigang Village Committee”	東莞市常平鎮白石崗村村民委員會 (Dongguan Changping Baishigang Village Committee*)
“Bermuda Companies Act” or “Companies Act”	the Companies Act 1981 of Bermuda, as amended, supplemented or otherwise modified from time to time
“Board”	the board of Directors
“Business Day”	any day (other than a Saturday, Sunday and public holidays) in Hong Kong on which licensed banks in Hong Kong are open generally for normal banking business
“BVI”	the British Virgin Islands
“Bye-laws”	the bye-laws of the Company adopted on 11 October 2011 and as amended from time to time, a summary of which is set out in Appendix IV to this prospectus
“CAGR”	compound annual growth rate

DEFINITIONS

“Capitalisation Issue”	the issue of 302,000,000 Shares by way of the capitalisation of certain sums standing to the credit of the share premium account of the Company as referred to in the paragraph headed “Written resolutions of all the Shareholders passed on 11 October 2011” in Appendix V to this prospectus
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Clearing Participant”	a person admitted to participate in CCASS as a direct clearing participant or general clearing participant
“CCASS Custodian Participant”	a person admitted to participate in CCASS as a custodian participant
“CCASS Investor Participant”	a person admitted to participate in CCASS as an investor participant who may be an individual or joint individuals or a corporation
“CCASS Participant”	a CCASS Clearing Participant or a CCASS Custodian Participant or a CCASS Investor Participant
“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Company”	Fornton Group Limited, an exempted company incorporated under the laws of Bermuda on 13 April 2011 with limited liability and, except where the context otherwise requires, all of its consolidated subsidiaries
“Company Law”	《中華人民共和國公司法》(the Company Law of the PRC*), as adopted by the Fifth Session of Standing Committee of the Eighth National People’s Congress on 29 December 1993 and effective on 1 July 1994, as amended, supplemented or otherwise modified from time to time
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules and, in the context of the Company, means IAM, Ever Rosy, Premier Wise, Mr. Yam, Madam Wong and Mr. Wong
“Customs”	中國海關總署 (General Administration of Customs of the PRC*)

DEFINITIONS

“Dalang Xiangwei”	東莞大朗巷尾工業開發公司 (Dongguan Dalang Xiangwei Industrial Development Company*), the PRC legal entity established on 11 January 1993, which is wholly invested by 東莞市大朗鎮巷尾社區居民委員會 (Dongguan Dalang Xiangwei Residents Committee*) (formerly known as 東莞市大朗鎮巷尾村民委員會 (Dongguan Dalang Xiangwei Village Committee*) and 東莞市大朗鎮巷尾管理區 (Dongguan Dalang Xiangwei Administrative District*)
“Director(s)”	the director(s) of the Company
“Dongguan Customs”	中國東莞海關 (Dongguan Customs House*), established in 1 July 1988 under 中國黃埔海關 (Huangpu Customs District of PRC)
“Dongguan FETC”	東莞市對外經濟貿易委員會 (Dongguan Foreign Economic and Trade Committee*)
“Dongguan FEWC”	東莞市對外經濟工作委員會 (Dongguan Foreign Economic Working Committee*)
“EIT”	企業所得稅 (the PRC Enterprise Income Tax*)
“EIT Law”	《中華人民共和國企業所得稅法》(the PRC Enterprise Income Tax Law*) approved during the Fifth Session of the 10th National People’s Congress and became effective on 1 January 2008
“ERP System”	the enterprise resource planning system, being a comprehensive software designed to integrate business processes and functions by permitting the sharing of common data and practices in real-time environment
“EU”	the European Union
“Euro(s)”	the lawful currency of those member states of the EU that have adopted such currency
“Ever Rosy”	Ever Rosy Limited, a company incorporated under the laws of BVI on 26 November 2010 with limited liability, the entire issued share capital of which is held by Madam Wong
“FC Factory”	the production factory located at Changping Town, Dongguan City, Guangdong Province, the PRC leased by Fung Ching

DEFINITIONS

“FC Tenancy Agreements”	the tenancy agreements entered into amongst Fornton Holdings and the lessors of the FC Factory namely 卓天貿易有限公司 (Zhuo Tian Trading Ltd*), 周浩祥 (Mr. Zhou Hao Xiang) and Baishigang Village Committee on 17 November 2005, 1 December 2008 and 26 November 2010 respectively, pursuant to which the FC Factory were leased to Fung Ching at a monthly rental ranging from RMB57,600 to RMB78,000
“Former PRC Processing Party”	東莞市對外加工裝配服務公司 (Dongguan Foreign Processing Service Company*), an enterprise solely funded by the State established in the PRC and an Independent Third Party who undertook the manufacturing operations of the 1st Former Foreign Party and the 2nd Former Foreign Party, and became the business agent under the 5th Supplemental Processing Agreement since 9 September 1996
“Fornton Holdings”	Fornton Holdings Company Limited (formerly known as Landford Enterprises Limited), a company incorporated under the Companies Ordinance on 16 December 1993 with limited liability and an indirect wholly-owned subsidiary of the Company
“Fornton Knitting”	Fornton Knitting Company Limited (formerly known as Max Eagle Industrial Limited), a company incorporated under the Companies Ordinance on 1 February 1994 with limited liability and an indirect wholly-owned subsidiary of the Company
“Fung Ching”	東莞豐正針織有限公司 (Dongguan Fung Ching Knitting Company Limited*), a wholly foreign-owned enterprise established on 28 February 2006 under the laws of the PRC and an indirect wholly-owned subsidiary of the Company
“GDP”	gross domestic product
“Group”	the Company and its subsidiaries and, in respect of the period before the Company became the holding company of such subsidiaries, the entities which carried on the business of the present Group at the relevant time
“Headquarter Tenancy Agreement”	the tenancy agreement dated 30 March 2011 entered into between Fornton Knitting and Long Rise in respect of the leasing of the Group’s headquarter in Hong Kong located at Unit A, 32nd Floor, Legend Tower, No. 7 Shing Yip Street, Kwun Tong, Kowloon, Hong Kong
“He He”	東莞市清溪合和毛織廠 (Dongguan Qingxi He He Knitting Factory*), a company established on 10 August 2004 and the owner of the Spare Factory (He He)

DEFINITIONS

“HK\$” or “HK dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“HKFRSs”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HKSCC Nominees”	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Share Registrar”	Union Registrars Limited
“IAM”	Integrated Asset Management (Asia) Limited, a company incorporated under the laws of BVI on 15 February 1996 with limited liability, the entire issued share capital of which is held by Mr. Yam
“Independent Third Party(ies)”	party(ies), who is/are independent of the Company and connected persons of the Company
“Kingston”, “Public Offer Underwriter”, “Placing Underwriter”, “Bookrunner” or “Lead Manager”	Kingston Securities Limited, a licensed corporation for type 1 (dealing in securities) regulated activity under the SFO, being the underwriter for the Public Offer and the Placing
“Land”	a parcel of industrial land located at Yangwu Village, Dalang Town, Dongguan City, Guangdong Province, the PRC with site area of approximately 30,400.50 sq.m. as acquired by Fung Ching from the Vendor for a total cost of approximately HK\$13.9 million (including commission and other relevant expenses)
“Latest Practicable Date”	11 October 2011, being the latest practicable date for ascertaining certain information in this prospectus prior to its publication
“LCL”	《中華人民共和國勞動合同法》(the Labour Contract Law of the PRC*), adopted at the 28th Session of Standing Committee of the 10th National People’s Congress of the PRC on 29 June 2007 and effective on 1 January 2008

DEFINITIONS

“Letters of Intent (He He)”	collectively, (i) the letter of intent in respect of an agreement of lease dated 29 March 2011 entered into between Nice Regent and He He; and (ii) the letter of intent in respect of an agreement of lease also dated 29 March 2011 entered into between Fung Ching and He He, both in respect of the leasing of the Spare Factory (He He) and the production facilities therein by He He to Nice Regent and/or Fung Ching at a monthly rental of not more than RMB8.0 per sq.m. with an aggregate earnest money of approximately RMB220,050, half of which has been paid by Nice Regent and Fung Ching in equal shares
“Letters of Intent (Yu Xing)”	collectively, (i) the letter of intent in respect of an agreement of lease dated 9 March 2011 entered into between Nice Regent and Yu Xing; and (ii) the letter of intent in respect of an agreement of lease dated 28 March 2011 entered into between Fung Ching and Yu Xing, both in respect of the leasing of the Spare Factory (Yu Xing) and the production facilities by Yu Xing to Nice Regent and/or Fung Ching at a monthly rental of not more than RMB8.4 per sq.m. with an aggregate earnest money of approximately RMB162,968, half of which has been paid by Nice Regent and Fung Ching in equal shares
“Listing”	the listing of the Shares on the Main Board
“Listing Committee”	the listing sub-committee of the directors of the Stock Exchange
“Listing Date”	the date on which dealings in the Shares first commence on the Stock Exchange, expected to be on or around Friday, 28 October 2011
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)
“Long Rise”	Long Rise Investment Development Limited, a company incorporated under the Companies Ordinance on 6 August 2009 with limited liability and is held in equal shares by Madam Wong and her father, and thus a connected person of the Company
“Madam Wong”	Wong Kan Kan Kandy, an executive Director and the spouse of Mr. Yam and sister of Mr. Wong
“Main Board”	the main board of the Stock Exchange
“Master Processing Agreement”	an agreement entered into amongst the Former PRC Processing Party, the Processing Factory and the 1st Former Foreign Party on 26 October 1988 pursuant to which the Former PRC Processing Party agreed to, among other things, undertake the production of the products for the 1st Former Foreign Party

DEFINITIONS

“Memorandum” or “Memorandum of Association”	the memorandum of association of the Company as currently adopted
“Mr. Wong”	Wong Tat Wai, an executive Director and the brother of Madam Wong
“Mr. Yam”	Yam Tak Cheung, an executive Director and the spouse of Madam Wong
“Nice Regent”	Nice Regent Industries Limited, a company incorporated under the Companies Ordinance on 21 February 1995 with limited liability and an indirect wholly-owned subsidiary of the Company
“ODM”	original design manufacturer, a manufacturer who involves the production of and designs products for the customers
“OEM”	original equipment manufacturer, a manufacturer who involves the production of products for customers under the customers’ brand names
“Offer Price”	the offer price of HK\$0.5 per Offer Share (exclusive of brokerage, Stock Exchange trading fee and SFC transaction levy)
“Offer Shares”	the Placing Shares and the Public Offer Shares, in aggregate 104,000,000 new Shares, being offered under the Share Offer
“Optima Capital” or “Sponsor”	Optima Capital Limited, a licensed corporation under the SFO permitted to engage in type 1 (dealings in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities under the SFO
“PBOC”	中國人民銀行 (The People’s Bank of China*), the central bank of the PRC
“Placing”	the conditional placing of the Placing Shares by the Placing Underwriter on behalf of the Company at the Offer Price with professional, institutional and other investors interested in subscribing for the Placing Shares in Hong Kong as described in the section headed “Structure and Conditions of the Share Offer” in this prospectus
“Placing Shares”	the 93,600,000 new Shares initially being offered at the Offer Price for subscription under the Placing subject to re-allocation as described in the section headed “Structure and Conditions of the Share Offer” in this prospectus

DEFINITIONS

“PRC” or “China”	the People’s Republic of China which, except where the context otherwise requires and for purposes of this prospectus only, does not include Taiwan, Hong Kong and the Macau Special Administrative Region of the People’s Republic of China
“PRC GAAP”	the accounting rules and regulations in the PRC, currently consisting of the Accounting Standards for Business Enterprises and the Accounting Regulations for Financial Enterprises (2001)
“PRC Government”	the central government of the PRC including all political subdivisions (including provincial, municipal and other local or regional government entities) and organisations of such government or, as the context requires, any of them
“PRC Legal Advisers”	King & Wood PRC Lawyers, Chengdu Office, the legal advisers to the Company as to the PRC laws
“PRC Processing Party”	東莞市大朗外資引進公司 (Dongguan Da Lang Foreign Investment Company*), an enterprise established by 東莞市大朗鎮對外加工裝配有限公司 (Dongguan Dalang Foreign Processing Co. Ltd*) in the PRC and an Independent Third Party who undertakes the manufacturing operations of the Group pursuant to the Processing Agreements
“PRC Social Insurance Law”	《中華人民共和國社會保險法》(PRC Social Insurance Law*) adopted at the 17th Meeting of the 11th session of the Standing Committee of the National People’s Congress on 28 October 2010 and effective as of 1 July 2011
“Premier Wise”	Premier Wise Limited, a company incorporated under the laws of BVI on 26 November 2010 with limited liability, the entire issued share capital of which is held by Mr. Wong
“Principal Share Registrar”	Butterfield Fulcrum Group (Bermuda) Limited
“Processing Agreements”	collectively, the Master Processing Agreement and wherever applicable, the 1st, 2nd, 3rd, 4th, 5th, 6th, 7th, 8th and 9th Supplemental Processing Agreements

DEFINITIONS

“Processing Factory”	東莞大朗巷尾豐臨針織廠 (Dongguan Dalang Xiangwei Fornton Knitting Factory*), the processing factory (formerly known as 東莞市大朗洋陂永好毛織廠 (Dongguan Dalang Yangpo Yonghao Knitting Factory*) (the “Yangpo Yonghao”)) established on 31 October 1988, which undertakes the manufacturing process of the knitwear products of the Group pursuant to the Processing Agreements since 1996
“Processing Factory Tenancy Agreement 1996”	the tenancy agreement dated 30 March 1996 entered into between Nice Regent and 東莞市大朗鎮巷尾管理區 (Dongguan Dalang Xiangwei Administrative District* (now known as 東莞市大朗鎮巷尾社區居民委員會 (Dongguan Dalang Xiangwei Residents Committee*))), an Independent Third Party, pursuant to which, among other things, the production premises located in Keng Wei Tang, Dongguan City, Guangdong Province, the PRC with a gross floor area of approximately 3,140 sq.m. was leased to Nice Regent at an annual rental ranging from HK\$250,000 to HK\$360,000 for six years to 31 December 2001
“Processing Factory Tenancy Agreement 2000”	the tenancy agreement dated 28 November 2000 (as supplemented on 23 November 2004, 14 November 2007 and 1 January 2010) entered into between Nice Regent and 東莞市大朗鎮巷尾村民委員會 (Dongguan Dalang Xiangwei Village Committee*) (now known as 東莞市大朗鎮巷尾社區居民委員會 (Dalang Xiangwei Residents Committee*)), an Independent Third Party, pursuant to which production premises of an aggregate gross floor area of approximately 21,237.36 sq.m was leased to Nice Regent at a monthly rental of approximately RMB178,000
“Processing Factory Tenancy MOU 1999”	the legally binding memorandum of understanding dated 17 September 1999 entered into between Nice Regent and 東莞市大朗鎮巷尾村民委員會 (Dongguan Dalang Xiangwei Village Committee*) (now known as 東莞市大朗鎮巷尾社區居民委員會 (Dalang Xiangwei Residents Committee*)) pursuant to which (i) Dalang Xiangwei agreed to build a new production plant and other ancillary facilities with an aggregate floor area of approximately 140,000 sq.m. for Nice Regent; (ii) once the new production factory and other ancillary facilities were built, Dalang Xiangwei, as the lessor, shall lease the new production premises to Nice Regent at a monthly rental ranging from RMB7.8 to RMB8.8 per sq.m.; and (iii) Nice Regent shall pay Dalang Xiangwei an earnest money of RMB500,000 (of which RMB250,000 shall be settled within 10 days from the date of signing and the remaining half shall be settled once half of the construction work of the new production factory finished), which shall be used to offset the rental from the 19th month of leasing of the new production factory

DEFINITIONS

“Processing Fees”	the processing fees payable by the Group including rentals of the Processing Factory, direct and indirect labour costs, utilities costs and staff cost attributable to the production of the Group’s products pursuant to the Processing Agreements, the Processing Factory Tenancy Agreement 1996 and the Processing Factory Tenancy Agreement 2000 (as the case may be)
“Public Offer”	the offer of the Public Offer Shares for subscription by the public in Hong Kong for cash at the Offer Price, on and subject to the terms and conditions described in the section headed “Structure and conditions of the Share Offer” in this prospectus and the Application Forms
“Public Offer Shares”	10,400,000 new Shares initially being offered at the Offer Price for subscription in the Public Offer subject to re-allocation as described in the section headed “Structure and conditions of the Share Offer” in this prospectus
“Reorganisation”	the reorganisation of the businesses comprising the Group, as described in the section headed “History, Reorganisation and Group Structure” in this prospectus
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“SAFE”	國家外匯管理局 (the State Administration of Foreign Exchange* of the PRC)
“Securities and Futures Commission” or “SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of nominal value of HK\$0.01 each in the capital of the Company
“Share Offer”	collectively, the Public Offer and the Placing
“Share Option Scheme”	the share option scheme adopted by the Company pursuant to the written resolutions of all the Shareholders passed on 11 October 2011 that is conditional upon the Listing
“Shareholder(s)”	holder(s) of the Share(s)

DEFINITIONS

“SHINEWING”	SHINEWING (HK) CPA Limited
“Spare Factory (He He)”	the production premises of a gross floor area of approximately 13,753.1 sq.m. located at Qingxi Town, Dongguan City, Guangdong Province, the PRC and owned by He He
“Spare Factory (Yu Xing)”	the production premises of a gross floor area of approximately 9,700.5 sq.m. located at Qingxi Town, Dongguan City, Guangdong Province, the PRC and owned by Yu Xing
“sq.ft.”	square feet
“sq.m.”	square metres
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeover Code”	the Hong Kong Code on Takeovers and Mergers
“Tax Consultant”	SHINEWING Tax and Business Advisory Limited, an independent professional tax consultant engaged by the Company
“Track Record Period”	the three financial years of the Group ended 31 December 2010 and the four months ended 30 April 2011
“Underwriter”	together, the Placing Underwriter and the Public Offer Underwriter
“Underwriting Agreement”	the underwriting and placing agreement dated 17 October 2011 entered into amongst the Company, the executive Directors, the Controlling Shareholders, the Sponsor and the Underwriter relating to the Share Offer, details of which are set out in the paragraph headed “Underwriting arrangements and expenses” in the section headed “Underwriting” in this prospectus
“United Kingdom” or “U.K.”	the United Kingdom of Great Britain and Northern Ireland
“USA” or “U.S.”	the United States of America, including its territories and possessions
“US\$” or “U.S. dollars”	United States dollars, the lawful currency of USA
“U.S. Securities Act”	the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder
“Valuer”	Jones Lang LaSalle Limited
“VAT”	中國增值稅 (the PRC Value Added Tax*)

DEFINITIONS

“Vendor”	東莞美德家庭製品有限公司 (Dongguan Mei De Home Appliances Ltd*), being the previous owner of the Land, which entered into a sale and purchase agreement dated 6 August 2010 with Fung Ching pursuant to which Fung Ching agreed to purchase the land use rights of the Land at a total cost of approximately HK\$13.9 million
“WFOE”	wholly foreign-owned enterprise
“WHITE Application Form(s)”	the form(s) of application for Public Offer Shares for use by the public who require such Public Offer Shares to be issued in the applicant’s own name
“Wide Reach”	Wide Reach Limited, a company incorporated under the laws of BVI on 29 September 2010 and a wholly-owned subsidiary of the Company
“WIP(s)”	work-in-progress, the semi-products produced throughout the pre-laundering production process including but not limited to knitted garments, handstitched garments and washed garments
“WTO”	the World Trade Organisation
“YELLOW Application Form(s)”	the form(s) of application for the Public Offer Shares for use by the public who require such Public Offer Shares to be deposited directly into CCASS
“Yu Xing”	東莞市瑜興貿易有限公司 (Dongguan Yu Xing Trading Limited*), a company established in the PRC on 26 September 2001 and the owner of the Spare Factory (Yu Xing)
“%”	per cent.

* denotes an English translation of a Chinese name and is for identification purposes only. If there is any inconsistency between the Chinese name and the English translation, the Chinese version shall prevail.