
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this prospectus or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities or your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Sunlink International Holdings Limited (Provisional Liquidators Appointed), you should at once hand the Prospectus Documents (as defined herein) to the purchaser or licensed securities dealer or registered institution in securities or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

A copy of each of the Prospectus Documents, together with copies of the documents specified in the paragraph headed "Documents delivered to the Registrar of Companies" in Appendix III to this prospectus, have been registered with the Registrar of Companies in Hong Kong as required by section 342C of the Companies Ordinance (as defined herein). The Registrar of Companies in Hong Kong and the Securities and Futures Commission in Hong Kong take no responsibility as to the contents of any of these documents.

Subject to the granting of the listing of, and permission to deal in, the Offer Shares (as defined herein) on the Stock Exchange (as defined herein) as well as compliance with the stock admission requirements of HKSCC (as defined herein), the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS (as defined herein) with effect from the commencement date of dealings in the Offer Shares on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Hong Kong Exchanges and Clearing Limited, the Stock Exchange and HKSCC take no responsibility for the contents of this prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this prospectus.



SUNLINK INTERNATIONAL HOLDINGS LIMITED

(Provisional Liquidators Appointed)

科浪國際控股有限公司*

(已委任臨時清盤人)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2336)

OPEN OFFER OF 186,478,000 OFFER SHARES ON THE BASIS OF TWO OFFER SHARES FOR EVERY ONE NEW SHARE HELD ON THE RECORD DATE

Financial adviser to the Company



博大資本國際有限公司
Partners Capital International Limited

Underwriter to the Open Offer



Freeman Securities Limited

The latest time for acceptance of and payment for the Offer Shares is 4:00 p.m. on Friday, 17 February 2012. The procedures for acceptance of and payment for the Offer Shares are set on pages 23 to 24 of this prospectus.

The Shareholders (as defined herein) and potential investors of the Company (as defined herein) should note that the Open Offer (as defined herein) is conditional upon, inter alia, the Underwriter (as defined herein) not having terminated the Underwriting Agreement (as defined herein) in accordance with the terms thereof. These certain events are set out in the paragraph headed "Termination of the Underwriting Agreement" on pages 12 to 13 of this prospectus. Accordingly, the Open Offer may or may not proceed. Shareholders and potential investors are advised to exercise due caution when dealing in the New Shares (as defined herein).

Trading in the Shares (as defined herein) has been suspended since 2 December 2008. Shareholders should note that resumption in trading in the New Shares will not take place if the conditions to which the Restructuring Agreement (as defined herein) is subject remain unfulfilled. Any Shareholders or other person dealing in the New Shares up to the date on which all conditions to which the Open Offer is subject are fulfilled (which is expected to be 4:00 p.m. on Thursday, 23 February 2012), will accordingly bear the risk that the Open Offer cannot become unconditional and may not proceed. Any Shareholder or other person contemplating selling or purchasing the New Shares, who is in any doubt about his/her/its position, is recommended that his/her/its professional adviser be consulted.

* For identification purpose only

CONTENTS

| | <i>Page</i> |
|---|-------------|
| Definitions | 1 |
| Expected Timetable | 10 |
| Termination of the Underwriting Agreement | 12 |
| Letter from the Provisional Liquidators | 14 |
| Appendix I – Financial information of the Group | 28 |
| Appendix II – Unaudited pro forma financial information of the Group | 31 |
| Appendix III – General information | 37 |

DEFINITIONS

In this prospectus, the following expressions have the following meanings, unless the context otherwise requires:—

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| “Announcement” | the joint announcement of the Company and the Investor dated 11 November 2011 in relation to the entering into the Restructuring Agreement, the proposed amendments to the memorandum and articles of association of the Company and proposed change in board lot size |
| “associate(s)” | has the meaning ascribed thereto under the Listing Rules |
| “Board” | the board of Directors |
| “business day(s)” | a day (excluding Saturdays, Sundays, public holidays and a day on which a tropical cyclone warning signal No. 8 or above or a black rainstorm warning signal is hoisted in Hong Kong at any time and remaining in effect between 9:00 a.m. and 5:00 p.m. and is not discontinued at or before 12:00 noon) on which banks are generally open for business in Hong Kong |
| “BVI” | British Virgin Islands |
| “Capital Cancellation” | the cancellation of the unissued share capital of the Company in its entirety after the Capital Reduction |
| “Capital Reduction” | the reduction of the par value of each Share from HK\$0.10 each to HK\$0.0005 each |
| “Capital Restructuring” | the restructuring of the capital of the Company comprising the Capital Reduction, the Capital Cancellation, the Share Consolidation, the Share Premium Cancellation and the Increase In Authorised Share Capital |
| “CCASS” | the Central Clearing and Settlement System established and operated by HKSCC |
| “Companies Law” | Companies Law (2011 Revision) of the Cayman Islands (as amended from time to time) |
| “Companies Ordinance” | the Companies Ordinance (Cap. 32) of the Laws of Hong Kong |

DEFINITIONS

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| “Company” | Sunlink International Holdings Limited (Provisional Liquidators Appointed) (Stock Code: 2336), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange |
| “Completion” | the completion of the Restructuring |
| “concert parties” | has the same meaning as that ascribed in the Takeovers Code to the term “parties acting in concert” including those presumed to be acting in concert |
| “Concert Party Group” | the Investor, its ultimate beneficial owner and any of their concert parties |
| “connected person(s)” | has the meaning ascribed thereto under the Listing Rules |
| “Creditors” | collectively all the creditors of the Company (other than the Investor) |
| “Creditors CB” | the convertible bonds in the principal amount of HK\$8,000,000 convertible into 40,000,000 Creditors CB Shares at the initial conversion price of HK\$0.20 per Creditors CB Share to be issued by the Company to the Creditors under the Scheme |
| “Creditors CB Share(s)” | the 40,000,000 New Shares to be issued and allotted by the Company upon conversion of the Creditors CB at the initial conversion price of HK\$0.20 per Creditors CB Share |
| “Creditors Share(s)” | the 40,000,000 New Shares to be issued and allotted as fully paid up by the Company to the Creditors under the Scheme |
| “Creditors with Admitted Claims” | those Creditors whose claims are admitted by order of the Scheme Administrators for the purpose of the Scheme |
| “Director(s)” | the director(s) of the Company from time to time |
| “Dr. Wong” | Dr. Wong Shu Wing, a former executive Director and the chairman, and a controlling Shareholder |

DEFINITIONS

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| “EGM” | an extraordinary general meeting of the Shareholders held at Room 203, Duke of Windsor Social Service Building, 15 Hennessy Road, Wanchai, Hong Kong, at 2:30 p.m. on Friday, 13 January 2012 to consider and approve all the resolutions in relation to the Restructuring Agreement, including, inter alia, the Open Offer and the proposed appointment of Directors |
| “Excluded Companies” | Sunlink Technologies, its subsidiaries and associates (either inactive companies or companies in liquidation) as listed out in the Restructuring Agreement |
| “Excluded Shareholders” | the Shareholders whose registered addresses as shown on the register of members of the Company at 5:30 p.m. on the Record Date are in places outside Hong Kong where based on the legal opinions provided by the relevant overseas legal advisers to the Company, the Provisional Liquidators and the Directors are of the opinion that it is necessary or expedient to exclude such Shareholders from the Open Offer on account either of the legal restrictions under the laws of such places or the requirements of the relevant regulatory body or stock exchange in such places |
| “Fee Contribution” | the contribution towards the Restructuring Costs subject to a maximum total contribution of HK\$22,000,000 to be provided by the Investor under the Restructuring Agreement |
| “First Loan” | the working capital facility provided by the Investor and drawn down by Global Winner in the sum of HK\$8,000,000 |
| “Foshan Lianchuang” | 佛山聯創華聯電子有限公司 (Foshan Lianchuang Hualian Electronics Company Limited*), a company incorporated in the PRC with limited liability, which is now 52.38% indirectly owned by the Company and 47.62% owned by 廈門華聯電子有限公司 (Xiamen Hualian Electronics Company Limited*), a company incorporated in the PRC with limited liability |
| “Global Winner” | Global Winner Enterprises Limited, a company incorporated in Hong Kong with limited liability, which is wholly owned by Smart Victory and indirectly wholly owned by the Company |
| “Group” | the Company and its subsidiaries |

* For identification purpose only

DEFINITIONS

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| “Group Reorganisation” | the proposed reorganisation of the Group’s structure which envisages that all the Company’s direct and indirect shareholdings in the Excluded Companies, all the inter-company loans due by the Excluded Companies to the Company, and all cause(s) of action and claim(s) of every kind and nature which is or are transferrable by the Company as at Completion be transferred at a nominal value of HK\$1.00 to a special purpose vehicle to be held and controlled by the Scheme Administrators |
| “HKSCC” | Hong Kong Securities Clearing Company Limited |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Increase In Authorised Share Capital” | the increase of the authorised share capital of the Company to HK\$100,000,000 by the creation of additional 9,906,761,000 New Shares following completion of the Capital Reduction, the Capital Cancellation and the Share Consolidation |
| “Independent Shareholders” | the Shareholders other than (i) the Concert Party Group; (ii) the Interested Shareholders who at the time of the EGM in aggregate had interest in 18,152,000 Shares, representing approximately 0.97% of the then issued share capital of the Company, and parties acting in concert with any of them and (iii) any other Shareholder who was interested in or involved in the Restructuring, the transactions contemplated under the Restructuring Agreement and the Whitewash Waiver |
| “Independent Third Part(ies)” | third part(ies) independent of the Company and its connected persons |
| “Interested Shareholders” | namely (i) Shi Yu Yue, (ii) Cheng Kit Yan, Yannie, (iii) Chin George Yeen Cheok, (iv) Lau Chi Keung, (v) So Kam Ho, (vi) Tsui Lap Man and (vii) Tung Hak Chun, holding approximately as to 0.51%, 0.003%, 0.44%, 0.005%, 0.006%, 0.006% and 0.001% respectively in the then issued share capital of the Company, who were creditors of the Excluded Companies and also were Shareholders based on the notices of claim received, books and records recovered by the Provisional Liquidators and Shareholders’ list of the Company |
| “Investor” | Brilliant Capital International Limited, a company incorporated in the BVI with limited liability, the entire issued share capital of which is ultimately and beneficially owned by Mr. Suen |
| “Last Acceptance Date” | the date of the Latest Acceptance Time |

DEFINITIONS

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| “Last Trading Day” | 1 December 2008, being the last trading day for the Shares on the Main Board of the Stock Exchange before the trading of Shares was suspended on 2 December 2008 |
| “Latest Acceptance Time” | 4:00 p.m. on 17 February 2012 or such other time as the Underwriter may agree in writing with the Company, being the latest time at which provisional allotments may be validly accepted as described in this prospectus |
| “Latest Practicable Date” | 31 January 2012, being the latest practicable date prior to the printing of this prospectus for ascertaining certain information contained herein |
| “Latest Time for Termination” | 4:00 p.m. on the second business day following (but excluding) the Latest Acceptance Time |
| “Listing Committee” | the Listing Committee of the Stock Exchange |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Long Stop Date” | 28 February 2012 or such later date as the parties to the Restructuring Agreement may agree in writing |
| “Mr. Suen” | Mr. Suen Cho Hung, Paul, a director and ultimate beneficial owner of the entire issued share capital of the Investor |
| “New Share(s)” | new ordinary share(s) in the capital of the Company following the Capital Restructuring becoming effective with a par value of HK\$0.01 each |
| “Onetech” | Onetech Technology Company Limited, a company incorporated in Hong Kong with limited liability, which is legally and beneficially owned as to 76% by Global Winner and 24% by four individual partners, namely Mr. Liu Xiaoxing, Mr. Chen Zhuo, Mr. Dai Fei and Mr. Liu Yaoquan, who are Independent Third Parties |
| “Onetech Group” | Onetech and Sheng Wo |
| “Offer Share(s)” | the New Share(s), proposed to be offered to the Qualifying Shareholders for subscription at the subscription price of HK\$0.20 per Offer Share pursuant to the Open Offer |

DEFINITIONS

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| “Open Offer” | the proposed issue of the Offer Shares on the basis of two Offer Shares for every one New Share held by the Qualifying Shareholders on the Record Date on the terms to be set out in the Prospectus Documents and summarised therein |
| “Open Offer Independent Shareholders” | Shareholders other than (i) the Interested Shareholders, who at the time of the EGM in aggregate had interest in 18,152,000 Shares, representing approximately 0.97% of the then issued share capital of the Company and (ii) the controlling Shareholders, namely Dr. Wong and his associates, who at the time of the EGM had interest in 609,400,000 Shares, representing approximately 32.68% of the then issued share capital of the Company |
| “Overseas Shareholders” | the Shareholders whose registered addresses as shown on the register of members of the Company at 5:30 p.m. on the Record Date are in places outside Hong Kong |
| “PRC” | the People’s Republic of China but, for the purpose of this prospectus, excludes the Macau Special Administrative Region of the PRC, Hong Kong and Taiwan |
| “Prospectus Documents” | this prospectus and the provisional allotment letter |
| “Provisional Liquidators” | Messrs. Stephen Liu Yiu Keung and David Yen Ching Wai, the joint and several provisional liquidators of the Company, both of Ernst & Young Transactions Limited acting without personal liability |
| “Qualifying Shareholders” | the Shareholders, other than the Excluded Shareholders, whose names appear on the register of members of the Company as at the close of business on the Record Date |
| “Record Date” | 2 February 2012 or such other date as the Company and the Underwriter may agree in writing, being the date by reference to which entitlements to the Open Offer will be determined |
| “Restructured Group” | the Company, Smart Victory, Global Winner, the Onetech Group and Foshan Lianchuang |

DEFINITIONS

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| “Restructuring” | the proposed restructuring of the Company involving, among other things, the Capital Restructuring, the Open Offer, the Subscription, the Scheme, the Group Reorganisation, the Whitewash Waiver as proposed in the Resumption Proposal and transactions contemplated thereunder |
| “Restructuring Agreement” | the conditional agreement dated 30 September 2011 (as supplemented by a side letter dated 11 November 2011 in relation to the terms of the Group Reorganisation) entered into between the Investor, Mr. Suen as the guarantor for the Investor, the Company and the Provisional Liquidators in respect of, inter alia, the proposed Capital Restructuring, the proposed Open Offer, the proposed Subscription, the proposed issue of Creditors Shares and the Creditors CB, the proposed implementation of the Scheme, the Group Reorganisation and the proposed application for the Whitewash Waiver |
| “Restructuring Costs” | a maximum sum of HK\$22,000,000 agreed to be provided by the Investor under the Restructuring Agreement to cover the fees, charges, costs, expenses and disbursements of (a) the Provisional Liquidators; (b) the lawyers, agents, advisers, auditors, accountants, financial advisers and any other service providers to the Provisional Liquidators and/or the Company including the costs and expenses for the Scheme; and (c) the independent financial advisers, incurred before completion of the Restructuring and the Resumption Proposal in relation to the preparation and/or implementation of the Restructuring, the Resumption Proposal, the Restructuring Agreement or any documents necessary to implement the terms thereof including, without limitation, those necessary for the purpose of the Scheme (for the avoidance of doubt, all operating, routine and administrative costs and expenses to be incurred by the Group before Completion, including but not limited to accounting expenses, audit fees, annual company registration fees, company secretarial charges, regulatory compliance fees, insurance premiums, rentals, salaries and operating expenses of similar nature (other than the operating, routine and administrative costs and expenses to be incurred for the operation of Smart Victory, Global Winner, the Onetech Group and Foshan Lianchuang) will be included in the Restructuring Costs, and the annual audit fees of the Company for the year ended 31 December 2011 and incidental costs, if any will be excluded) |

DEFINITIONS

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| “Resumption Proposal” | the revised proposal dated 10 August 2011 submitted to the Stock Exchange for the purpose of seeking approval of the Stock Exchange for the resumption of trading of the Company’s shares on the Main Board of the Stock Exchange |
| “Scheme” | the scheme of arrangement to be made between the Company and the Creditors pursuant to section 166 of the Companies Ordinance and section 86 of the Companies Law |
| “Scheme Administrators” | such persons who are appointed as scheme administrators pursuant to the terms of the Scheme |
| “Second Loan” | the working capital facility of amount up to HK\$20,000,000 provided by the Investor to Global Winner, of which the full amount had been drawn down by Global Winner |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Share(s)” | ordinary share(s) of the Company with a par value of HK\$0.10 each before the Capital Restructuring becoming effective |
| “Share Consolidation” | the consolidation of every 20 issued shares of the Company of HK\$0.0005 each into one consolidated New Share of HK\$0.01 each immediately upon the Capital Reduction becoming effective |
| “Share Premium Cancellation” | the cancellation of the share premium account of the Company by an amount of HK\$15,408,729 for the purposes of setting off part of the accumulated losses of the Company or in a manner otherwise permitted by the Companies Law |
| “Shareholder(s)” | holder(s) of the Share(s) or the New Shares, as the case may be |
| “Sheng Wo” | 勝沃數碼電子(深圳)有限公司 (Sheng Wo Digital Electronics (Shenzhen) Company Limited*), a foreign enterprise established in the PRC, which is wholly owned by Onetech |
| “Smart Victory” | Smart Victory Development Limited, a company incorporated in the BVI with limited liability and a direct wholly-owned subsidiary of the Company |

* For identification purpose only

DEFINITIONS

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| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Subscription” | the subscription for 750,000,000 New Shares by the Investor at the subscription price of HK\$0.20 per New Share for an aggregate amount of HK\$150,000,000 |
| “Subscription Share(s)” | the New Share(s) to be issued and allotted by the Company to the Investor pursuant to the Subscription |
| “Sunlink Technologies” | Sunlink Technologies Holdings Limited, a company incorporated in the BVI with limited liability and a direct wholly-owned subsidiary of the Company |
| “Takeovers Code” | the Hong Kong Code on Takeovers and Mergers |
| “Underwriter” | Freeman Securities Limited, a corporation licensed under the SFO to carry on Type 1 (dealing in securities) regulated activity, and is an Independent Third Party and a third party independent of and not party acting in concert with any members of the Concert Party Group |
| “Underwriting Agreement” | the underwriting agreement dated 16 December 2011 entered into between, inter alia, the Company and the Underwriter in relation to the Open Offer pursuant to which the Underwriter will fully underwrite the Offer Shares not accepted by the Qualifying Shareholders under the Open Offer |
| “Underwritten Shares” | 186,478,000 Offer Shares fully underwritten by the Underwriter on and subject to terms and conditions as set out in the Underwriting Agreement |
| “Whitewash Waiver” | a waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code in respect of the obligations on the part of the Concert Party Group to make a mandatory general offer under Rule 26 of the Takeovers Code for all the securities of the Company not already owned or agreed to be acquired by the Concert Party Group as a result of the transactions contemplated under the Subscription |
| “HK\$” and “cents” | Hong Kong dollars and cents, the lawful currency of Hong Kong |
| “%” | per cent. |

Certain amounts and percentage figures included in this prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.

EXPECTED TIMETABLE

The expected timetable of the Open Offer is subject to change, and any changes will be announced in a separate announcement by the Company as and when appropriate.

Latest Acceptance Time of the Offer Shares 4:00 p.m. on Friday, 17 February 2012

Latest Time for Termination of the
Underwriting Agreement by the Underwriter
in accordance with the terms thereof 4:00 p.m. on Tuesday, 21 February 2012

Announcement of results of the Open Offer Wednesday, 22 February 2012

Completion of the Open Offer and despatch
of certificates for the Offer Shares Thursday, 23 February 2012

If the Open Offer is terminated, refund cheques
to be despatched on or before Thursday, 23 February 2012

Resumption of trading in the New Shares and dealings
in Offer Shares commence Tuesday, 28 February 2012

Designated broker starts to stand in the market
to provide matching services for the sale and
purchase of odd lots of the New Shares Tuesday, 28 February 2012

Designated broker ceases to stand in the market
to provide matching services for the sale and
purchase of odd lots of the New Shares Tuesday, 20 March 2012

Notes: Unless otherwise specified, all references to time in this prospectus are references to Hong Kong time.

Effect of bad weather on the latest time for acceptance of and payment for the Open Offer

If there is a tropical cyclone warning signal number 8 or above, or a “black” rainstorm warning

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the Last Acceptance Date, the latest time for acceptance of and payment for the Offer Shares will not take place at 4:00 p.m. on the Last Acceptance Date, but will be extended to 5:00 p.m. on the same day instead;
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the Last Acceptance Date, the latest time for acceptance of and payment for the Offer Shares will not take place on the Last Acceptance Date, but will be rescheduled to 4:00 p.m. on the following business day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

EXPECTED TIMETABLE

If the latest time for acceptance of and payment for the Offer Shares does not take place on the Last Acceptance Date, the dates mentioned in the section headed “Expected Timetable” in this prospectus may be affected. An announcement will be made by the Company in such event.

TERMINATION OF THE UNDERWRITING AGREEMENT

If, prior to the Latest Time for Termination, one or more of the following events or matters (whether or not forming part of a series of events) shall occur, arise, exist, or come into effect:

- (a) the Underwriter shall become aware of the fact that, or shall, in its reasonable opinion, believe that, any of the warranties in the Underwriting Agreement was untrue, inaccurate, misleading in a material respect or breached, and in each case the same represents or is likely to represent (in the reasonable opinion of the Underwriter) a material and adverse change in the business, financial or trading position or prospects of the Restructured Group as a whole or is otherwise likely to have a material and adverse effect on the Open Offer;
- (b) the Company commits any breach of or omits to observe any of the obligations or undertakings expressed to be assumed by it under the Underwriting Agreement;
- (c)
 - (i) any new law or regulation is enacted, or there is any change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority, whether in Hong Kong or elsewhere;
 - (ii) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date of the Underwriting Agreement) of a political, military, financial, economic, currency, epidemic or other nature (whether or not sui generis with any of the foregoing or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict);
 - (iii) any change in local, national or international equity securities or currency markets (including but without limitation, the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange due to exceptional financial circumstances or otherwise);
 - (iv) any local, national or international outbreak or escalation of hostilities, insurrection or armed conflict;
 - (v) any change or development involving a prospective change in taxation or exchange controls in Hong Kong or elsewhere which shall or may materially and adversely affect the Restructured Group or a material proportion of the Shareholders in their capacity as such; and
 - (vi) any change occurs in the circumstances of the Company or any member of the Restructured Group,

which event or events is or are in the reasonable opinion of the Underwriter:–

- (i) likely to have a material adverse effect on the business or financial or trading position or prospects of the Company or the Restructured Group; or

TERMINATION OF THE UNDERWRITING AGREEMENT

- (ii) likely to have a material adverse effect on the success of the Open Offer or the level of Offer Shares taken up; or
- (iii) so material as to make it inappropriate, inadvisable or inexpedient to proceed further with the Open Offer,

then, and in such case the Underwriter may, in addition to and without prejudice to any other remedies to which the Underwriter may be entitled, by notice in writing given to the Company on or before the Latest Time for Termination terminate the Underwriting Agreement forthwith.

For the purposes of the above, but without limiting the generality of the foregoing,

- (a) a change in the system under which the value of the Hong Kong currency is linked to that of the currency of the United States of America shall be an event resulting or likely to result in a change in a currency nature; and
- (b) volatility in market conditions in Hong Kong or elsewhere on or before or after the date of the Underwriting Agreement shall be a factor in determining whether there has been or there is likely to be an occurrence or change in market conditions.

Upon the giving of notice pursuant to the above, all obligations of the Underwriter under the Underwriting Agreement shall cease (except those which are expressed to survive termination) and determine and no party shall have any claim against any other parties in respect of any matter or thing arising out of or in connection with the Underwriting Agreement, provided however that the Company shall remain liable to pay the Underwriter pursuant to the terms of the Underwriting Agreement.

LETTER FROM THE PROVISIONAL LIQUIDATORS



SUNLINK INTERNATIONAL HOLDINGS LIMITED

(Provisional Liquidators Appointed)

科浪國際控股有限公司*

(已委任臨時清盤人)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2336)

Provisional Liquidators:

Mr. Liu Yiu Keung, Stephen

Mr. Yen Ching Wai, David

Independent non-executive Directors:

Mr. Tso Shiu Kei, Vincent

Mr. Young Meng Cheung, Andrew

Mr. Poon Ka Lee, Barry

Registered Office:

Cricket Square, Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

British West Indies

Principal Office:

62/F, One Island East

18 Westlands Road, Island East

Hong Kong

3 February 2012

To the Shareholders,

Dear Sir or Madam,

**OPEN OFFER OF 186,478,000 OFFER SHARES ON THE BASIS OF
TWO OFFER SHARES FOR EVERY ONE NEW SHARE
HELD ON THE RECORD DATE**

INTRODUCTION

As set out in the Announcement, the Company proposes to raise approximately HK\$37,295,600 by way of the Open Offer of 186,478,000 Offer Shares at the subscription price of HK\$0.20 per Offer Share on the basis of two Offer Shares for every one New Share to be held by the Qualifying Shareholders on the Record Date and payable in full on acceptance.

As disclosed in the announcement of the Company dated 16 December 2011, the Underwriting Agreement was entered into between, inter alia, the Company and the Underwriter on 16 December 2011, pursuant to which the Underwriter has conditionally agreed to fully subscribe or procure subscription for the Offer Shares which have been offered to but have not been accepted by the Qualifying Shareholders and the Offer Shares to which the Excluded Shareholders otherwise would have been entitled and any fractional entitlement thereof.

* For identification purpose only

LETTER FROM THE PROVISIONAL LIQUIDATORS

On 23 December 2011, the circular of the Company in relation to, *inter alia*, the Open Offer was despatched to the Shareholders. At the EGM held on Friday, 13 January 2012, the necessary resolutions approving, among other things, the Open Offer were duly passed by the Shareholders by way of poll.

The purpose of this prospectus is to provide you with further details of the Open Offer including information on acceptance of and payment for the Offer Shares, and certain financial and other information of the Group.

THE OPEN OFFER

Issue details

| | | |
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| Basis of the Open Offer | : | two Offer Shares for every one New Share to be held on the Record Date |
| Number of New Shares in issue as at the Latest Practicable Date | : | 93,239,000 New Shares |
| Number of Offer Shares to be issued | : | 186,478,000 Offer Shares |
| Total number of New Shares in issue as enlarged upon completion of the Open Offer | : | 279,717,000 New Shares |
| Subscription price | : | HK\$0.20 per Offer Share payable in full on acceptance |

As at the Latest Practicable Date, (i) there were 93,239,000 New Shares in issue and the Company has no other outstanding options, warrants, derivatives or convertible securities in issue which confer any rights to subscribe for, convert or exchange into the New Shares as at the Latest Practicable Date; and (ii) the Company has not procured any other undertaking and has not received any undertaking provided by any other Shareholders to subscribe for their entitlement under the Open Offer or any arrangement that may have an effect on the Open Offer.

As at the Latest Practicable Date, the Provisional Liquidators and the Directors have not received any information from any substantial Shareholders of their intention to take up their entitled Offer Shares.

Qualifying Shareholders

The Open Offer is only available to the Qualifying Shareholders. The Company will send (i) the Prospectus Documents to the Qualifying Shareholders and (ii) if and to the extent legally and practically permissible, this prospectus, for information purposes only, to the Excluded Shareholders.

LETTER FROM THE PROVISIONAL LIQUIDATORS

To qualify for the Open Offer, a Shareholder must, at the close of business on the Record Date:

- (i) be registered as a member of the Company on the register of members of the Company; and
- (ii) not be an Excluded Shareholder.

In order to be registered as a member on the Record Date, Shareholders were required to lodge any transfers of New Shares (together with the relevant share certificates) with Tricor Standard Limited, the branch share registrar of the Company, at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, by 4:30 p.m. on 30 January 2012.

As at the Latest Practicable Date, based on the register of members of the Company, there was no Overseas Shareholder. As such, there was no Overseas Shareholder on the Record Date and there is no Excluded Shareholder under the Open Offer.

Closure of register of members

The register of members of the Company was closed from 31 January 2012 to 2 February 2012 (both days inclusive) for determining the entitlements of the Qualifying Shareholders to the Open Offer, and accordingly no transfer of New Shares was registered during that period.

The Offer Shares

The 186,478,000 Offer Shares represent:

- (i) 200% of the issued share capital of the Company as at the Latest Practicable Date;
- (ii) approximately 66.67% of the issued share capital of the Company as enlarged by the Offer Shares;
- (iii) approximately 17.43% of the issued share capital of the Company as enlarged by the Offer Shares, the Subscription Shares and the Creditors Shares (assuming no conversion of the Creditors CB); and
- (iv) approximately 16.80% of the issued share capital of the Company as enlarged by the Offer Shares, the Subscription Shares, the Creditors Shares and the Creditors CB Shares upon full conversion of the Creditors CB.

LETTER FROM THE PROVISIONAL LIQUIDATORS

The subscription price for the Offer Shares

The subscription price for the Offer Shares of HK\$0.20 represent:

- (i) a discount of approximately 85.71% to the theoretical closing price of HK\$1.4 per New Share as adjusted for the effect of the Capital Restructuring based on the closing price of HK\$0.07 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 87.31% to the average theoretical closing price of HK\$1.576 per New Share as adjusted for the effect of the Capital Restructuring based on the average closing price of HK\$0.0788 per Share as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day; and
- (iii) a discount of approximately 88.70% to the average theoretical closing price of HK\$1.77 per New Share as adjusted for the effect of the Capital Restructuring based on the average closing price of HK\$0.0885 per Share as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day.

Application for listing

The Company has applied to the Listing Committee for the listing of, and permission to deal in, the New Shares, the Offer Shares, the Subscription Shares, the Creditors Shares and the Creditors CB Shares. Dealings in the New Shares, the Offer Shares, the Subscription Shares, the Creditors Shares and the Creditors CB Shares will be subject to the payment of stamp duty in Hong Kong (where applicable). Subject to the granting of listing of, and permission to deal in, the New Shares, the Offer Shares, the Subscription Shares, the Creditors Shares and the Creditors CB Shares on the Stock Exchange, the New Shares, the Offer Shares, the Subscription Shares, the Creditors Shares and the Creditors CB Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the New Shares, the Offer Shares, the Subscription Shares, the Creditors Shares and the Creditors CB Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Basis of allotment

The basis of the assured provisional allotment shall be two Offer Shares for every one New Share held by the Qualifying Shareholders on the Record Date. Acceptance for all or any part of a Qualifying Shareholder's assured provisional allotment should be made by completing the provisional allotment letter and lodging the same with the remittance for the number of Offer Shares accepted.

LETTER FROM THE PROVISIONAL LIQUIDATORS

Nil-paid entitlements

The provisional allotments under the Open Offer on an assured basis are not transferable nor are they capable of renunciation. No listing on the Stock Exchange will be sought for the nil-paid entitlements.

No application for excess Offer Shares

The Qualifying Shareholders will not be entitled to subscribe for any Offer Shares in excess of their respective assured entitlements. Considering that each Qualifying Shareholder will be given an equal opportunity to participate in the Company's future development by subscribing for his/her/its entitlements under the Open Offer, the Provisional Liquidators and the Directors consider that the Company will not be justified in making additional effort and incurring additional costs to administer the excess application procedures. All Offer Shares not taken up by the Qualifying Shareholders are underwritten by the Underwriter.

Conditions precedent to the Open Offer

The Open Offer is conditional on the fulfillment of all of the following conditions precedent in all respects by or at the time and/or date(s) specified therefor (or, if no time is specified, the Long Stop Date):—

- (a) the signing of the Restructuring Agreement amongst the Investor, Mr. Suen as the guarantor for the Investor, the Company and the Provisional Liquidators and the same not having been terminated in accordance with the terms thereof;
- (b) the Capital Restructuring having taken place and becoming effective;
- (c) the issue of the press announcement of the Company dated 16 December 2011 relating to the Underwriting Agreement;
- (d) the delivery to the Stock Exchange of, and the filing with and registration by the Registrar of Companies in Hong Kong in compliance with the Companies Ordinance of, this prospectus (with all documents required to be attached thereto by section 342C of the Companies Ordinance) and the provisional allotment letter (all having been duly authorised for registration by the Stock Exchange and signed by two Directors or by their agents authorised in writing pursuant to section 342C of the Companies Ordinance) by no later than the prospectus posting date;
- (e) the posting of the Prospectus Documents to the Qualifying Shareholders on the prospectus posting date;
- (f) the Listing Committee (i) granting or agreeing to grant the listing of, and permission to deal in, the Offer Shares (in their fully paid form) on or before the Latest Acceptance Time subject to the formal issue and allotment of the Offer Shares; and (ii) not having withdrawn or revoked such listing and permission;

LETTER FROM THE PROVISIONAL LIQUIDATORS

- (g) the completion of the Subscription having taken place; and
- (h) the obligations of the Underwriter under the Underwriting Agreement not being terminated by the Underwriter in accordance with the terms thereof on or before the Latest Time for Termination.

If any of the above conditions precedent has not been fulfilled in all respects by or at the time and/or date(s) specified therefor (or, if no time or date is specified, the Long Stop Date), the obligations of the Underwriter and (save as hereinafter referred to) the Company under the Underwriting Agreement shall cease and determine (except those which are expressed to survive) and neither party shall have any claim against the other party in respect of any matter or thing arising out of or in connection with the Underwriting Agreement save in respect of any antecedent breach of any obligation under the Underwriting Agreement.

Status of the Offer Shares

When allotted, issued and fully paid, the Offer Shares will rank *pari passu* in all respects with the then New Shares in issue on the date of allotment and issue of the Offer Shares. Holders of the Offer Shares will be entitled to receive all future dividends and distributions which are declared, made and paid after the date of allotment and issue of the Offer Shares.

Fractions of Offer Shares

Fractional entitlements to the Offer Shares will not be issued but will be aggregated and taken up by the Underwriter. The Company will not allot any fractions of the Offer Shares.

Certificates and refund cheques for the Offer Shares

Subject to the Open Offer becoming unconditional, certificates for all fully-paid Offer Shares shall be despatched by ordinary post by 23 February 2012 to those Qualifying Shareholders who have accepted and paid for their Offer Shares, at their own risk. Refund cheques in respect of the Offer Shares if the Open Offer is terminated shall be despatched by ordinary post by 23 February 2012 to the relevant Qualifying Shareholders at their own risk.

UNDERWRITING AGREEMENT DATED 16 DECEMBER 2011

Underwriter : Freeman Securities Limited, is a corporation licensed under the SFO to carry on Type 1 (dealing in securities) regulated activity and an Independent Third Party and a third party independent of and not party acting in concert with the Concert Party Group

Number of Offer Shares to be issued : 186,478,000 Offer Shares

LETTER FROM THE PROVISIONAL LIQUIDATORS

Number of Underwritten Shares fully : 186,478,000 Offer Shares
underwritten by the Underwriter

Commission : an underwriting commission of 3% of the
aggregate subscription price in respect of the
Underwritten Shares

As the underwriting commission payable to the Underwriter (i) was determined after arm's length negotiations between the Company and the Underwriter; (ii) is on normal commercial terms and (iii) is comparable with market rate, the Board considers the terms of the Underwriting Agreement (including but not limited to the underwriting commission) to be fair and reasonable and the Underwriting Agreement is in the interests of the Company and the Shareholders as a whole.

Underwriter's obligations under the Underwriting Agreement

Subject to the provisions of the Underwriting Agreement, if and to the extent that at the Latest Time for Termination, there shall remain any of the Underwritten Shares in respect of which duly completed acceptances of provisional allotments, accompanied by remittances for the relevant amounts payable on acceptance which are honoured on first or, at the discretion of the Underwriter, subsequent presentation, have not by then been received (all of which said acceptances the Company irrevocably undertakes with the Underwriter to accept before calling upon the Underwriter to perform its obligations imposed by the Underwriting Agreement or which are treated as Underwritten Shares not taken up pursuant to the Underwriting Agreement), then the Underwriter shall subscribe or (as agent for the Company) procure subscribers for the same on the terms of the Prospectus Documents (save as regards the time for acceptance and payment) and on the basis of the information contained in the Prospectus Documents and shall pay or procure to be paid into a segregated Open Offer account the amount due on acceptance in respect thereof, subject to and in accordance with the provisions of the Underwriting Agreement.

The Underwriter declares that it and all its subsidiaries and such subscribers as procured by the Underwriter to subscribe for the Underwritten Shares not taken up or their respective ultimate beneficial owners are Independent Third Parties and third parties independent of and not party acting in concert with any members of the Concert Party Group. The Underwriter: (i) confirms that, without prejudice in any event to the Underwriter's obligations to procure subscription for the Underwritten Shares not taken up under the Underwriting Agreement, it shall use reasonable endeavours to assist the Company to comply with the minimum public float requirement under rules 8.08(1) and 13.32(1) of the Listing Rules immediately after completion of the Open Offer; and (ii) agrees that it shall, in fulfillment of the Underwriter's obligations to subscribe for (or procure subscribers for) any Underwritten Shares, take appropriate steps such as sub-underwriting all or part of the Underwritten Shares under the Underwriting Agreement (sub-underwriter(s) not being party(ies) acting in concert with the Underwriter) to assist the Company to comply with the minimum public float requirement under rules 8.08(1) and 13.32(1) of the Listing Rules immediately after completion of the Open Offer.

LETTER FROM THE PROVISIONAL LIQUIDATORS

The Underwriter further undertakes to the Company that, without prejudice in any event to the Underwriter's obligations to procure subscription for the Underwritten Shares not taken up under the Underwriting Agreement, it shall ensure (i) that the subscribers as procured by the Underwriter to subscribe for any Underwritten Shares (collectively the "Relevant Subscribers") are independent of and not connected or acting in concert with the Directors, chief executive or substantial Shareholders of the Company or any of its subsidiaries or any of their respective associates and (ii) that no such Relevant Subscriber shall be procured to subscribe for any Underwritten Share(s) if allotment and issue of any Underwritten Share(s) to it would result in it and its associates or persons acting in concert with any of them, when aggregated with the total number of New Shares (if any) already held by them, holding 30% or more of the enlarged issued share capital of the Company immediately after completion of the Open Offer.

The Underwriter undertakes that as at the date of the Underwriting Agreement and for all times up to and including the fourth business day following (but excluding) the Latest Acceptance Time, neither the Underwriter nor its subsidiaries nor such subscribers as procured by the Underwriter to subscribe for the Underwritten Shares not taken up nor their respective ultimate beneficial owners or associates are/will be a substantial Shareholder holding 10% or more shareholding in the Company.

TERMINATION OF THE UNDERWRITING AGREEMENT

If, prior to the Latest Time for Termination, one or more of the following events or matters (whether or not forming part of a series of events) shall occur, arise, exist, or come into effect:

- (a) the Underwriter shall become aware of the fact that, or shall, in its reasonable opinion, believe that, any of the warranties in the Underwriting Agreement was untrue, inaccurate, misleading in a material respect or breached, and in each case the same represents or is likely to represent (in the reasonable opinion of the Underwriter) a material and adverse change in the business, financial or trading position or prospects of the Restructured Group as a whole or is otherwise likely to have a material and adverse effect on the Open Offer;
- (b) the Company commits any breach of or omits to observe any of the obligations or undertakings expressed to be assumed by it under the Underwriting Agreement;
- (c) (i) any new law or regulation is enacted, or there is any change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority, whether in Hong Kong or elsewhere;
- (ii) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date of the Underwriting Agreement) of a political, military, financial, economic, currency, epidemic or other nature (whether or not sui generis with any of the foregoing or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict);

LETTER FROM THE PROVISIONAL LIQUIDATORS

- (iii) any change in local, national or international equity securities or currency markets (including but without limitation, the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange due to exceptional financial circumstances or otherwise);
- (iv) any local, national or international outbreak or escalation of hostilities, insurrection or armed conflict;
- (v) any change or development involving a prospective change in taxation or exchange controls in Hong Kong or elsewhere which shall or may materially and adversely affect the Restructured Group or a material proportion of the Shareholders in their capacity as such; and
- (vi) any change occurs in the circumstances of the Company or any member of the Restructured Group,

which event or events is or are in the reasonable opinion of the Underwriter:–

- (i) likely to have a material adverse effect on the business or financial or trading position or prospects of the Company or the Restructured Group; or
- (ii) likely to have a material adverse effect on the success of the Open Offer or the level of Offer Shares taken up; or
- (iii) so material as to make it inappropriate, inadvisable or inexpedient to proceed further with the Open Offer,

then, and in such case the Underwriter may, in addition to and without prejudice to any other remedies to which the Underwriter may be entitled, by notice in writing given to the Company on or before the Latest Time for Termination terminate the Underwriting Agreement forthwith.

For the purposes of the above, but without limiting the generality of the foregoing,

- (a) a change in the system under which the value of the Hong Kong currency is linked to that of the currency of the United States of America shall be an event resulting or likely to result in a change in a currency nature; and
- (b) volatility in market conditions in Hong Kong or elsewhere on or before or after the date of the Underwriting Agreement shall be a factor in determining whether there has been or there is likely to be an occurrence or change in market conditions.

Upon the giving of notice pursuant to the above, all obligations of the Underwriter under the Underwriting Agreement shall cease (except those which are expressed to survive termination) and determine and no party shall have any claim against any other parties in

LETTER FROM THE PROVISIONAL LIQUIDATORS

respect of any matter or thing arising out of or in connection with the Underwriting Agreement, provided however that the Company shall remain liable to pay the Underwriter pursuant to the terms of the Underwriting Agreement.

PROCEDURES FOR ACCEPTANCE OF AND PAYMENT FOR THE OFFER SHARES

Qualifying Shareholders will find enclosed with this prospectus, a provisional allotment letter which entitles the relevant Qualifying Shareholder to accept the subscription of the number of Offer Shares shown therein. If a Qualifying Shareholder wishes to exercise his/her/its rights to accept the subscription of the Offer Shares specified in the provisional allotment letter, the Qualifying Shareholder must lodge the provisional allotment letter in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Company's branch share registrar in Hong Kong, Tricor Standard Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, by no later than 4:00 p.m. on Friday, 17 February 2012. All remittances must be by cheques or cashier's orders in Hong Kong dollars. Cheques must be drawn on an account with, and cashier's orders must be issued by, a licensed bank in Hong Kong and made payable to "**Sunlink International Holdings Limited (Provisional Liquidators Appointed) – Open Offer Account**" and crossed "**ACCOUNT PAYEE ONLY**".

It should be noted that unless the duly completed provisional allotment letter, together with the appropriate remittance, has been lodged with the Company's branch share registrar in Hong Kong, Tricor Standard Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, by 4:00 p.m. on Friday, 17 February 2012, by the original allottee, the relevant assured allotment and all rights and entitlement thereunder will be deemed to have been declined and will be cancelled and the relevant Offer Shares will be taken up by the Underwriter.

The provisional allotment letter contains further information regarding the procedures to be followed if Qualifying Shareholders wish to accept the whole or part of their assured allotment. All cheques and cashier's orders accompanying duly completed provisional allotment letters will be presented for payment immediately upon receipt and all interest earned on such monies (if any) will be retained for the benefit of the Company. Completion and return of a provisional allotment letter with a cheque and/or a cashier's order, will constitute a warranty by the relevant Qualifying Shareholder that the cheque and/or the cashier's order will be honoured on first presentation. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any provisional allotment letter in respect of which the accompanying cheque and/or cashier's order is dishonoured on first presentation, and, in such event, the relevant assured allotment and all rights and entitlement given pursuant to which will be deemed to have been declined and will be cancelled.

The provisional allotment letter is for use only by the person(s) named therein and is not transferable. No receipt will be issued in respect of any monies received under the Open Offer. If the conditions of the Open Offer are not fulfilled and/or the Underwriting Agreement is terminated in accordance with its terms before the Latest Time for Termination, the monies received in respect of acceptance of the Offer Shares will be returned to the Qualifying Shareholders or, in case of joint holders, to the first-named person

LETTER FROM THE PROVISIONAL LIQUIDATORS

without interest by means of cheques despatched by ordinary post to the respective addresses specified in the register of members of the Company at their own risk as soon as practicable thereafter on or before Thursday, 23 February 2012.

FUND RAISING ACTIVITIES IN THE PAST 12 MONTHS

The Company did not carry out any rights issue, open offer or other issue of equity securities for fund raising purpose or otherwise within the past 12 months immediately prior to the date of this prospectus.

REASONS FOR THE OPEN OFFER

At present, the Group's business can be broadly classified into three major categories which are: (i) sale of standardised semiconductors and related products embedded with basic function; (ii) sale of used semiconductors and related products; and (iii) development and provision of electronic turnkey device solutions.

In order to satisfy the resumption conditions for resumption of trading of the New Shares, the Investor, Mr. Suen as the guarantor for the Investor, the Company and the Provisional Liquidators entered into the Restructuring Agreement in respect of, inter alia, the proposed Open Offer.

The Company will receive net proceeds of approximately HK\$35,996,000 after expenses relating to the Open Offer. The expenses in connection with the Open Offer, mainly the underwriting commission, are approximately HK\$1,300,000 in aggregate.

USE OF PROCEEDS FROM THE OPEN OFFER AND THE SUBSCRIPTION

The aggregate gross proceeds from the Open Offer and the Subscription of approximately HK\$187,296,000 will be applied as follows:

- (i) HK\$43,000,000 as a cash settlement to the Creditors with Admitted Claims under the Scheme;
- (ii) approximately HK\$22,000,000 as Restructuring Costs;
- (iii) HK\$20,000,000 will be used to repay the Second Loan (due on Completion and to be set off against the subscription monies from the Investor for the Subscription Shares);
- (iv) HK\$8,000,000 will be used to repay the First Loan (due on Completion and to be set off against the subscription monies from the Investor for the Subscription Shares);
- (v) approximately HK\$1,300,000 will be used to settle the estimated expenses for the Open Offer; and

LETTER FROM THE PROVISIONAL LIQUIDATORS

(vi) the balance of approximately HK\$92,996,000 as working capital for the continuation and future expansion of the existing business of the Restructured Group.

THE GROUP AND ITS SHAREHOLDING STRUCTURE

The table below set out the shareholding structure of the Company under different scenarios immediately before and after Completion:

Scenario 1: Assuming none of the Shareholders take up their respective entitlements to the Offer Shares under the Open Offer, accordingly, the Underwriter will take up the Underwritten Shares in full pursuant to the terms of the Underwriting Agreement.

| | As at the Latest Practicable Date | | Upon completion of the Subscription | | Upon completion of the Open Offer, the Subscription and issuance of the Creditors Shares | | Upon completion of the Open Offer, the Subscription and issuance of the Creditors Shares and the Creditors CB Shares | |
|--|-----------------------------------|---------------|-------------------------------------|---------------|--|---------------|--|---------------|
| | No. of New Shares | % | No. of New Shares | % | No. of New Shares | % | No. of New Shares | % |
| | | | | | | | | |
| <i>The Concert Party Group (Note 1)</i> | | | | | | | | |
| – Subscription Shares | – | – | 750,000,000 | 88.94 | 750,000,000 | 70.11 | 750,000,000 | 67.58 |
| <i>Public Shareholders:</i> | | | | | | | | |
| <i>Creditors</i> | | | | | | | | |
| – Creditors Shares | – | – | – | – | 40,000,000 | 3.73 | 40,000,000 | 3.60 |
| – Creditors CB Shares | – | – | – | – | – | – | 40,000,000 | 3.60 |
| Underwriter (Note 2) | – | – | – | – | 186,478,000 | 17.43 | 186,478,000 | 16.80 |
| Dr. Wong | 30,470,000 | 32.68 | 30,470,000 | 3.61 | 30,470,000 | 2.85 | 30,470,000 | 2.75 |
| Dubai Investment Group Limited | 10,035,200 | 10.76 | 10,035,200 | 1.19 | 10,035,200 | 0.94 | 10,035,200 | 0.91 |
| Fu Guang Holdings Limited | 9,374,080 | 10.05 | 9,374,080 | 1.11 | 9,374,080 | 0.88 | 9,374,080 | 0.85 |
| Other public Shareholders | 43,359,720 | 46.51 | 43,359,720 | 5.15 | 43,359,720 | 4.06 | 43,359,720 | 3.91 |
| Sub-total | 93,239,000 | 100.00 | 93,239,000 | 11.06 | 319,717,000 | 29.89 | 359,717,000 | 32.42 |
| Total | 93,239,000 | 100.00 | 843,239,000 | 100.00 | 1,069,717,000 | 100.00 | 1,109,717,000 | 100.00 |

Notes:

- As the Investor was not a Qualified Shareholder on the Record Date, the Investor will not participate in the Open Offer.
- Under the Underwriting Agreement, the Underwriter has undertaken that none of the Underwriter and such subscribers as procured by the Underwriter to subscribe for the Underwritten Shares not “taken up” will at any time from the date of the Underwriting Agreement up to the fourth business day

LETTER FROM THE PROVISIONAL LIQUIDATORS

following (but excluding) the Latest Acceptance Time be a substantial Shareholder holding 10% or more shareholding in the Company, and declared that each of the subscribers as procured by the Underwriter and their respective ultimate beneficial owners are Independent Third Parties.

Scenario 2: Assuming all the existing Shareholders take up their respective entitlements to the Offer Shares under the Open Offer.

| | As at the Latest Practicable Date | | Upon completion of the Subscription | | Upon completion of the Open Offer, the Subscription and issuance of the Creditors Shares | | Upon completion of the Open Offer, the Subscription and issuance of the Creditors Shares and the Creditors CB Shares | |
|--------------------------------|-----------------------------------|---------------|-------------------------------------|---------------|--|---------------|--|---------------|
| | No. of New Shares | % | No. of New Shares | % | No. of New Shares | % | No. of New Shares | % |
| | | | | | | | | |
| The Concert Party Group | | | | | | | | |
| – Subscription Shares | – | – | 750,000,000 | 88.94 | 750,000,000 | 70.11 | 750,000,000 | 67.58 |
| Public Shareholders: | | | | | | | | |
| Creditors | | | | | | | | |
| – Creditors Shares | – | – | – | – | 40,000,000 | 3.73 | 40,000,000 | 3.60 |
| – Creditors CB Shares | – | – | – | – | – | – | 40,000,000 | 3.60 |
| Underwriter | – | – | – | – | – | – | – | – |
| Dr. Wong | 30,470,000 | 32.68 | 30,470,000 | 3.61 | 91,410,000 | 8.55 | 91,410,000 | 8.24 |
| Dubai Investment Group Limited | 10,035,200 | 10.76 | 10,035,200 | 1.19 | 30,105,600 | 2.81 | 30,105,600 | 2.72 |
| Fu Guang Holdings Limited | 9,374,080 | 10.05 | 9,374,080 | 1.11 | 28,122,240 | 2.63 | 28,122,240 | 2.54 |
| Other public Shareholders | 43,359,720 | 46.51 | 43,359,720 | 5.15 | 130,079,160 | 12.17 | 130,079,160 | 11.72 |
| Sub-total | 93,239,000 | 100.00 | 93,239,000 | 11.06 | 319,717,000 | 29.89 | 359,717,000 | 32.42 |
| Total | 93,239,000 | 100.00 | 843,239,000 | 100.00 | 1,069,717,000 | 100.00 | 1,109,717,000 | 100.00 |

LISTING RULES IMPLICATIONS

Pursuant to the requirements of the Listing Rules, since the Open Offer would increase the issued share capital of the Company by more than 50% within the 12 month period immediately preceding the date of the Announcement, the Open Offer is conditional on the approval by the Open Offer Independent Shareholders by way of poll in the EGM, where the controlling Shareholder or, in the case that the Company has no controlling Shareholder, the Directors (excluding the independent non-executive Directors), the chief executive of the Company and their respective associates are required to abstain from voting in favour of the Open Offer. As such, the Interested Shareholders and Dr. Wong, who had interest in 609,400,000 Shares, representing approximately 32.68% of the then issued share capital of the Company as at the date of the EGM, abstained from voting on the resolution to approve the Open Offer at the EGM.

LETTER FROM THE PROVISIONAL LIQUIDATORS

WARNING OF THE RISK OF DEALING IN THE NEW SHARES

Trading in the Shares has been suspended since 2 December 2008. The Open Offer is conditional upon, inter alia, the fulfilment of the conditions precedent set out under the paragraph headed “Conditions precedent to the Open Offer” in this prospectus. In particular, it is subject to the Underwriting Agreement not being terminated in accordance with its terms thereof (a summary of which is set out under the paragraph headed “Termination of the Underwriting Agreement” above). The Open Offer may or may not proceed.

Any dealing in the New Shares from the date of this prospectus up to the date on which all the conditions precedent of the Open Offer are fulfilled will accordingly bear the risk that the Open Offer may not become unconditional or may not proceed. Any Shareholders or other persons contemplating dealing in the New Shares are recommended to consult their own professional advisers. The Shareholders and potential investors of the Company should therefore exercise extreme caution when dealing in the securities of the Company.

GENERAL

Your attention is drawn to the information contained in the appendices to this prospectus.

For and on behalf of
SUNLINK INTERNATIONAL HOLDINGS LIMITED
(Provisional Liquidators Appointed)

Stephen Liu Yiu Keung

David Yen Ching Wai

*Joint and Several Provisional Liquidators who act
without personal liabilities*

1. FINANCIAL INFORMATION

The financial information of the Group for each of the three years ended 31 December 2008, 2009 and 2010 is disclosed in the annual reports of the Company for the years ended 31 December 2008, 2009 and 2010, respectively and financial information of the Group for the six months ended 30 June 2011 is disclosed in the interim report of the Company for the six months ended 30 June 2011. The aforementioned financial information of the Group is published on both the HKExnews website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.equitynet.com.hk/2336).

2. FINANCIAL AND TRADING PROSPECTS

The Group's turnover for the year ended 31 December 2010 was approximately HK\$178,481,000, representing a very substantial increase of approximately HK\$145,401,000 or almost 4.4 times when compared with the previous year (2009: approximately HK\$33,080,000). The strong growth in the Group's turnover was mainly attributed to the significant expansion of the Group's sale of semiconductors and related products business and the recommencement of the Group's business of development and provision of electronic turnkey device solutions. When compared with the prior year, the turnover of the sale of semiconductors and related products business segment increased by approximately HK\$114,426,000 or almost 3.5 times to approximately HK\$147,506,000 (2009: approximately HK\$33,080,000), which mainly due to its significant expansion of customer base and widened product range. In addition, the Group's business of development and provision of electronic turnkey device solutions, which recommenced in 2010, also contributed a turnover of approximately HK\$30,975,000 to the Group's total turnover. These two business segments both contributed a profitable result to the Group, in which the segment profit of the sale of semiconductors and related products business increased substantially by approximately HK\$4,773,000 to approximately HK\$6,943,000 (2009: approximately HK\$2,170,000), and the segment profit of the business of development and provision of electronic turnkey device solutions was approximately HK\$3,477,000 for the current year.

The Group's turnover for the six months ended 30 June 2011 was approximately HK\$146,176,000, showing a very substantial increase of approximately HK\$78,072,000 or 115% when compared to the previous period (six months ended 30 June 2010: approximately HK\$68,104,000). The strong growth in the Group's turnover was mainly attributable to the significant expansion of the Group's customer base and the widened range of products and services the Group is capable to offer. When compared to the previous period, the turnover of the sale of semiconductors and related products business increased sharply by approximately HK\$33,720,000 or 51% to approximately HK\$100,112,000 (six months ended 30 June 2010: approximately HK\$66,392,000), whilst the turnover of the business of development and provision of electronic turnkey device solutions increased significantly by approximately HK\$44,352,000 or almost 26 times to approximately HK\$46,064,000 (six months ended 30 June 2010: approximately HK\$1,712,000). Both of the two business segments contributed profitable results to the Group, the segment profit of the sale of semiconductors and related products business amounted to approximately HK\$3,352,000 (six months ended 30 June 2010: approximately HK\$3,979,000), while the

segment profit of the development and provision of electronic turnkey device solutions business was approximately HK\$6,831,000 (six months ended 30 June 2010: approximately HK\$192,000).

As mentioned in the 2011 interim report, upon completion of the capital injection in Foshan Lianchuang which took place on 24 June 2011, which is now a subsidiary of the Group, the scale of the Group's electronic turnkey device solutions business has been substantially expanded. With the addition of Foshan Lianchuang as a member of the Group, it is expected that financial and business synergies will be created with the Group's existing semiconductors and electronic turnkey device solution businesses and that the Group is in a better position to further expand and enhance its business operations.

Looking ahead, the Group will continue to look for business opportunities that will increase the Group's turnover and profitability. Furthermore, the Group is also seeking investment opportunities to expand its business portfolio in order to capture the development and trends of the electronic components market. These business expansion plans will possibly be financed by the fund raising exercises as contemplated in the Restructuring.

Since entering into the exclusivity agreement dated 11 May 2009 amongst the Investor, Mr. Suen, the Company and the Provisional Liquidators granting the Investor the exclusivity period to prepare a resumption proposal and to negotiate in good faith for entering into a formal agreement to implement the Restructuring, with the support of the Investor, the Company has successfully resumed its businesses via the Global Winner and the Onetech Group. For the periods under review, with the great efforts of the Group's management, the Group recorded significant increases in turnover and profitability. The Group's management is confident that, following the satisfactory completion of the Restructuring, the Group will be able to perform better financially and be well positioned for further business growth.

In order to satisfy the resumption conditions for resumption of trading of the New Shares, the Investor, Mr. Suen as the guarantor for the Investor, the Company and the Provisional Liquidators entered into the Restructuring Agreement on 30 September 2011.

3. INDEBTEDNESS

As at the close of business on 31 December 2011, being the latest practicable date for the purpose of ascertaining the indebtedness of the Group prior to the printing of this prospectus, the Group had total outstanding borrowings of approximately HK\$41,388,000, comprising the First Loan and the Second Loan from the Investor totaling of HK\$ 28,000,000, the amount due to the Investor of HK\$11,000,000 relating to the Fee Contribution and the amount due to the non-controlling shareholder of Foshan Lianchuang of approximately HK\$2,388,000.

The First Loan and the Second Loan from the Investor are secured by the floating charge on all the assets of Global Winner.

As at the close of business on 31 December 2011, the Group had financial guarantee liabilities of approximately HK\$285,345,000 arising from the corporate guarantees provided by the Company to its subsidiaries over the bank loans and certain other payables maintained by these subsidiaries which were deconsolidated from the consolidated financial statements of the Group since 1 July 2008.

As at the close of business on 31 December 2011, the Group did not have any significant contingent liability.

Save as aforesaid and apart from intra-group liabilities and normal trade payables in the ordinary course of business, as at the close of business on 31 December 2011, based on the books and records currently available to the Provisional Liquidators and the Directors, the Provisional Liquidators and the Directors have confirmed that there is no material change in its indebtedness position since 31 December 2011 and are not aware of the Group having other outstanding mortgages, charges, debentures or other loan capital, bank overdrafts or loans, other similar indebtedness, finance lease or hire purchase commitments, liabilities under acceptance or acceptance credits, guarantees or other material contingent liabilities.

4. WORKING CAPITAL

The Investor, the Provisional Liquidators, the incumbent Directors and the proposed Directors named in this prospectus are of the opinion that, upon Completion, the Group would have sufficient working capital to finance its own day to day operations for the twelve months from the date of this prospectus.

5. MATERIAL CHANGE

As at the Latest Practicable Date, save for the completion of capital injection in Foshan Lianchuang in June 2011 and the entering into the Restructuring Agreement, the Directors and Provisional Liquidators have confirmed that there is no material change in the financial or trading position or outlook of the Group since 31 December 2010, being the date to which the latest published audited financial statements of the Group were made up.

A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED
NET TANGIBLE ASSETS OF THE GROUP

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group prepared in accordance with Paragraph 13 of Appendix 1B and Paragraph 29 of Chapter 4 of the Listing Rules is set out below to illustrate the effects of the Open Offer on the consolidated net tangible assets of the Group as if the Share Consolidation, the Subscription and the Open Offer had taken place on 30 June 2011.

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group has been prepared for illustrative purposes only, based on the judgements and assumptions of the Provisional Liquidators and the Directors and because of its hypothetical nature, may not give a true picture of the financial position of the Group following the Open Offer.

The following unaudited pro forma statement of adjusted consolidated net tangible assets of the Group is based on the unaudited consolidated net tangible assets of the Group as at 30 June 2011, adjusted as described below:

| Unaudited consolidated net tangible assets of the Group attributable to shareholders of the Company as at 30 June 2011 <i>(Note 1)</i> HK\$'000 | Subscription of the Subscription Shares, offset with the Restructuring Costs, the First Loan, the Second Loan and accrued interests <i>(Note 2)</i> HK\$'000 | Unaudited pro forma consolidated net tangible assets of the Group attributable to shareholders of the Company as at 30 June 2011 after completion of the Share Consolidation and the Subscription but before the Open Offer HK\$'000 | Estimated net proceeds from the Open Offer <i>(Note 3)</i> HK\$'000 | Unaudited pro forma adjusted consolidated net tangible assets of the Group as at 30 June 2011 HK\$'000 |
|--|---|---|--|--|
| (296,059) | 143,603 | (152,456) | 35,996 | (116,460) |

Unaudited consolidated net
tangible assets per Share
before completion of the Share
Consolidation, the Subscription
and the Open Offer *(Note 4)*

HK\$(0.16)

Unaudited pro forma
consolidated net tangible
assets per New Share
immediately after completion
of the Share Consolidation and
the Subscription but before
completion of the Open Offer
(Note 5)

HK\$(0.18)

| Unaudited consolidated net tangible assets of the Group attributable to shareholders of the Company as at 30 June 2011 (Note 1) | Subscription of the Subscription Shares, offset with the Restructuring Costs, the First Loan, the Second Loan and accrued interests (Note 2) | Unaudited pro forma consolidated net tangible assets of the Group attributable to shareholders of the Company as at 30 June 2011 after completion of the Share Consolidation and the Subscription but before the Open Offer (Note 3) | Estimated net proceeds from the Open Offer (Note 3) | Unaudited pro forma adjusted consolidated net tangible assets of the Group as at 30 June 2011 |
|---|--|---|---|--|
|---|--|---|---|--|

Unaudited pro forma adjusted consolidated net tangible assets per New Share immediately after completion of the Share Consolidation, the Subscription and the Open Offer (Note 6)

HK\$(0.11)

Notes:

- The unaudited consolidated net tangible assets of the Group attributable to the shareholders of the Company as at 30 June 2011 are based on the deficiency of equity attributable to owners of the Company as stated in the unaudited condensed consolidated statement of financial position of the Group as at 30 June 2011 contained in the interim report of the Company for the six months period ended 30 June 2011.
- The Company is to issue 750,000,000 Subscription Shares to the Investor at the subscription price of HK\$0.20 per Subscription Share with the par value of HK\$0.01 each. The subscription money payable by the Investor is HK\$150,000,000 and part of it will be set off against (a) the First Loan and the Second Loan of the principal amount of HK\$8,000,000 and HK\$20,000,000 respectively, and the accrued interests thereon of approximately HK\$222,000, and against (b) the amount of HK\$9,000,000 due to the Investor as at 30 June 2011 being the advances from the Investor for payment of the Restructuring Costs incurred by the Company. All the above mentioned amounts totaling approximately HK\$37,222,000 were grouped under accruals and other payables. The remaining part of the proceeds of approximately HK\$112,778,000 will be settled by the Investor in cash. Such remaining cash proceeds from the Subscription will be applied by the Company to settle (a) the accrued Restructuring Costs grouped under accruals and other payables of approximately HK\$6,698,000 as at 30 June 2011, and (b) the remaining Restructuring Costs to be incurred of approximately HK\$6,397,000 (being estimated total Restructuring Costs of HK\$22,000,000 minus Restructuring Costs of approximately HK\$15,603,000 already incurred up to 30 June 2011). As a result, the Group's consolidated net tangible assets is increased by approximately HK\$143,603,000, being the gross proceeds of HK\$150,000,000 from the Subscription less the remaining Restructuring Costs to be incurred of approximately HK\$6,397,000.
- The estimated net proceeds are based on the issue of 186,478,000 New Shares under the Open Offer on the basis of two Offer Shares for every one New Share held by the Qualifying Shareholders at a subscription price of HK\$0.20 per Offer Share. As a result of the Open Offer, the Group will raise net proceeds of approximately HK\$35,996,000 after deducting the expenses of approximately HK\$1,300,000 relating to the Open Offer.

4. It is based on the unaudited consolidated net tangible liabilities of the Group of approximately HK\$296,059,000 divided by 1,864,780,000 Shares in issue as at 30 June 2011 before implementation of the Share Consolidation, the Subscription and the Open Offer.
5. It is based on the unaudited pro forma consolidated net tangible liabilities of the Group of approximately HK\$152,456,000 divided by 843,239,000 New Shares, on which 93,239,000 New Shares and 750,000,000 New Shares were in issue upon completion of the Share Consolidation and the Subscription respectively as at 30 June 2011, assuming that the Share Consolidation and the Subscription had become effective as at 30 June 2011.
6. It is based on the unaudited pro forma adjusted consolidated net tangible liabilities of the Group of approximately HK\$116,460,000 divided by 1,029,717,000 New Shares, on which 93,239,000 New Shares, 750,000,000 New Shares and 186,478,000 New Shares were in issue upon completion of the Share Consolidation, the Subscription and the Open Offer respectively as at 30 June 2011, assuming that the Share Consolidation, the Subscription and Open Offer had been completed on 30 June 2011.

**B. ACCOUNTANT'S REPORT ON UNAUDITED PRO FORMA STATEMENT OF
ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP**

The following is the text of a report, prepared for the sole purpose of inclusion in this prospectus, from the independent reporting accountant, ANDA CPA Limited, Certified Public Accountants, Hong Kong.



3 February 2012

The Provisional Liquidators and the Directors
Sunlink International Holdings Limited
(Provisional Liquidators Appointed)

Dear Sirs,

We report on the unaudited pro forma statement of adjusted consolidated net tangible assets (the “Unaudited Pro Forma Financial Information”) of Sunlink International Holdings Limited (Provisional Liquidators Appointed) (the “Company”) and its subsidiaries (hereinafter collectively referred to as the “Group”), which has been prepared by the Provisional Liquidators and the Directors of the Company, for illustrative purposes only, to provide information about how the Open Offer (as defined in the prospectus of the Company dated 3 February 2012 (the “Prospectus”)) might have affected the consolidated net tangible assets of the Group as if the Share Consolidation (as defined in the Prospectus), the Subscription (as defined in the Prospectus) and the Open Offer had taken place at 30 June 2011, for inclusion in Appendix II to the Prospectus. The basis of preparation of the Unaudited Pro Forma Financial Information is set out in Section A of Appendix II to the Prospectus.

**Respective Responsibilities of the Provisional Liquidators and Directors of the
Company and Reporting Accountant**

It is the responsibility solely of the Provisional Liquidators and the Directors of the Company to prepare the Unaudited Pro Forma Financial Information in accordance with paragraph 13 of Appendix 1B and paragraph 29 of Chapter 4 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

It is our responsibility to form an opinion, as required by paragraph 29(7) of Chapter 4 of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us

on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

Basis of Opinion

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 300 “Accountants’ Reports on Pro Forma Financial Information in Investment Circulars” issued by the HKICPA. Our work consisted primarily of comparing the unadjusted financial information with source documents, considering the evidence supporting the adjustments and discussing the Unaudited Pro Forma Financial Information with the Provisional Liquidators and the Directors of the Company. The engagement did not involve independent examination of any of the underlying financial information.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Unaudited Pro Forma Financial Information has been properly compiled by the Provisional Liquidators and the Directors of the Company on the basis stated, that such basis is consistent with the accounting policies of the Group and that the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 29(1) of Chapter 4 of the Listing Rules.

The Unaudited Pro Forma Financial Information is for illustrative purposes only, based on the judgements and assumptions of the Provisional Liquidators and the Directors of the Company, and, because of its hypothetical nature, does not provide any assurance or indication that any event will take place in the future and may not be indicative of the financial position of the Group as at 30 June 2011 or any future date.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled by the Provisional Liquidators and the Directors of the Company on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and

- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 29(1) of Chapter 4 of the Listing Rules.

Yours faithfully,
ANDA CPA Limited
Certified Public Accountants
Sze Lin Tang
Practising Certificate Number P03614
Hong Kong

1. RESPONSIBILITY STATEMENT

This prospectus, for which the Provisional Liquidators, the incumbent Directors and the proposed Directors named in this prospectus collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Provisional Liquidators, the incumbent Directors and the proposed Directors named in this prospectus, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this prospectus misleading.

2. SHARE CAPITAL

The authorised share capital of the Company as at the Latest Practicable Date was as follows:

| | |
|----------------------------------|--------------------|
| <i>Authorised:</i> | <i>HK\$</i> |
| <u>10,000,000,000</u> New Shares | <u>100,000,000</u> |

The issued share capital of the Company as at the Latest Practicable Date and following completion of the Open Offer, the Subscription, the subscription of the Creditors Shares and the conversion of the Creditors CB in full were and are expected to be as follows:

| | |
|--|-------------------|
| <i>Issued and fully paid shares:</i> | <i>HK\$</i> |
| 93,239,000 New Shares in issue as at the Latest Practicable Date | 932,390 |
| 750,000,000 New Shares to be issued and allotted under the Subscription | 7,500,000 |
| 186,478,000 New Shares to be issued under the Open Offer | 1,864,780 |
| 40,000,000 New Shares to be issued and allotted pursuant to the issuance of the Creditors Shares | 400,000 |
| 40,000,000 New Shares to be issued upon full conversion of Creditors CB | 400,000 |
| <u>1,109,717,000</u> New Shares | <u>11,097,170</u> |

All of the New Shares, the Offer Shares, the Subscription Shares, the Creditors Shares and the Creditors CB Shares will rank pari passu in all aspects, including all rights as to dividend, voting and interest in capital, among themselves and with all other shares of the Company in issue on the date of issue.

Subject to as provided in the articles of association of the Company and the applicable laws, the Company shall not alter the rights attached to the New Shares, the Offer Shares, the Subscription Shares, the Creditors Shares and the Creditors CB Shares without passing a special resolution by the Shareholders.

As at the Latest Practicable Date, no share, option, warrant, conversion right or any equity or debt securities of the Company is outstanding or is proposed to be issued for cash or otherwise and no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any such capital, except for the proposed Subscription, Open Offer, and issue of the Creditors Shares and the Creditors CB.

Saving for the New Shares arising from the Capital Restructuring, the Company has not issued any new shares since 31 December 2010, the end of last financial year. The New Shares are listed on the Main Board of the Stock Exchange. No part of the equity or debt securities of the Company is listed or dealt in, nor is listing or permission to deal in the New Shares or loan capital of the Company being, or proposed to be, sought on any other stock exchange.

3. DISCLOSURE OF INTERESTS

(a) Interests of Directors

To the best knowledge of the Provisional Liquidators, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests and short positions in the New Shares, underlying New Shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), the Model Code for Securities Transactions by Directors of Listed Companies and which were required to be entered into the register required to be kept under Section 352 of the SFO.

(b) Interests of Shareholders

To the best knowledge of the Provisional Liquidators, as at the Latest Practicable Date, the following persons (other than a Director or chief executive of the Company) had an interest or short position in the New Shares and underlying New Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who are, directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at a general meeting of any members of the Group.

Interest in the New Shares and underlying New Shares:***Long Position in the New Shares***

| Name of substantial shareholder | Nature of interest | | Total number of ordinary shares held | | Percentage of the issued share capital of the Company |
|--|------------------------|--------------------|--------------------------------------|----------------|---|
| | Registered shareholder | Corporate interest | Long position | Short position | |
| The Underwriter | – | 186,478,000 | 186,478,000 <i>(Note 1)</i> | – | 200% |
| The Investor | – | 750,000,000 | 750,000,000 <i>(Note 2)</i> | – | 804.38% |
| Kingston Securities Limited | 28,140,000 | – | 28,140,000 <i>(Note 3)</i> | – | 30.18% |
| Best Eagle International Limited | 980,000 | 27,580,000 | 28,560,000 <i>(Note 3)</i> | – | 30.63% |
| Dr. Wong Shu Wing | 1,350,000 | 29,120,000 | 30,470,000 <i>(Note 3)</i> | – | 32.68% |
| State Street Bank and Trust Company Boston | 10,107,600 | – | 10,107,600 <i>(Note 4)</i> | – | 10.84% |
| Fu Guang Holdings Limited | 9,374,080 | – | 9,374,080 <i>(Note 5)</i> | – | 10.05% |
| Mr. Lee Yin Yee | – | 9,374,080 | 9,374,080 <i>(Note 5)</i> | – | 10.05% |
| D & M International Limited | 7,285,000 | – | 7,285,000 <i>(Note 6)</i> | – | 7.81% |
| Mr. Leung Yu Ming, Steven | – | 7,285,000 | 7,285,000 <i>(Note 6)</i> | – | 7.81% |

Note 1: 186,478,000 New Shares represent the number of Offer Shares that are fully underwritten by the Underwriter pursuant to the Underwriting Agreement. As such, the Underwriter is deemed to be interested in 186,478,000 New Shares under the SFO.

Note 2: 750,000,000 New Shares represent the number of New Shares that the Investor will subscribe under the Restructuring Agreement. As such, the Investor, which is wholly and beneficially owned by Mr. Suen, is deemed to be interested in 750,000,000 New Shares under the SFO.

Note 3: Kingston Securities Limited holds 27,580,000 New Shares and 560,000 New Shares on behalf of Best Eagle International Limited and Dr. Wong Shu Wing respectively. The entire

issued share capital of Best Eagle International Limited is beneficially owned by Dr. Wong Shu Wing. Therefore, both Best Eagle International Limited and Dr. Wong Shu Wing are deemed to have the duplicate interests in the share capital of the Company under the SFO.

Note 4: State Street Bank and Trust Company Boston holds the shares on behalf of Dubai Investment Group Limited.

Note 5: The entire issued share capital of Fu Guang Holdings Limited is beneficially owned by Mr. Lee Yin Yee. Therefore, both Fu Guang Holdings Limited and Mr. Lee Yin Yee are deemed to have the duplicate interests in the share capital of the Company under the SFO.

Note 6: The entire issued share capital of D & M International Limited is beneficially owned by Mr. Leung Yu Ming, Steven. Therefore, both D & M International Limited and Mr. Leung Yu Ming, Steven are deemed to have the duplicate interests in the share capital of the Company under the SFO.

(c) Directors' other interests

1. None of the Directors had any direct or indirect interest in any assets which have been, since the date to which the latest published audited accounts of the Group were made up, acquired or disposed of by, or leased to, any member of the Group, or are proposed to be acquired or disposed of by, or leased to, any member of the Group; and
2. None of the Directors was materially interested in any contract or arrangement subsisting at the date of this prospectus which was significant to the business of the Group.

4. MATERIAL CONTRACTS

The following contracts have been entered into by the Group (not being contracts entered into in the ordinary course of business carried out or intended to be carried out by the Company or any of its subsidiaries) within the two years immediately preceding the date of the Announcement and up to the Latest Practicable Date, which are or may be material:

- (i) the capital increase agreement dated 26 March 2010 relating to capital injection in Foshan Lianchuang entered into between Global Winner, Foshan Lianchuang and 廈門華聯電子有限公司 (Xiamen Hualian Electronics Company Limited*), a company incorporated in the PRC with limited liability;
- (ii) the Restructuring Agreement; and
- (iii) the Underwriting Agreement.

5. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors (including the proposed Directors named in this prospectus), had any existing or proposed service contract with the Company or any member of the Group which is not expiring or determinable by the Group within one year without payment of compensation other than statutory compensation.

* For identification purpose only

6. LITIGATION

On 1 December 2008, Gold Star International Holdings Limited presented a winding up petition against the Company in respect of a claim of approximately HK\$8.6 million. On 10 December 2008, Gold Star International Holdings Limited filed an application to the High Court of Hong Kong for the appointment of provisional liquidators of the Company. On 11 December 2008, Hang Seng Bank Limited filed a notice of intention to appear and support the winding up petition. Hang Seng Bank Limited also filed an application on 16 December 2008 to appoint the Provisional Liquidators to preserve the Company's assets for the benefits of the Creditors.

On 12 October 2010, the Provisional Liquidators filed an application with the High Court of Hong Kong against Dr. Wong for, *inter alia*, breaches of director's duties and an injunction against Dr. Wong and his associates to restrain them from voting against the resolutions at the re-convened 2008 annual general meeting of the Company, 2009 annual general meeting of the Company and an extraordinary general meeting of the Company in relation to the approval of the capital increase agreement relating to Foshan Lianchuang.

On 8 November 2010, the High Court of Hong Kong handed down the judgment for the grant of an interlocutory injunction order dated 5 November 2010 against Dr. Wong and his associates. The injunction restrained Dr. Wong and his associates from voting against the proposed resolutions at the re-convened 2008 annual general meeting of the Company, 2009 annual general meeting of the Company and an extraordinary general meeting of the Company in relation to the approval of the capital increase agreement relating to Foshan Lianchuang.

7. EXPERT AND CONSENT

The following is the qualification of the expert who has given opinion or advice which is contained in this prospectus:

| Name | Qualification |
|---------------------------|------------------------------|
| ANDA CPA Limited ("ANDA") | Certified Public Accountants |

ANDA has given and has not withdrawn its consent to the issue of this prospectus with the inclusion of its report or letter, as the case may be, and reference to its name in the form and context in which they respectively appear. As at the Latest Practicable Date, ANDA was not beneficially interested in the share capital of any member of the Group, nor did they have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any members of the Group nor did they have any interest, either direct or indirect, in any assets which had been since 31 December 2010 (being the date to which the latest published audited accounts of the Group were made up) acquired or disposed of by or leased to or were proposed to be acquired or disposed of by or leased to any member of the Group.

8. CORPORATE INFORMATION

| | |
|---|---|
| Registered office | Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands British West Indies |
| Principal office | 62/F, One Island East 18 Westlands Road Island East Hong Kong |
| Authorised representatives | Mr. Liu Yiu Keung, Stephen Room B, 28/F, Tower 1 Park Towers, 1 King's Road, North Point Hong Kong Mr. Yen Ching Wai, David 9B, Block 24, Baguio Villa 555 Victoria Road, Pokfulam Hong Kong |
| Financial adviser to the Company | Partners Capital International Limited Unit 3906, 39th Floor, COSCO Tower 183 Queen's Road Central Hong Kong |
| Principal share registrar and transfer office | Butterfield Fulcrum Group (Cayman) Limited Butterfield House, 68 Fort Street P.O. Box 609 Grand Cayman KY1-1107 Cayman Islands British West Indies |
| Hong Kong branch share registrar and transfer office | Tricor Standard Limited 26/F, Tesbury Centre 28 Queen's Road East Wanchai Hong Kong |
| Auditor | ANDA CPA Limited Certified Public Accountants 21st Floor Max Share Centre 373 King's Road North Point Hong Kong |

| | |
|--------------------------------------|---|
| Legal advisers to the Company | <i>As to Hong Kong Law</i> Wilkinson & Grist 6th Floor, Prince's Building Chater Road Central Hong Kong |
| | <i>As to Cayman Islands Law:</i> Walkers Suite 1501-1507, Alexandra House 18 Chater Road Central Hong Kong |
| Principal bankers | The Hongkong and Shanghai Banking Corporation Limited HSBC Main Building 1 Queen's Road Central Central Hong Kong |
| | Hang Seng Bank Limited 83 Des Voeux Road Central Central Hong Kong |
| | Bank of China (Hong Kong) Limited 1 Garden Road Hong Kong |
| | CITIC Bank International Limited 232 Des Voeux Road Central Hong Kong |

9. PARTICULARS OF DIRECTORS AND PROPOSED DIRECTORS

Independent non-executive Directors:

| | |
|-------------------------------|---|
| Mr. Tso Shiu Kei, Vincent | 16A, Hanking Court 43-49 Cloud View Road Hong Kong |
| Mr. Young Meng Cheung, Andrew | House 99, 18th Street Hong Lok Yuen Tai Po Hong Kong |

Mr. Poon Ka Lee, Barry
Unit A, 9/F, Block 3
Pokfulam Gardens
180 Pokfulam Road
Pokfulam
Hong Kong

Proposed executive Directors:

Mr. Suen Cho Hung, Paul
33/F., Celestial Heights
35 Celestial Avenue
80 Sheung Shing Street, Ho Man Tin
Kowloon

Mr. Sue Ka Lok
Room 1516, Block E, Kornhill, Quarry Bay
Hong Kong

**Proposed independent non-executive
Directors:**

Mr. Sun Ka Ziang, Henry
Flat A, 5/F., Tower 7, Lake Silver
599 Sai Sha Road, Ma On Shan
New Territories
Hong Kong

Mr. Chiang Bun
Flat 7, 38/F., Block A, Kam Fung Court
Ma On Shan, New Territories
Hong Kong

Ms. Wong Wai Yin, Viola
6C Yee Bo Mansion
57-59 Fort Street
North Point
Hong Kong

The biographical details of the Directors and the proposed Directors are as follows:

Independent non-executive Directors

Mr. Tso Shiu Kei, Vincent, aged 45, is a solicitor practising in Hong Kong and a partner of K&L Gates. He joined the Group in 2009. He has extensive experience in corporate finance and corporate compliance related work in Hong Kong and China. Mr. Tso obtained a bachelor degree in laws and a bachelor degree in commerce from the University of Queensland, Australia. He was admitted as a solicitor in Australia in 1992 and in Hong Kong in 1994.

Mr. Young Meng Cheung, Andrew, aged 52, is a chartered professional engineer of the Institution of Engineers, Australia. He joined the Group in 2009. Mr. Young has over 25 years of experience in technology management, engineering consultation and

management consulting. He was previously the Director of Partnership Development at the Hong Kong Polytechnic University and was a director of the Hong Kong Plastics Technology Centre Limited and also a director of various private companies.

Mr. Poon Ka Lee, Barry, aged 52, is an associate member of the Hong Kong Institute of Certified Public Accountants and an associate member of the Association of Chartered Certified Accountants. He joined the Group in 2009. Mr. Poon has over 25 years experience in audit and accounting and is currently a partner of K.Y. Lai & Co., CPA and a partner of K.L. Poon & Co., CPA. He is also an executive director of Telefield International (Holdings) Limited (Stock code: 1143). Mr. Poon holds a professional diploma in accountancy from Hong Kong Polytechnic University and a master degree in business administration from the University of Manchester.

Proposed executive Directors:

Mr. Suen Cho Hung, Paul, aged 50, holds a Master of Business Administration degree from the University of South Australia. Mr. Suen has extensive experience in managing metal, mineral and raw materials, energy and property business ventures as well as in strategic planning and corporate management of business enterprises in Hong Kong and the PRC. Mr. Suen is currently a shareholder, an executive director and chairman of Beijing Yu Sheng Tang Pharmaceutical Group Limited (stock code: 1141), a controlling shareholder, an executive director and chairman of BEP International Holdings Limited (stock code: 2326), a controlling shareholder of China Tycoon Beverage Holdings Limited (stock code: 209) and a controlling shareholder of New Island Printing Holdings Limited (stock code: 377), all of which are companies listed on the Main Board of the Stock Exchange. Mr. Suen was also an executive director and the chairman of China Yunnan Tin Minerals Group Company Limited (stock code: 263) until 16 September 2009, a company listed on the Main Board of the Stock Exchange.

Mr. Sue Ka Lok, aged 46, holds a Bachelor of Economics degree from the University of Sydney in Australia and a Master of Science in Finance degree from the City University of Hong Kong. Mr. Sue is a fellow member of the Hong Kong Institute of Certified Public Accountants, a certified practising accountant of CPA Australia, a fellow member of both the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators and a member of the Hong Kong Securities Institute. He has extensive experience in corporate management, finance, accounting and company secretarial practice. Mr. Sue is an executive director and the chief executive officer of both Beijing Yu Sheng Tang Pharmaceutical Group Limited (stock code: 1141) and BEP International Holdings Limited (stock code: 2326). Mr. Sue is also a non-executive director and the chairman of China Tycoon Beverage Holdings Limited (stock code: 209), all of which are companies listed on the Main Board of the Stock Exchange. Mr. Sue was also an executive director and the chief executive officer of China Yunnan Tin Minerals Group Company Limited (stock code: 263) until 18 January 2010, a company listed on the Main Board of the Stock Exchange.

Proposed independent non-executive Directors:

Mr. Sun Ka Ziang, Henry, aged 54, holds a Bachelor degree in Economics from Monash University in Australia. He is a member of CPA Australia and an associate member of the Hong Kong Institute of Certified Public Accountants. Mr. Sun possesses over 20 years of experience in international finance, corporate finance, corporate planning, financial management and accounting and held executive positions at several international banks, accounting firm, the Hong Kong Airport Authority and an information technology company. Mr. Sun is currently an independent non-executive director of China Yunnan Tin Minerals Group Company Limited (stock code: 263) and Zhongda International Holdings Limited (stock code: 909), all of which are companies listed on the Main Board of the Stock Exchange.

Mr. Chiang Bun, aged 42, holds a Bachelor degree in Social Sciences from the University of Hong Kong and a LL.B. from Peking University. Mr. Chiang is also a Chartered Financial Analyst charter holder. Mr. Chiang has held senior roles in various international banks and financial institutions, primarily responsible for structured debt and/or equity financing. Mr. Chiang has extensive experience in the banking and finance industry.

Ms. Wong Wai Yin, Viola, aged 30, holds a Bachelor degree in Information Technology from York University in Canada. Ms. Wong is currently a project analyst and has working experience in organisational change management and project management.

For all the proposed Directors, save as mentioned above, as at the Latest Practicable Date, each of the proposed Directors:

- (i) was not connected and has no relationship with any Directors, senior management or substantial Shareholders or controlling Shareholders (as defined in the Listing Rules); and
- (ii) was not interested in and did not hold any short position in any New shares or underlying New shares in or any debentures of the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

As at the Latest Practicable Date, the Company had no company secretary. It is expected a company secretary of the Company will be appointed before resumption of trading of the New Shares.

10. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or proposed Directors and their respective associates was considered to have an interest in a business which competes or is likely to complete, either directly or indirectly, with the business of the Group other than those businesses to which the Directors and their respective associates were appointed to represent the interests of the Company and/or the Group.

11. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

A copy of each of the Prospectus Documents and the consent letter referred to in the paragraph headed “Expert and Consent” in this appendix have been registered with the Registrar of Companies in Hong Kong pursuant to section 342C of the Companies Ordinance.

12. EXPENSES

The expenses in connection with the Open Offer, mainly the underwriting commission, are approximately HK\$1,300,000 payable by the Company.

13. BINDING EFFECT

The Prospectus Documents and all acceptances of any offer or application contained in such documents, are governed by and shall be construed in accordance with the laws of Hong Kong. When an acceptance or application is made in pursuance of any such documents, the relevant document(s) shall have the effect of rendering all persons concerned bound by the provisions (other than the penal provisions) of sections 44A and 44B of the Companies Ordinance, so far as applicable.

14. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours from 9.30 a.m. to 5.30 p.m. on any weekday (except public holiday with prior notice) at the principal office of business in Hong Kong of the Company at 62/F, One Island East, 18 Westlands Road, Island East, Hong Kong from the date of this prospectus up to and including 16 February 2012:

- (i) memorandum and articles of association of the Company;
- (ii) the annual reports of the Company for the two years ended 31 December 2009 and 31 December 2010 and the interim report of the Company for the six months ended 30 June 2011;
- (iii) the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group as set out in Appendix II to this prospectus;
- (iv) the report from ANDA on the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group, the text of which is set out in Appendix II to this prospectus;
- (v) the written consent referred to in the paragraph headed “Expert and Consent” in this appendix; and
- (vi) all material contracts referred to in the paragraph headed “Material Contracts” in this appendix.