

A. FURTHER INFORMATION ABOUT OUR GROUP**1. Incorporation**

Our Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on 11 March 2011. Our Company was registered as a non-Hong Kong company under Part XI of the Companies Ordinance on 18 May 2011 and our Company's principal place of business in Hong Kong is at Room 1205-06, Tower 1, Silvercord, 30 Canton Road, Tsimshatsui, Kowloon, Hong Kong. Dr. Au-Yeung has been appointed as the authorised representative of our Company for the acceptance of services of process and notices in Hong Kong.

As our Company was incorporated in the Cayman Islands, it operates subject to the relevant laws of the Cayman Islands and its constitution which comprises the memorandum of association and the articles of association. A summary of the relevant aspects of the Cayman Islands company law and certain provisions of Articles of Association is set out in Appendix IV to this prospectus.

2. Change in share capital of our Company

Our Company was incorporated with an authorised share capital of HK\$1,000,000,000 divided into 10,000,000,000 shares of HK\$0.1 each. The following sets out the changes in the share capital of our Company since the date of its incorporation:

- (a) On 11 March 2011, 1 Share was allotted, issued and credited as fully paid to our Company's initial subscriber, which was subsequently transferred to Dr. Au-Yeung on the same day;
- (b) On the same day, our Company allotted and issued, credited as fully paid, 50 Shares to Dr. Au-Yeung, 25 Shares to Ms. Au-Yeung Hung and 24 Shares to Ms. Au-Yeung Wai at par value. On 30 November 2011, Dr. Au-Yeung transferred 51 Shares to Sure Sino Investments, Ms. Au-Yeung Hung transferred 25 Shares to Market Event Holdings and Ms. Au-Yeung Wai transferred 24 Shares to Earlson Holdings respectively;
- (c) On 30 November 2011, our Company (i) allotted and issued 51, 25 and 24 Shares, all credited as fully paid, to Sure Sino Investments, Market Event Holdings and Earlson Holdings respectively pursuant to the First Share Swap Agreement; and (ii) allotted and issued 51, 25 and 24 Shares, all credited as fully paid, to Sure Sino Investments, Market Event Holdings and Earlson Holdings respectively pursuant to the Second Share Swap Agreement.

Immediately following completion of the Global Offering and the Capitalisation Issue and assuming that the Over-allotment Option is not exercised, the authorised share capital of our Company will be HK\$1,000,000,000 divided into 10,000,000,000 Shares, of which 1,000,000,000 Shares will be issued fully paid or credited as fully paid, and 9,000,000,000 Shares will remain unissued. Other than pursuant to the general mandate to issue Shares referred to in the paragraph headed “Written resolutions of our Shareholders passed on 6 January 2012” in this Appendix, our Directors do not have any present intention to issue any of the authorised but unissued share capital of our Company and, without prior approval of the shareholders in general meeting, no issue of Shares will be made which would effectively alter the control of our Company.

Saved as disclosed in this Appendix, there has been no alteration in the share capital of our Company since the date of our incorporation.

3. Change in share capital of our subsidiaries

Save as described above and in “History and Reorganisation” in this prospectus, there has been no other alteration in the share capital of the subsidiaries of our Company within the two years preceding the date of this prospectus.

4. Written resolutions of our Shareholders passed on 6 January 2012

Pursuant to written resolutions passed by all our Shareholders on 6 January 2012, the following resolutions, among other resolutions, were duly passed:

- (a) our Company conditionally approved and adopted the Articles of Association;
- (b) conditional on (i) the Listing Committee of the Stock Exchange 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 or the exercise of any options which may be granted under the Share Option Scheme); and (ii) 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 and the Over-allotment Option were approved and our Directors were authorised to allot and issue new Shares under the Global Offering and such number of Shares as may be allotted and issued upon the exercise of the Over-allotment Option;

- (ii) conditional on the share premium account of our Company having sufficient balance, or otherwise being credited as a result of the Global Offering, the Directors were authorised to capitalise HK\$74,999,970 standing to the credit of the share premium account of our Company by applying such sum in paying up in full at par 749,999,700 Shares for allotment and issue to the persons whose names appear on the register of members of our Company at the close of business on 6 January 2012 in proportion to their respective shareholdings (as nearly as possible without involving fractions) in our Company, and the Shares to be allotted and issued shall rank pari passu in all respects with the existing issued Shares; and
 - (iii) the rules of the Share Option Scheme were approved and adopted, and our Directors were authorised, at their absolute discretion, to (i) administer the Share Option Scheme, (ii) modify/amend the Share Option Scheme from time to time as requested by the Stock Exchange, (iii) grant options to subscribe for Shares under the Share Option Scheme, (iv) allot, issue and deal with the Shares issued pursuant to the Share Option Scheme, (v) make application at the appropriate time or times to the Stock Exchange for the listing of, and permission to deal in, any Shares or any part thereof that may hereafter from time to time be issued and allotted pursuant to the exercise of the options granted under the Share Option Scheme and (vi) take all such steps as they consider necessary or desirable to implement the Share Option Scheme.
- (c) a general unconditional mandate was given to our Directors to allot, issue and deal with (including the power to make an offer or agreement, or grant securities which would or might require Shares to be allotted and issued), otherwise than 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 pursuant to the grant of options under the Share Option Scheme or other similar arrangement or pursuant to a specific authority granted by our Shareholders in a general meeting, Shares with a total nominal value not exceeding (i) 20% of the aggregate nominal value of the share capital of our Company in issue immediately following completion of the Global Offering and the Capitalisation Issue but without taking into account of any Shares which may be issued and allotted upon exercise of the Over-allotment Options and the options which may be granted under the Share Option Scheme, and (ii) the aggregate nominal amount of the share capital of the Company which may be repurchased by the Company pursuant to the authority granted to the Directors as referred to in paragraph (d) below such mandate to remain in effect until (i) the conclusion of the next annual general meeting of our Company, (ii) 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 (iii) until revoked or varied by an ordinary resolution of our Shareholders in general meeting of our Company, whichever occurs first;

- (d) a general unconditional mandate was given to our Directors to exercise all powers of our Company to repurchase 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 such number of Shares as will represent up to 10% of the aggregate nominal value of the share capital of our Company in issue and to be issued immediately following completion of the Global Offering and the Capitalisation Issue but without taking into account of any Shares which may be issued and allotted upon exercise of the Over-allotment Options and the options which may be granted under the Share Option Scheme, such mandate to remain in effect until (i) the conclusion of the next annual general meeting of our Company, (ii) 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 (iii) until revoked or varied by an ordinary resolution of our Shareholders in general meeting of our Company, whichever occurs first; and
- (e) the general unconditional mandate mentioned in paragraph (c) above was extended by the addition to the aggregate nominal value of the share capital of our Company which may be allotted or agreed conditionally or unconditionally to be allotted by our Directors pursuant to such general mandate of an amount representing the aggregate nominal value of the share capital of our Company repurchased by our Company pursuant to the mandate to repurchase Shares referred to in paragraph (d) above.

5. Repurchase of our Shares

This section includes information relating to the repurchases of securities, including information required by the Stock Exchange to be included in this prospectus concerning such repurchase.

(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:

(i) Shareholders' approval

All proposed repurchases of Shares must be approved in advance by an ordinary resolution of the Shareholders in a general meeting, either by way of general mandate or by specific approval of a particular transaction.

Pursuant to the written resolutions passed on 6 January 2012 by all our Shareholders, a general unconditional mandate (the “Repurchase Mandate”) was granted to the Directors to exercise all powers of our Company to repurchase 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, such number of Shares with an aggregate nominal value not exceeding 10% of the aggregate nominal amount of the share capital of our Company in issue or to be issued immediately following completion of the Global Offering and the Capitalisation Issue (without taking into account of any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option and options that may be granted under the Share Option Scheme), 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 any applicable laws or the Articles to be held or when such mandate is revoked or varied by an ordinary resolution of the then Shareholders in general meeting, whichever is the earliest.

(ii) Source of funds

Any repurchases of Shares by us must be paid out of funds legally available for the purpose in accordance with the Articles, the Listing Rules and the Companies Law. We are not permitted to repurchase our Shares 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 our Shareholders for our Directors to have general authority from the Shareholders to enable our Company to repurchase Shares in the market. Such repurchases may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made where our Directors believe that such repurchases will benefit our Company and our Shareholders.

(c) Funding of repurchases

In repurchasing Shares, our Company may only apply funds legally available for such purpose in accordance with the Articles, the Listing Rules and the Companies Law. Any repurchase of Shares will be made out of the profits of our Company, the share premium account of our Company or out of a fresh issue of Shares made for the purpose of the purchases or, if authorised by the Articles and subject to the Companies Law, out of capital and, in the case of any premium payable on the purchase, out of either or both of the profits of our Company or the share premium account of our Company, or if authorised by the Articles and subject to the Companies Law, out of capital.

On the basis of our Company's current financial position as disclosed in this prospectus and taking into account its current working capital position, our Directors consider that, if the Repurchase Mandate is exercised in full, it might have a material adverse effect on the working capital or the gearing position of our Company as compared with the position disclosed in this prospectus. However, our 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 our Directors, as from time to time appropriate for our Company.

(d) General

None of our Directors nor, 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 and regulations of the Cayman Islands.

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

No connected person 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.

6. The Reorganisation

The companies comprising our Group underwent the Reorganisation in preparation for the listing of the Shares on the Stock Exchange. For information with regard to our Reorganisation, please refer to the section headed "History and Reorganisation" in this prospectus for details.

7. Further information about members of our Group

A summary of the corporate information of our subsidiaries in the PRC, Hong Kong and Macau is set out as follows:

A. PRC

1. *Beijing Snow Skin*

Date of establishment:	12 February 2010
Registered office:	F3-23, No. 18 Chongwenmenwai Avenue, Chongwen District, Beijing
Nature:	Limited liability company
Scope of business:	Provision of beauty services (excluding medical beauty services), fitness services and sales of cosmetic products
Legal representative:	Ms. Au-Yeung Wai
Registered capital:	RMB1 million
Shareholder:	Perfect Shape Consultancy
Term:	From 12 February 2010 to 11 February 2030

2. *Shanghai Perfect Shape Consultancy*

Date of establishment:	1 December 2010
Registered office:	Unit 121, Level 1, Nos. 3615, 3619 and 3623 Gonghexin Road, Shanghai
Nature:	Limited liability company
Scope of business:	Provision of business management consultation, slimming services (excluding provision of beauty services and slimming services by medical or drug measures), fitness services; and in respect of its branches, provision of beauty services and wholesale of cosmetic products
Legal representative:	Cheng Zhi Hua
Registered capital:	RMB1 million
Shareholder:	Perfect Shape Consultancy
Term:	From 1 December 2010 to 30 November 2030

3. *Shanghai Emma Consultancy*

Date of establishment: 1 December 2010

Registered office: Unit 120, Level 1, Nos. 3615, 3619 and 3623
Gonghexin Road, Shanghai

Nature: Limited liability company

Scope of business: Provision of business management
consultation, slimming services (excluding
provision of beauty services and slimming
services by medical or drug measures), fitness
services; and in respect of its branches,
provision of beauty services and wholesale of
cosmetic products

Legal representative: Ms. Wu Yuzhen (吳玉珍)

Registered capital: RMB1 million

Shareholder: Perfect Shape Consultancy

Term: From 1 December 2010 to 30 November 2030

4. *Guangzhou Shape Perfect*

Date of establishment: 26 November 2009

Registered office: Shop 11, Level 7, No. 68 Zhongshan Wu Road,
Yuxiu District, Guangzhou

Nature: Limited liability company

Scope of business: Provision of beauty services (excluding medical
beauty services) and sales of cosmetic
products

Legal representative: Ms. Au-Yeung Wai

Registered capital: RMB1 million

Shareholder: Perfect Shape Consultancy

Term: From 26 November 2009 to 26 November 2059

5. *Guangzhou Perfect Shape*

Date of establishment: 14 July 2009

Registered office: 9C1A, No. 33 Zhongshan San Road, Yuexiu District, Guangzhou

Nature: Limited liability company

Scope of business: Provision of beauty services (excluding medical beauty services) and sales of cosmetic products

Legal representative: Ms. Au-Yeung Wai

Registered capital: RMB1 million

Shareholder: Perfect Shape Consultancy

Term: From 14 July 2009 to 9 July 2059

6. *Guangzhou Emma Consultancy*

Date of establishment: 15 October 2010

Registered office: Unit 503, No. 19 Guangwei Yi Street, Yuexiu District, Guangzhou

Nature: Limited liability company

Scope of business: Provision of business management consultation, beauty and slimming consultation, fitness consultation, wholesale of cosmetic products, import and export of goods and technologies (other than those prohibited under relevant laws and administration procedures)

Legal representative: Ms. Li Yi Fan

Registered capital: RMB500,000

Shareholder: Perfect Shape Consultancy

Term: From 15 October 2010 to 14 October 2060

7. *Shenzhen Shape Perfect*

Date of establishment:	8 September 2009
Registered office:	No. 411, Coast Plaza, No. 33 Wenxin Wu Road, Nanshan District, Shenzhen
Nature:	Limited liability company
Scope of business:	Provision of beauty services (excluding medical beauty services) and sales of cosmetic products, beauty and hairdressing products and equipments
Legal representative:	Ms. Au-Yeung Wai
Registered capital:	RMB1 million
Shareholder:	Perfect Shape Consultancy
Term:	From 8 September 2009 to 8 September 2059

8. *Shanghai Mushi Consultancy*

Date of establishment:	1 December 2010
Registered office:	Unit 123, Level 1, Nos. 3615, 3619 and 3623 Gonghexin Road, Shanghai
Nature:	Limited liability company
Scope of business:	Provision of business management consultation, slimming services (excluding provision of beauty services and provision of slimming service by medical or drug measures), fitness services and in respect of its branches, the provision of beauty services and wholesale of cosmetic products
Legal representative:	Ms. Wu Yuzhen (吴玉珍)
Registered capital:	RMB1 million
Shareholder:	Perfect Shape Consultancy
Term:	From 1 December 2010 to 30 November 2030

9. Perfect Shape Consultancy

Date of establishment:	15 January 2009
Registered office:	608, International Trade Centre Building, Renmin South Road, Luohu District, Shenzhen
Nature:	Wholly foreign owned enterprise
Scope of business:	Provision of beauty and slimming consultation, fitness consultation, business management consultation, wholesale, import of cosmetic products and provision of relevant supporting services (other than those prohibited under relevant laws and administrative procedures); and in respect of its branches, provision of beauty services (excluding medical beauty services)
Legal representative:	Ms. Au-Yeung Wai
Registered capital:	RMB1 million
Investment Amount:	RMB1 million
Shareholder:	Perfect Shape Investment Shanghai
Term:	From 15 January 2009 to 15 January 2039

*B. Hong Kong**1. Dr. Face*

Date of incorporation:	8 November 2007
Registered office:	Unit 1205–06, 12/F., Tower 1, Silvercord, 30 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong
Nature:	Limited liability company
Principal business activities:	Provision of medical beauty services in Hong Kong
Authorised share capital:	HK\$10,000
Issued share capital:	HK\$10,000
Shareholder:	Perfect Shape Holdings HK

2. *Perfect Shape Advertising*

Date of incorporation:	29 June 2007
Registered office:	Unit 1205–06, 12/F., Tower 1, Silvercord, 30 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong
Nature:	Limited liability company
Principal business activities:	Provision of advertising services to the Group
Authorised share capital:	HK\$10,000
Issued share capital:	HK\$10,000
Shareholder:	the Company

3. *Perfect Shape & Skin Management*

Date of incorporation:	19 September 2006
Registered office:	Unit 1205–06, 12/F., Tower 1, Silvercord, 30 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong
Nature:	Limited liability company
Principal business activities:	Holding trademarks for the Group
Authorised share capital:	HK\$10,000
Issued share capital:	HK\$10,000
Shareholder:	the Company

4. *Perfect Shape & Skin*

Date of incorporation:	3 December 2003
Registered office:	Unit 1205–06, 12/F., Tower 1, Silvercord, 30 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong
Nature:	Limited liability company
Principal business activities:	Renting machinery to members of the Group
Authorised share capital:	HK\$20,000
Issued share capital:	HK\$20,000
Shareholder:	Perfect Shape Holdings HK

5. *Perfect Shape & Skin CNT*

Date of incorporation:	5 December 2006
Registered office:	Unit 1205–06, 12/F., Tower 1, Silvercord, 30 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong
Nature:	Limited liability company
Principal business activities:	Provision of slimming and beauty services and sales of slimming and beauty products in Hong Kong
Authorised share capital:	HK\$10,000
Issued share capital:	HK\$10,000
Shareholder:	Perfect Shape Holdings HK

6. *Perfect Shape & Skin SS*

Date of incorporation: 6 December 2006

Registered office: Unit 1205–06, 12/F., Tower 1, Silvercord,
30 Canton Road, Tsim Sha Tsui, Kowloon,
Hong Kong

Nature: Limited liability company

Principal business activities: Inactive

Authorised share capital: HK\$10,000

Issued share capital: HK\$10,000

Shareholder: Perfect Shape Holdings HK

7. *Perfect Shape & Skin TKO*

Date of incorporation: 2 August 2006

Registered office: Unit 1205–06, 12/F., Tower 1, Silvercord,
30 Canton Road, Tsim Sha Tsui, Kowloon,
Hong Kong

Nature: Limited liability company

Principal business activities: Inactive

Authorised share capital: HK\$10,000

Issued share capital: HK\$10,000

Shareholder: Perfect Shape Holdings HK

8. *Perfect Shape & Skin TM*

Date of incorporation: 6 December 2006

Registered office: Unit 1205–06, 12/F., Tower 1, Silvercord,
30 Canton Road, Tsim Sha Tsui, Kowloon,
Hong Kong

Nature: Limited liability company

Principal business activities: Provision of slimming and beauty services and
sales of slimming and beauty products in
Hong Kong

Authorised share capital: HK\$10,000

Issued share capital: HK\$10,000

Shareholder: Perfect Shape Holdings HK

9. *Perfect Shape & Skin TW*

Date of incorporation: 24 November 2005

Registered office: Unit 1205–06, 12/F., Tower 1, Silvercord,
30 Canton Road, Tsim Sha Tsui, Kowloon,
Hong Kong

Nature: Limited liability company

Principal business activities: Inactive

Authorised share capital: HK\$20,000

Issued share capital: HK\$20,000

Shareholder: Perfect Shape Holdings HK

10. Perfect Shape & Skin YL

Date of incorporation:	5 July 2006
Registered office:	Unit 1205–06, 12/F., Tower 1, Silvercord, 30 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong
Nature:	Limited liability company
Principal business activities:	Provision of slimming and beauty services and sales of slimming and beauty products in Hong Kong
Authorised share capital:	HK\$10,000
Issued share capital:	HK\$10,000
Shareholder:	Perfect Shape Holdings HK

11. Perfect Shape & Spa

Date of incorporation:	23 March 2007
Registered office:	Unit 1205–06, 12/F., Tower 1, Silvercord, 30 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong
Nature:	Limited liability company
Principal business activities:	Provision of slimming and beauty services and sales of slimming and beauty products in Hong Kong
Authorised share capital:	HK\$10,000
Issued share capital:	HK\$10,000
Shareholder:	Perfect Shape Holdings HK

12. Perfect Shape & Spa CWB

Date of incorporation:	30 March 2007
Registered office:	Unit 1205–06, 12/F., Tower 1, Silvercord, 30 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong
Nature:	Limited liability company
Principal business activities:	Provision of slimming and beauty services and sales of slimming and beauty products in Hong Kong
Authorised share capital:	HK\$10,000
Issued share capital:	HK\$10,000
Shareholder:	Perfect Shape Holdings HK

13. Perfect Shape & Spa KT

Date of incorporation:	8 November 2007
Registered office:	Unit 1205–06, 12/F., Tower 1, Silvercord, 30 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong
Nature:	Limited liability company
Principal business activities:	Inactive
Authorised share capital:	HK\$10,000
Issued share capital:	HK\$10,000
Shareholder:	Perfect Shape Holdings HK

14. Perfect Shape & Spa MK

Date of incorporation:	30 March 2007
Registered office:	Unit 1205–06, 12/F., Tower 1, Silvercord, 30 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong
Nature:	Limited liability company
Principal business activities:	Provision of slimming and beauty services and sales of slimming and beauty products in Hong Kong
Authorised share capital:	HK\$10,000
Issued share capital:	HK\$10,000
Shareholder:	Perfect Shape Holdings HK

15. Perfect Shape & Spa MOS

Date of incorporation:	8 November 2007
Registered office:	Unit 1205–06, 12/F., Tower 1, Silvercord, 30 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong
Nature:	Limited liability company
Principal business activities:	Inactive
Authorised share capital:	HK\$10,000
Issued share capital:	HK\$10,000
Shareholder:	Perfect Shape Holdings HK

16. Perfect Shape & Spa NP

Date of incorporation:	11 September 2007
Registered office:	Unit 1205–06, 12/F., Tower 1, Silvercord, 30 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong
Nature:	Limited liability company
Principal business activities:	Inactive
Authorised share capital:	HK\$10,000
Issued share capital:	HK\$10,000
Shareholder:	Perfect Shape Holdings HK

17. Perfect Shape & Spa TP

Date of incorporation:	4 December 2007
Registered office:	Unit 1205–06, 12/F., Tower 1, Silvercord, 30 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong
Nature:	Limited liability company
Principal business activities:	Provision of slimming and beauty services and sales of slimming and beauty products in Hong Kong
Authorised share capital:	HK\$10,000
Issued share capital:	HK\$10,000
Shareholder:	Perfect Shape Holdings HK

18. Perfect Shape & Spa TST

Date of incorporation:	10 August 2007
Registered office:	Unit 1205-06, 12/F., Tower 1, Silvercord, 30 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong
Nature:	Limited liability company
Principal business activities:	Provision of slimming and beauty services and sales of slimming and beauty products in Hong Kong
Authorised share capital:	HK\$10,000
Issued share capital:	HK\$10,000
Shareholder:	Perfect Shape Holdings HK

19. Perfect Shape & Spa TW

Date of incorporation:	5 July 2006
Registered office:	Unit 1205-06, 12/F., Tower 1, Silvercord, 30 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong
Nature:	Limited liability company
Principal business activities:	Provision of slimming and beauty services and sales of slimming and beauty products in Hong Kong
Authorised share capital:	HK\$10,000
Issued share capital:	HK\$10,000
Shareholder:	Perfect Shape Holdings HK

20. Perfect Shape Investment Shanghai

Date of incorporation:	30 November 2007
Registered office:	Unit 1205–06, 12/F., Tower 1, Silvercord, 30 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong
Nature:	Limited liability company
Principal business activities:	Investment holdings
Authorised share capital:	HK\$10,000
Issued share capital:	HK\$10,000
Shareholder:	Perfect Shape Holdings China

21. Perfect Shape Holdings

Date of incorporation:	10 October 2007
Registered office:	Unit 1205–06, 12/F., Tower 1, Silvercord, 30 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong
Nature:	Limited liability company
Principal business activities:	Provision of management services
Authorised share capital:	HK\$10,000
Issued share capital:	HK\$10,000
Shareholder:	Perfect Shape Holdings HK

22. *Perfect Skin Medical*

Date of incorporation:	31 August 2006
Registered office:	Unit 1205–06, 12/F., Tower 1, Silvercord, 30 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong
Nature:	Limited liability company
Principal business activities:	Provision of slimming and beauty services and sales of slimming and beauty products in Hong Kong
Authorised share capital:	HK\$10,000
Issued share capital:	HK\$10,000
Shareholder:	Perfect Shape Holdings HK

23. *Slim Model*

Date of incorporation:	10 August 2007
Registered office:	Unit 1205–06, 12/F., Tower 1, Silvercord, 30 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong
Nature:	Limited liability company
Principal business activities:	Provision of slimming and beauty services and sales of slimming and beauty products in Hong Kong
Authorised share capital:	HK\$10,000
Issued share capital:	HK\$10,000
Shareholder:	Perfect Shape Holdings HK

24. Slimming Medical

Date of incorporation:	21 September 2007
Registered office:	Unit 1205–06, 12/F., Tower 1, Silvercord, 30 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong
Nature:	Limited liability company
Principal business activities:	Inactive
Authorised share capital:	HK\$10,000
Issued share capital:	HK\$10,000
Shareholder:	Perfect Shape Holdings HK

*C. MACAU**1. Perfect Shape Macau*

Date of incorporation:	30 November 2007
Registered office:	Avenida de Almeida Ribeiro, n ^o s 89, 95, 99, Edifício Nam Wah Comercial, 5 ^o andar, em Macau
Nature:	Private company
Principal business activities:	Provision of slimming beauty services in Macau
Authorised share capital:	MOP100,000
Issued share capital:	MOP100,000
Shareholder:	Perfect Shape Holdings HK

B. FURTHER INFORMATION ABOUT OUR BUSINESS**1. Summary of the Material Contracts**

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

- (a) a share swap agreement dated 30 November 2011 entered into among our Company, Mr. Au-Yeung Kong, Ms. Au-Yeung Hung, Ms. Au-Yeung Wai and Perfect Shape Holdings (HK) Limited, pursuant to which Mr. Au-Yeung Kong, Ms. Au-Yeung Hung and Ms. Au-Yeung Wai transferred 51, 25 and 24 shares respectively in Perfect Shape Holdings (HK) Limited to our Company in consideration of our Company issuing and allotting 51, 25 and 24 shares to Sure Sino Investments Limited, Market Event Holdings Limited and Earlson Holdings Limited;
- (b) a share swap agreement dated 30 November 2011 entered into among our Company, Mr. Au-Yeung Kong, Ms. Au-Yeung Hung, Ms. Au-Yeung Wai and Perfect Shape Holdings (China) Limited, pursuant to which Mr. Au-Yeung Kong, Ms. Au-Yeung Hung and Ms. Au-Yeung Wai transferred 51, 25 and 24 shares respectively in Perfect Shape Holdings (China) Limited to our Company in consideration of our Company issuing and allotting 51, 25 and 24 shares to Sure Sino Investments Limited, Market Event Holdings Limited and Earlson Holdings Limited;
- (c) the Deed of Non-competition dated 6 January 2012 entered into among Mr. Au-Yeung Kong, Ms. Au-Yeung Hung, Ms. Au-Yeung Wai, Sure Sino Investments Limited, Market Event Holdings Limited, Earlson Holdings Limited and our Company, details of which are disclosed in the section headed “Relationship with the Controlling Shareholders” in this prospectus;
- (d) the Deed of Indemnity dated 6 January 2012 entered into among Mr. Au-Yeung Kong, Ms. Au-Yeung Hung, Ms. Au-Yeung Wai, Sure Sino Investments Limited, Market Event Holdings Limited, Earlson Holdings Limited and our Company, pursuant to which Mr. Au-Yeung Kong, Ms. Au-Yeung Hung, Ms. Au-Yeung Wai, Sure Sino Investments Limited, Market Event Holdings Limited and Earlson Holdings Limited have agreed to give certain indemnities in favour of our Company for itself and as trustee for its subsidiaries stated therein; and
- (e) the Hong Kong Underwriting Agreement.

2. Intellectual Properties Rights of our Group

As at the Latest Practicable Date, our Group has registered the following intellectual property rights which are material in relation to our Group's business.

(a) Trademarks

As at the Latest Practicable Date, our Group had registered the following trademarks which are material in relation to our Group's business:

Trademark	Place of Registration	Class	Registration No.	Registration Date	Expiry Date
	Hong Kong	3, 5, 44	300183393	24-03-2004	23-03-2014
	Hong Kong	44	300555543	24-12-2005	23-12-2015
	Hong Kong	44	300562103	10-01-2006	09-01-2016
	Hong Kong	44	300739738	13-10-2006	12-10-2016
	Hong Kong	44	300739765	13-10-2006	12-10-2016
	Hong Kong	44	300901232	28-06-2007	27-06-2017
	Hong Kong	29	301069317	11-03-2008	10-03-2018
	Hong Kong	44	301087975	08-04-2008	07-04-2018

Trademark	Place of Registration	Class	Registration No.	Registration Date	Expiry Date
^A 愛瑪纖體 ^B 爱玛纤体	Hong Kong	44	301104614	29-04-2008	28-04-2018
^A  爱玛纤体 International Slimming Specialist	Hong Kong	44	301115531	14-05-2008	13-05-2018
^B  愛瑪纖體 International Slimming Specialist					
^{Dr Slim}  Dr Slim	Hong Kong	44	301570707	24-03-2010	23-03-2020
^{Dr. Läkär}  Dr. Läkär	Hong Kong	3	301627777	01-06-2010	31-05-2020
Dr. Paris 巴莉絲	Hong Kong	3, 44	301806156	06-05-2011	01-01-2021
Paris Beauty 巴黎絲	Hong Kong	3, 44	301809946	27-5-2011	12-01-2021
 必瘦站	PRC	44	5084768	14-08-2009	13-08-2019
 必瘦站	PRC	35	6727055	14-07-2010	13-07-2020
必瘦站	PRC	35	6727051	21-08-2010	20-08-2020
 爱玛纤体 International Slimming Specialist	PRC	44	6773740	07-10-2010	06-10-2020
 爱玛纤体 International Slimming Specialist	PRC	44	6773738	07-10-2010	06-10-2020
 Dr. Face	PRC	44	7948424	21-04-2011	20-04-2021
 Dr Slim	PRC	44	8163819	14-5-2011	13-05-2021
Magic Franse Contour	PRC	44	8669013	07-11-2011	06-11-2021

Trademark	Place of Registration	Class	Registration No.	Registration Date	Expiry Date
	Korea	3, 44	45-0026616	25-02-2009	25-02-2019
	Indonesia	3	D00.2008.019589	07-01-2010	06-01-2020
	Singapore	3, 44	T08/07212I	02-06-2008	01-06-2018
	Malaysia	44	08010537	29-05-2008	28-05-2018

(b) Domain name

As at the Latest Practicable Date, our Group had registered the following domain name:

Domain name	Registered owner	Expiry date
www.perfectshape.com.hk	Perfect Shape & Skin Management	19-1-2016

Note: Contents in this domain do not form part of this prospectus.

C. DISCLOSURE OF INTERESTS

1. Interests and short position of Directors and the chief executive in the shares, underlying shares or debentures of our Company and its associated corporations

Immediately following completion of the Global Offering (assuming the Over-allotment Option will not be exercised) and the Capitalisation Issue, based on the information available on the Latest Practicable Date, the interests or short positions of the Directors and the chief executive of our Company in our Shares, underlying shares and debentures of our Company and its associated corporations (within the meaning of Part XV 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 (including interests and short positions which he is 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 recorded 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 contained in the Listing Rules, will be as follows:

(i) Long position in Shares

Name of Director	Capacity/ Nature of interest	Number of Shares	Approximate percentage of shareholding interest (%)
Dr. Au-Yeung Kong (note 1)	Interest of controlled corporation/ Long position	382,500,000	38.25%
Ms. Au-Yeung Hung (note 2)	Interest of controlled corporation/ Long position	187,500,000	18.75%
Ms. Au-Yeung Wai (note 3)	Interest of controlled corporation/ Long position	180,000,000	18%

Notes:

- (1) 382,500,000 Shares are held by Sure Sino Investments, which is wholly owned by Dr. Au-Yeung Kong.
- (2) 187,500,000 Shares are held by Market Event Holdings, which is wholly owned by Ms. Au-Yeung Hung.
- (3) 180,000,000 Shares are held by Earls Holdings, which is wholly owned by Ms. Au-Yeung Wai.

(ii) Long position in the shares of the associated corporations of the Company

Name of Director	Name of associated corporation	Capacity/ Nature of Interest	Approximate percentage of shareholding
Dr. Au-Yeung Kong	Sure Sino Investments	Beneficial Owner	100%
Ms. Au-Yeung Hung	Market Event Holdings	Beneficial Owner	100%
Ms. Au-Yeung Wai	Earlson Holdings	Beneficial Owner	100%

Save as disclosed above, based on the information available on the Latest Practicable Date, immediately following completion of the Global Offering (assuming the Over-allotment Option will not be exercised) and Capitalisation Issue, none of the Directors or chief executives of our Company has any interest or short position in our Shares, underlying shares or debentures of our Company or any of its associate corporations 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 (including interests and short positions which he will be taken or deemed to have under 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 the Model Code for Securities Transactions by Directors of Listed Issuers as set out in appendix 10 to the Listing Rules relating to securities transactions by Directors to be notified to our Company and the Stock Exchange once our Shares are listed.

2. Interests and short positions of substantial shareholders in the shares, underlying shares or debentures of our Company

Information on person(s), not being Directors or chief executive of our Company, who (based on the information available on the Latest Practicable Date) will have, immediately following the Global Offering (assuming the Over-allotment Option will not be exercised) and the Capitalisation Issue, an interest or short position in our Shares or underlying shares of our Company which will fall to be disclosed to our Company under the provisions of divisions 2 and 3 of part XV of the SFO is set out below:

Name	Capacity/ Nature of interest	Number of Shares	Approximate percentage of shareholding interest (%)
Sure Sino Investments	Beneficial owner/ Long position	382,500,000	38.25%
Market Event Holdings	Beneficial owner/ Long position	187,500,000	18.75%
Earlson Holdings	Beneficial owner/ Long position	180,000,000	18%
Dr. Au-Yeung Kong	Interest of controlled corporation/ Long position	382,500,000	38.25%
Ms. Au-Yeung Hung	Interest of controlled corporation/ Long position	187,500,000	18.75%
Ms. Au-Yeung Wai	Interest of controlled corporation/ Long position	180,000,000	18%

Note: Save as set out above, based on the information available on the Latest Practicable Date, taking no account of any Shares which may be taken up under the Global Offering, the Directors are not aware of any person (not being a Director or chief executives of our Company) who will, immediately following the completion of the Global Offering and the Capitalisation Issue, be interested, directly or indirectly, in an interest or short position in our 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 the SFO.

3. Interests of the substantial shareholders of any member of our Group (other than our Company)

Save as set out above, the Directors are not aware of any person (not being a Director or chief executive of our Company) who will, immediately following the completion of the Global Offering and Capitalisation Issue, be interested, directly or indirectly, in 10% or more of the nominal amount of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of our Group (other than our Company) or any options in respect of such capital.

4. Directors' remuneration

For the year ended 31 March 2011, the aggregate of the remuneration paid and benefits in kind granted to the Directors by our Group was HK\$12.0 million. Further information in respect of the Directors' remuneration is set out in Appendix I to this prospectus.

Under the arrangements currently in force, the estimated amount of directors' fees and other emoluments payable to the Directors for the year ending 31 March 2012 will be HK\$3.65 million, excluding the discretionary bonuses payable to the Directors.

5. Related party transactions

Our Group entered into certain related party transactions within the two years immediately preceding the date of this prospectus as mentioned in Note 36 of the section headed "Related Party Transactions" of the Accountant's Report set out in Appendix I to this prospectus.

6. Particulars of service contracts

(a) Executive Directors

Each of the executive Directors has entered into a service contract with our Company under which they agreed to act as executive Directors for an initial term of three years commencing from the Listing Date, which may be terminated by not less than three months' notice in writing served by either the executive Director or our Company. Under their respective service contracts, each of the executive Directors is entitled to a fixed Director's fee and may be entitled to a discretionary bonus.

The appointments of the executive Directors are subject to the provision of retirement and rotation of Directors under the Articles.

(b) *Independent Non-executive Directors*

Each of the independent non-executive Directors has signed an appointment letter with our Company for an initial term of three years commencing from the Listing Date. Under their respective appointment letters, each of the independent non-executive Directors is entitled to a fixed Director's fee. The appointments of the independent non-executive Directors are subject to the provision of retirement and rotation of Directors under the Articles.

Save as disclosed above, none of the Directors has entered into any service contract 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).

None of the Directors of any member of our Group has been paid any sum of money for the three years ended 31 March 2011 and the four months ended 31 July 2011 (i) as an inducement to join or upon joining our Company or (ii) for loss of office as a director of any member of our Group or of any other office in connection with the management of the affairs of any member of our Group.

Save as disclosed in Appendix I to this prospectus, there has been no arrangement under which a Director has received any remuneration or benefits in kind from the Group for the three years ended 31 March 2011 and the four months ended 31 July 2011.

7. Agency fees or commissions received

None of the Directors, the promoter (if any) of our Company or the persons named under "Consent of experts" in this appendix had received any discounts, brokerage or other special terms, agency fee or commission from our Group in connection with the issue or sale of any capital of any member of our Group within the two years immediately preceding the date of this prospectus.

The Underwriters will receive such commission(s), fee(s) and/or expense(s) as mentioned in the section headed "Underwriting" in this prospectus.

8. Disclaimers

Save as disclosed in this prospectus:

- (a) so far as the Directors are aware, none of the Directors or the chief executive of our Company has any interest or short position in the Shares, underlying Shares or debentures of our Company or any of our associated corporation (within the meaning 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 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) so far as the Directors are aware, none of the Directors or experts referred to under the paragraph headed “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 the Directors is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to the business of our Group taken as a whole;
- (d) none of the 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) the Directors are not aware of any person (not being a Director or the chief executive of our Company) who will, immediately following completion of the Global Offering and the Capitalisation Issue, 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 the 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 the paragraph headed “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; and
- (g) none of the 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 interest in our Group’s five largest clients and five largest suppliers.

D. OTHER INFORMATION**1. Share Option Scheme**

The following is a summary of the principal terms of the Share Option Scheme (the “Scheme”) conditionally approved by a written resolution of our Shareholders passed on 6 January 2012 and adopted by a resolution of the Board on 6 January 2012 (the “Adoption Date”). The terms of the Share Option Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules.

For the purpose of this section, unless the context otherwise requires:

“Date of Grant” means date of grant of the Option in accordance with the Scheme;

“Grantee” means any Eligible Person (as defined below) who accepts an offer of grant of any Option in accordance with the terms of the Scheme or (where the context so permits) a person who is entitled to any Option in consequence of the death of the original Grantee;

“Option” means a right to subscribe for Shares granted pursuant to the Scheme;

“Option Period” means the period of time where the Grantee may exercise the Option, which period shall not be more than 10 years from the Date of Grant;

“Shares” means shares of HK\$0.1 each in the capital of our Company (or of such other nominal amount as shall result from a sub-division, consolidation, reclassification or reconstruction of the share capital of our Company from time to time);

(1) Who may join

The Directors may at their absolute discretion grant Options to all Directors (whether executive or non-executive and whether independent or not), any employee (whether full-time or part-time), any consultant or advisor of or to our Company or our Group (whether on an employment or contractual or honorary basis and whether paid or unpaid), who, in the absolute opinion of the Board, have contributed to our Company or our Group and each of the persons mentioned above is referred to as an “Eligible Person”.

(2) *Purpose of the Scheme*

The purpose of the Scheme is to provide person(s) and parties working for the interests of our Group with an opportunity to obtain an equity interest in our Company, thus linking their interests with the interests of our Group and thereby providing them with an incentive to work better for the interests of our Group.

(3) *Conditions*

The Scheme shall take effect subject to and is conditional upon:

- (i) the passing of the necessary resolution to approve and adopt the Scheme by the shareholders of our Company in a general meeting;
- (ii) the Listing Committee granting approval of the listing of, and permission to deal in, any Shares which may be issued pursuant to the exercise of Options granted under the Scheme;
- (iii) the obligations of the Underwriters under the Underwriting Agreements becoming unconditional and are not being terminated in accordance with the terms of that agreement or otherwise; and
- (iv) the commencement of dealings in the Shares on the Stock Exchange.

(4) *Duration and administration*

The Scheme shall continue in force for the period commencing from the Adoption Date and expiring at the close of business on the tenth anniversary of the Adoption Date (the “Scheme Period”), after which period no further options shall be granted but the provisions of the Scheme shall remain in full force and effect in all other respects in respect of Options remaining outstanding and exercisable on the expiry of the Scheme Period.

The Scheme shall be subject to the administration of the Board whose decision (save as otherwise provided in the Scheme) shall be final and binding on all parties.

(5) *Grant of Options*

An offer of the grant of an Option shall be made to an Eligible Person in writing in such form as the Board may from time to time determine specifying, inter alia, the maximum number of Shares in respect of which such offer is made and requiring the Eligible Person to undertake to hold the Option on the terms of which it is to be granted and to be bound by the provisions of the Scheme and shall remain open for acceptance by the Eligible Person to whom the offer is made for a period of 28 days (or such other period as the Board may determine) from the date upon which the offer is issued provided that no such offer shall be open for acceptance after the expiry of the Scheme Period or after the Scheme has been terminated in accordance with the terms of the Scheme.

On and subject to the terms of the Scheme, the Board shall be entitled at any time during the Scheme Period to offer to grant an Option to any Eligible Person as the Board may at its absolute discretion select, and subject to such conditions and restrictions as the Board may think fit.

An offer shall be deemed to have been accepted when the duplicate letter comprising acceptance of the Option, duly signed by the Eligible person, together with the remittance of HK\$1 in favor of our Company, irrespective of the number of Shares in respect of which the Option is accepted, as consideration for the grant is received by our Company.

The Date of Grant shall be the date on which the offer relating to such Option is duly approved by the Board in accordance with the Scheme.

(6) *Price sensitive information*

No offer of Options shall be made after a price sensitive development has occurred or a price sensitive matter has been the subject of a decision, until such price sensitive information has been published by our Company. In particular, during the period commencing one month immediately preceding the earlier of (i) the date of the Board meeting for the approval of our Company's interim, quarterly or annual results, and (ii) the deadline of our Company to publish its interim, quarterly or annual results announcement under our Company's listing agreement, and ending on the date of the results announcement, no Options may be granted. The period during which no Option may be granted will cover any period of delay in the publication of a results announcement.

(7) Grant of Options to connected persons

Where a grant of Option(s) to a connected person (as defined in the Listing Rules) of our Company under the Scheme must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Option).

Where any Options granted to a substantial shareholder (as defined in the Listing Rules) or an independent non-executive Director of our Company or any of their respective associates would result in the number and value of Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding but excluding Options which have lapsed) to such person in the 12-month period up to and including the date of such grant (i) exceeding in aggregate over 0.1% of the Shares in issue; and (ii) exceeding an aggregate value, (based on the closing price of the Shares on the Stock Exchange at the Date of Grant) in excess of HK\$5 million, such further grant of Options must be approved by the shareholders by taking of a poll in a general meeting. Our Company must send a circular to the shareholders. All connected persons (as defined in the Listing Rules) of our Company must abstain from voting in favour of the relevant resolution at the general meeting as required under the Listing Rules. The circular must contain: (i) detail of the number and terms (including the Subscription Price (as defined below) of the Options to be granted to each Eligible Person, which must be fixed before the general meeting concerned; (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; and (iii) the information required under the relevant provisions of Chapter 17 of the Listing Rules.

(8) Subscription price

The subscription price in respect of any particular Option shall be such price as the Board may at its absolute discretion determine at the time of the grant of the relevant Option (and shall be stated in the letter containing the offer of the grant of the Option (the “Subscription Price”)), but in any case the Subscription Price must be at least the highest of (i) the closing price of the Shares as stated in the Stock Exchange’s daily quotations sheet on the Date of Grant, which must be a business day; (ii) the average closing price of the Shares as stated in the Stock Exchange’s daily quotations sheets for the five (5) business days immediately preceding the Date of Grant; and (iii) the nominal value of a Share. For the purpose of calculating the Subscription Price where our Company has been listed for less than five (5) business days, the Issue Price shall be used as the closing price of any business day falling within the period before Listing.

(9) Rights are personal to Grantee

An Option shall be personal to the Grantee and shall not be transferable or assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favor or any third party over or in relation to any Option or attempt to do so.

(10) Exercise of Options

Subject to any condition or restriction in connection with the exercise of the Option which may be imposed by the Board when granting the Option and other provisions of the Schemes the Option may be exercised by the Grantee (or his legal personal representative) at any time during the Option Period, provided that paragraph (11) or (12) below has been satisfied.

(11) Right on ceasing to be an Eligible person

In the event that the Grantee ceases to be an Eligible Person for any reason (other than death) including the termination of his or her employment or appointment as consultant or advisor of the Company or any of its subsidiaries (whether on an employment or contractual or honorary basis and whether paid or unpaid) on one or more of the grounds specified in paragraph (17)(vii) below, the Option granted to the Grantee will lapse on the date of such cessation 1 to the extent not already exercised) and will not be exercisable unless the Board otherwise determines to grant an extension at the absolute discretion of the Board. Such period of extension (if any) shall be granted within and in any event ended before the expiration of one (1) month following the date of such cessation or the relevant Option Period, which is earlier.

(12) Rights on death

In the event that the Grantee ceases to be an Eligible Person by reason of death and none of the events which would be grounds for termination of his or her employment or appointment under paragraph (17)(vii) arises (as the case may be), the legal personal representative(s) of the Grantee shall be entitled within a period of 12 months from the date of death (or such longer period as the Board may determine) to exercise the Options in full (to the extent not already exercised) up to the entitlement of such Grantee as of the date of death.

(13) Rights on a compromise or amalgamation

In the event of a compromise or amalgamation, other than a scheme of arrangement contemplated under the Scheme, between our Company and its members or creditors being proposed in connection with any scheme for the reconstruction or amalgamation of our Company, our Company shall give notice thereof to all Grantees on the same day as it gives notice of the meeting to its members or creditors to consider such a scheme or arrangement and the Grantee (or his or her personal representatives) may, be notice in writing to our Company, accompanied by the remittance for the Subscription Price in respect of the relevant Option (such notice must be received by our Company not later than two Business Days prior to the proposed meeting), exercise the Option (to the extent not already exercised) either to its full extent or to the extent specified in the relevant notice. Thereafter, 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, credited as fully paid, and register the Grantee as holder thereof.

(14) Rights on winding-up

In the event a notice is given by our Company to our Shareholders to convene a Shareholders' meeting to consider and, if thought fit, approve a resolution to voluntarily wind-up our Company, our Company shall forthwith give notice thereof to all Grantees and any Grantee (or his legal personal representative) may at any time thereafter (but before such time as shall be notified by us) exercise the Option either to its full extent or to the extent notified by us, and we shall as soon as possible and in any event no later than one Business Day immediately prior to the date of the proposed Shareholders' meeting, allot, issue and register in the name of the Grantee such number of Shares to the Grantee which fall to be issued on such exercise.

(15) Ranking of shares

The Shares to be allotted and issued upon the exercise of an Option will be subject to the Articles of Association in force at that time including with respect to voting and transfer rights and rights arising on a liquidation of our Company and will rank pari passu in all respects with the fully paid Shares in issue as of the date of allotment and thereafter the holders thereof will be entitled to participate in all dividends or other distributions paid or made on or after the date of allotment other than any dividends or other distributions previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the date of allotment.

(16) Performance target

The Grantee will not be required to achieve, meet or exceed any performance targets before that particular Grantee can exercise the Option(s) granted, except those otherwise imposed by the Board pursuant to paragraph (5) above and/or stated in the offer of grant of the Option.

(17) Lapse of options

An Option shall lapse automatically (to the extent not already exercised) on the earliest of: (i) the expiry of the Option Period; (ii) the expiry of any of the periods referred to in paragraphs (11), (12) and (13) above; (iii) subject to a court of competent jurisdiction not making an order prohibiting the offeror from acquiring the remaining Shares in the offer; (iv) subject to the scheme of arrangement becoming effective; (v) the date of commencement of the winding-up of our Company; (vi) the date on which the Option is cancelled by the Board as provided in paragraph (19) below; (vii) the date on which the Grantee ceases to be an Eligible Person by reason of the termination of employment or appointment for misconduct or other breach of the terms of his or her employment or other contract constituting him or her as an Eligible Person, or appears either to be unable to pay or to have no reasonable prospect of being able to pay his or her debts or has become insolvent or has made any arrangement or composition with his or her creditors generally or has been convicted of any criminal offence or (if so determined by the Board) on any other ground on which an employer would be entitled to terminate his or her employment at common law or pursuant to any applicable laws or under the Grantee's service contract with our Company or the relevant subsidiary. A resolution of the Board or the board of directors of the relevant subsidiary to the effect that the employment or other relevant contract of a Grantee has or has not been terminated on one or more of the grounds specified in this paragraph shall be conclusive and binding on the Grantee; (viii) the date on which the Grantee has committed a breach or paragraph (9) above; (ix) the non-fulfilment of any condition referred to in paragraph (3) on or before the date stated therein.

(18) Maximum number of Shares available for subscription

The maximum aggregate number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the Scheme and any other schemes of our Company must not exceed in aggregate 30% of the Shares of our Company in issue from time to time (the "Overall Scheme Limit"). No Option may be granted under any schemes of our Company (or its subsidiaries) if such grant will result in the Overall Scheme Limit being exceeded. The total number of Shares which may be issued upon exercise of all Option to be granted under the Scheme and any other schemes must not in aggregate exceed 10% of the Shares of our Company (or the subsidiary) in issue immediately following the completion of the Global

Offering (excluding the exercise of Over-allotment Option) and the Capitalisation Issue, being 100,000,000 Shares (the “Scheme Mandate Limit”) for this purpose. Option lapsed in accordance with the terms of the Scheme shall not be counted for the purpose of calculating the Scheme Mandate Limit.

Subject to the Overall Scheme Limit, our Company may seek approval from its shareholders in general meeting for “refreshing” the “Scheme Mandate Limit”. However, the total number of Shares which may be issued upon exercise of all Options to be granted under all of the schemes of our Company under the limit as “refreshed” must not exceed 10% of the Shares in issue as of the date of approval by the shareholders of the renewed limited (the “Refreshed Scheme Mandate Limit”); Option previously granted under any existing schemes (including those outstanding, cancelled or lapsed in accordance with the Scheme or exercised Options) shall not be counted for the purpose of calculating the Refreshed Scheme Mandate Limit. Our Company must send a circular to its shareholders containing the information required under the relevant provisions of Chapter 17 of the Listing Rules.

Subject to the Overall Scheme Limit, our Company may seek separate approval from its shareholders in a general meeting for granting Options to subscribe for Shares beyond the Scheme Mandate Limit or the Refreshed Scheme Mandate Limit (as the case may be) provided that the Option in excess of the Scheme Mandate Limit or the Refreshed Scheme Mandate Limit are granted only to Eligible Persons specifically identified by our Company before such approval is sought and our Company must send a circular to its shareholders containing the information specified in the relevant provisions of the Listing Rules. Unless approved by shareholders in general meeting at which the relevant Eligible Person and his/her associates abstain from voting in the manner prescribed by the relevant provisions of Chapter 17 of the Listing Rules, the total number of Shares issued and to be issued upon exercise of the Options granted to such Eligible Person (including exercised, cancelled and outstanding Options) in any 12-month period must not exceed 1% of the Shares in issue (the “Individual Limit”) at such time. With respect to any further grant of Options to an Eligible Person exceeding in aggregate the Individual Limit, our Company must send a circular to its shareholders and the circular must disclose the identity of the Eligible Person, the number and terms of the Options to be granted (and Options previously granted to such Eligible Person), and the information required under the relevant provisions of Chapter 17 of the Listing Rules. The number and terms (including the Subscription Price) of Options to be granted to such Eligible Person must be fixed before the general meeting at which the same are approved, and the date of the Board meeting for proposing such further grant should be taken as the Date of Grant for the purpose of calculating the Subscription Price.

(19) Cancellation of Options

Any cancellation of Options granted but not exercised must be approved by the Board. New Option may be issued to a Grantee in place of his or her cancelled Option only if there are available unissued Options (excluding the cancelled Options) within the Scheme Mandate Limit or the Refreshed Scheme Mandate Limit or such enlarged limit that may be approved by the shareholders of our Company in accordance with paragraph (18) above.

(20) Reorganisation of capital structure

In the event of any alteration in the capital structure of our Company whilst any Option remains exercisable, whether by way of capitalization issue, rights issue, subdivision, consolidation, or reduction of the share capital of our Company or otherwise howsoever in accordance with legal requirements and requirements of the Stock Exchange excluding any alteration in the capital structure of our Company as a result of an issue of Shares as consideration in respect of a transaction to which our Company is a party, such corresponding alterations (if any) shall be made to:

- (i) the number or nominal amount of Shares subject to the Option so far as unexercised; and/or
- (ii) the Subscription Price; and/or
- (iii) the method of exercise of the Option (if applicable),

as an independent financial advisor or the auditors for the time being of our Company shall at the request of the Board certify in writing to the Directors, either generally or as regards any particular Grantee, to be in their opinion fair and reasonable and that any such alterations shall satisfy the requirements set out in the note to Rule 17.03(13) of the Listing Rules and shall give a Grantee the same proportion of the issued share capital of our Company as that to which the Grantee was previously entitled (as interpreted in accordance with the Supplementary Guidance attached to the letter from the Stock Exchange dated 5 September 2005 to all issuers relating to share option schemes and/or any future guidance or interpretation of the Listing Rules issued by the Stock Exchange from time to time), provided that no such alterations shall be made the effect of which would be to enable a Share to be issued at less than its nominal value. The capacity of the independent financial advisor or the auditors for the time being of our Company in this paragraph is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on our Company and the Grantees. The costs of the independent financial advisor or the auditors for the time being of our Company shall be borne by our Company.

(21) Alteration of Scheme

Except with the prior sanction of our Company in general meeting (with the Eligible Persons and their associates abstaining from voting), the Board may not amend:

- (i) any of the provisions of the Scheme relating to matters contained in Rule 17.03 of the Listing Rules to the advantage of the Eligible Persons or Grantees;
- (ii) any terms and conditions of the Scheme which are of a material nature or any terms of the Options granted except where such alterations take effect automatically under the existing terms of the Scheme;
- (iii) any provisions on the authority of the Board in relation to any alteration to the terms of the Scheme.

(22) Termination of Scheme

Our Company, by resolution in general meeting, or the Board may at any time terminate the operation of the Scheme and in such event no further Options will be offered but in all other respects the provisions of the Scheme shall remain in full force and effect. Options complying with the provisions of Chapter 17 of the Listing Rules which are granted during the Scheme Period and which remain unexpired immediately prior to the termination of the operation of the Scheme shall, subject to the terms of the Scheme, continue to be valid and exercisable thereafter.

As at the Latest Practicable Date, no option has been granted or agreed to be granted under the Share Option Scheme. An application has been made to the Listing Committee of the Stock Exchange for the granting of the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of the options granted under the Share Option Scheme.

7. Tax and other indemnity*(a) Tax indemnity and other indemnity*

Each of the Controlling Shareholders, pursuant to the Deed of Indemnity dated 6 January 2012 referred to in the paragraph headed “Summary of material contracts” in this appendix, given indemnity in favour of our Group from and against, among other things, any tax liabilities which might be payable by any member of our Group in respect of any income, profits or gains earned, accrued or received or deemed to have been earned, accrued or received before the Listing Date, save:

- (i) to the extent that any provision or allowance or reserve has been made for such taxation in the audited accounts of our Group for three years ended 31 March 2011 and the four months ended 31 July 2011, as set out in Appendix I to this prospectus;
- (ii) to the extent that such taxation arises or is incurred as a result of any retrospective change in law or the interpretation or practice by the relevant tax authority or retrospective increase in tax rates coming into force after the Listing Date;
- (iii) for any liability which would not have arisen but for any act, transaction, omission of or transactions voluntarily effected by any member of our Group after the Listing Date and otherwise than carried out in the ordinary course of business after the Listing Date;
- (iv) for which our Group is primarily liable as a result of acquiring and disposing of capital assets in the ordinary course of business after the Listing Date; and
- (v) to the extent of any provision or reserve made for taxation in the Accountant’s Report set out in Appendix I to this prospectus up to 31 March 2011 and the four months ended 31 July 2011 which is finally established to be an over-provision or an excessive reserve.

(b) *Estate duty*

The Directors have been advised that no material liability for estate duty is likely to fall on any member of our Group in the Cayman Islands, Hong Kong, Macau, the BVI and the PRC, being jurisdictions in which the companies comprising our Group are incorporated.

8. Litigation

Saved as disclosed in the section headed “Summary”, “Risk Factors” and “Business” in this prospectus, as at the Latest Practicable Date, neither our Company or any of its subsidiaries is engaged in any litigation or arbitration of material importance and no litigation, arbitration or claim of material importance is known by the Directors to be pending or threatened by or against any member of our Group.

9. Application for listing of Shares

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

10. Preliminary expenses

The preliminary expenses of our Company are estimated to be approximately HK\$62,400 and are payable by our Company.

11. Promoter

Our Company has no promoter for the purposes of the Listing Rules.

12. Qualifications of experts

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

Name	Qualifications
China Everbright Capital Limited	Licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
PricewaterhouseCoopers	Certified Public Accountants
King & Wood PRC Lawyers	PRC Legal Advisor
Rui Afonso Lawyers' Office	Macau Legal Advisor
Conyers Dill & Pearman	Cayman Islands attorneys-at-law
Jones Lang LaSalle Corporate Appraisal and Advisory Limited	Property valuers

13. Consent of experts

Each of the experts whose names are set out in paragraph 12 above 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 the references to its name included herein in the form and context in which they are respectively included.

14. 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 insofar as applicable.

15. Miscellaneous

- (a) Save as disclosed in this prospectus, within the two years 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 fully or partly paid either for cash or for 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 founders or management or deferred shares of our Company or any of its subsidiaries have been issued or agreed to be issued;
 - (iv) no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any capital of our Company or any of its subsidiaries; and
 - (v) no commission has been paid or payable, except for the commission payable to the Underwriters, for subscription of, agreeing to subscribe or procuring subscription of any shares in our Company or any of its subsidiaries.

- (b) The Directors confirm that:
 - (i) there has been no material adverse change in the financial or trading position or prospects of our Group since 31 July 2011 (being the date to which the latest audited financial statements of our Group were prepared); and
 - (ii) there has not been any interruption in the business of our Group which may have or have had a material adverse effect on the financial position of our Group in the 12 months preceding the date of this prospectus.

- (c) The 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 Investors Services Limited. Unless the Directors otherwise agree, all transfers and other documents of title of Shares must be lodged for registration with and registered by our Company's Hong Kong Share Registrar in and may not be lodged in the Cayman Islands.
- (d) No company within our Group is presently listed on any stock exchange or traded on any trading system.
- (e) All necessary arrangements have been made to enable our Shares to be admitted into CCASS for clearing and settlement.
- (f) The English language and Chinese language versions of this prospectus are being published separately, in reliance upon the exemption provided by section 4 of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).