

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

Our Company was incorporated under the Companies Law in the Cayman Islands as an exempted company with limited liability on 9 August 2010. Our Company has established a place of business in Hong Kong at Room 01C, 10th Floor, Kin Wing Commercial Building, 24–30 Kin Wing Street, Tuen Mun, New Territories, Hong Kong and was registered as a non-Hong Kong company in Hong Kong under Part XI of the Companies Ordinance on 16 September 2010, with Mr. Lee Lit Mo Johnny, of Flat 3, 6th Floor, Block 10, Provident Centre, 39 Wharf Road, North Point, Hong Kong appointed as the Hong Kong authorised representative of our Company on 27 August 2010 for acceptance of the service of process and notices on behalf of our Company required to be served on our Company in Hong Kong. As our Company was incorporated in the Cayman Islands, our operations are subject to the Companies Law and to our constitution which comprises the Memorandum of Association and Articles of Association. A summary of relevant sections of the Memorandum of Association and Articles of Association and relevant aspects of the Companies Law is set out in Appendix IV to this prospectus.

2. Changes in the share capital of our Company

As at the date of incorporation of our Company, the authorised share capital of our Company was HK\$380,000 divided into 38,000,000 Shares of nominal value of HK\$0.01 each. The following alterations in the share capital of our Company have taken place since the date of incorporation up to the date of this prospectus:

- (a) On 9 August 2010, 1 nil-paid Share was issued and allotted to the initial subscriber, Codan Trust Company (Cayman) Limited and the said 1 Share was transferred to Lian Wang on the same date.
- (b) On 3 February 2012, in consideration of the acquisition by Cheng Wang, our subsidiary, of (i) the entire issued share capital of Great Top from Mr. Choi and Mrs. Choi; and (ii) all the outstanding indebtedness in the aggregate sum of HK\$79,990,000 due or owing from Great Top to Mr. Choi and Mrs. Choi, a total of 999,999 new Shares were allotted and issued by our Company, at the direction of Mr. Choi and Mrs. Choi, all credited as fully paid, to Lian Wang, and the 1 nil-paid Share held by Lian Wang was credited as fully paid at par.
- (c) Pursuant to the written resolutions of the sole Shareholder passed on 14 March 2012, the authorised share capital of our Company was increased from HK\$380,000 to HK\$10,000,000 by the creation of an additional 962,000,000 Shares.
- (d) Conditional upon the share premium account of our Company being credited as a result of the Share Offer, our Directors were authorised to capitalise an amount of HK\$1,490,000 from the amount standing to the credit of the share premium account of our Company by applying such sum in paying up in full at par a total of 149,000,000 Shares, such Shares to be allotted and issued, credited as fully paid at par, to the holders of Shares whose names appear on the register of members of our Company at the close of business on 14 March 2012, or as each of them may direct in writing, in proportion (or as nearly as possible without involving the issue of fractions of Shares) to their respective shareholdings in our Company.

- (e) Immediately upon completion of the Share Offer and the Capitalisation Issue (but without taking into account of any Shares which may be allotted and issued pursuant to the exercise of any options which may be granted under the Share Option Scheme), 200,000,000 Shares will be issued fully paid or credited as fully paid and 800,000,000 Shares will remain unissued.

Save as disclosed herein and in the paragraph headed “Written resolutions of the sole Shareholder on 14 March 2012” below, there has been no alteration in the share capital of our Company since the date of its incorporation.

3. Written resolutions of the sole Shareholder on 14 March 2012

On 14 March 2012, written resolutions were passed by the sole Shareholder pursuant to which, among other things:

- (a) the authorised share capital of our Company was increased from HK\$380,000 divided into 38,000,000 Shares of HK\$0.01 each to HK\$10,000,000 by the creation of an additional 962,000,000 Shares of HK\$0.01 each, such additional Shares to rank pari passu in all respects with the existing Shares;
- (b) conditional upon the conditions as stated in the sub-section headed “Conditions of the Share Offer” in the section headed “Structure and conditions of the Share Offer” in this prospectus being fulfilled (or, if applicable, waived):
 - (i) the Share Offer on the terms and subject to the conditions set out in this prospectus was approved, and our Directors were authorised to allot and issue the Offer Shares pursuant to the terms and conditions set out in this prospectus;
 - (ii) conditional upon the share premium account of our Company being credited as a result of the Share Offer, our Directors were authorised to capitalise an amount of HK\$1,490,000 from the amount standing to the credit of the share premium account of our Company by applying such sum in paying up in full at par a total of 149,000,000 Shares, such Shares to be allotted and issued, credited as fully paid at par, to the holders of Shares whose names appear on the register of members of our Company at the close of business on 14 March 2012, or as each of them may direct in writing, in proportion (or as nearly as possible without involving the issue of fractions of Shares) to their respective shareholdings in our Company;
 - (iii) the rules of the Share Option Scheme were approved and adopted and the Board was authorised at its absolute discretion to grant options to subscribe for Shares thereunder and to allot, issue and deal with Shares pursuant to the exercise of subscription rights attaching to any options granted thereunder and to take all steps which it considers to be necessary or desirable to implement and give effect to the Share Option Scheme;
 - (iv) a general unconditional mandate was given to our Directors to exercise all the powers of our Company to allot, issue and deal with (otherwise than pursuant to, or in consequence of, the Share Offer, the Capitalisation Issue, the exercise of any options which may be granted under the Share Option Scheme or any other share option scheme of our Company, or by way of rights issues, scrip dividend schemes or similar arrangements providing for the allotment and issue of Shares

in lieu of the whole or part of a dividend on Shares in accordance with the Articles of Association or a specific authority granted by the Shareholders in general meetings) Shares with an aggregate nominal value not exceeding 20% of the aggregate nominal amount of the share capital of our Company in issue immediately following completion of the Share Offer and the Capitalisation Issue (excluding any Shares which may be issued pursuant to the exercise of options which may be granted under the Share Option Scheme);

- (v) a general unconditional mandate was given to our Directors to exercise all the powers of our Company to repurchase, on the Stock Exchange or any other stock exchange on which the securities of our Company may be listed and which is recognised by the SFC and the Stock Exchange for this purpose in accordance with all applicable laws and requirements of the Listing Rules (or of such other stock exchange), Shares with an aggregate nominal amount not exceeding 10% of the aggregate nominal amount of the share capital of our Company in issue immediately following completion of the Share Offer and the Capitalisation Issue (excluding any Shares which may be issued pursuant to the exercise of options which may be granted under the Share Option Scheme);
 - (vi) each of the general mandates referred to in paragraphs (iv) and (v) above will remain in effect until the conclusion of the next annual general meeting of our Company, the expiration of the period within which the next annual general meeting of our Company is required by any applicable law or the Articles of Association to be held or when it is revoked, varied or renewed by an ordinary resolution of the Shareholders in general meeting, whichever is the earliest;
 - (vii) the general unconditional mandate mentioned in paragraph (iv) above was extended by the addition to the aggregate nominal value of the share capital of our Company which may be allotted or agreed conditionally or unconditionally to be allotted by our Directors pursuant to such general mandate of an amount representing the aggregate nominal value of the share capital of our Company repurchased by our Company pursuant to the mandate to repurchase Shares referred to in paragraph (v) above, provided that such extended amount shall not exceed 10% of the aggregate nominal value of the share capital of our Company in issue immediately following the completion of the Share Offer and the Capitalisation Issue (excluding the Shares which may be issued pursuant to the exercise of options which may be granted under the Share Option Scheme); and
- (c) our Company approved and adopted the Memorandum of Association and the Articles of Association with immediate effect.

4. Corporate Reorganisation

The companies comprising our Group underwent a Reorganisation to rationalise our Group's structure in preparation for the listing of the Shares on the Stock Exchange. The Reorganisation involved the following:

- (a) On 5 July 2010, Shengfa was incorporated under the laws of the BVI with limited liability. Its authorised share capital upon incorporation was US\$50,000 divided into 50,000 shares of US\$1.00 each. 1 share was allotted and issued to our Company for cash at par on 27 August 2010.
- (b) On 5 July 2010, Cheng Wang was incorporated under the laws of the BVI with limited liability. Its authorised share capital upon incorporation was US\$50,000 divided into 50,000 shares of US\$1.00 each. 1 share was allotted and issued to Shengfa for cash at par on 27 August 2010.
- (c) On 9 August 2010, our Company was incorporated under the laws of the Cayman Islands as an exempted company with an authorised share capital of HK\$380,000 divided into 38,000,000 shares of HK\$0.01 each. 1 Share was allotted and issued nil-paid to Codan Trust Company (Cayman) Limited as initial subscriber. On the same date, such 1 nil-paid Share held by Codan Trust Company (Cayman) Limited was transferred to Lian Wang.
- (d) On 3 February 2012, Cheng Wang acquired (i) the entire issued share capital of Great Top from Mr. Choi and Mrs. Choi; and (ii) all the outstanding indebtedness in the aggregate sum of HK\$79,990,000 due or owing from Great Top to Mr. Choi and Mrs. Choi. In consideration for such acquisition:
 - (i) Cheng Wang had, at the direction of Mr. Choi and Mrs. Choi, procured our Company to:
 - (aa) allot and issue 999,999 new Shares, credited as fully paid, to Lian Wang;
 - (bb) credit as fully paid at par 1 nil-paid Share held by Lian Wang;
 - (ii) 1 ordinary share of US\$1.00 each in Shengfa, credited as fully paid, was allotted and issued to our Company; and
 - (iii) 1 ordinary share of US\$1.00 each in Cheng Wang, credited as fully paid, was allotted and issued to Shengfa.

5. Changes in the share capital of the subsidiaries

The subsidiaries of our Company are listed in the accountants' report set out in Appendix I to this prospectus.

Save as mentioned herein and in the paragraph headed "Corporate Reorganisation" above and the paragraph headed "Corporate development" in the section headed "Corporate history, development and reorganisation", there has been no alteration in the share capital (or registered capital, as the case may be) of the subsidiaries of our Company within the two years immediately preceding the date of this prospectus.

6. Further information about our Group's subsidiary in the PRC

Our Company has interests in a subsidiary in the PRC. Set out below is a summary of the corporate information of our PRC subsidiary:

NWCI

- | | |
|---|--|
| (i) Corporate name: | 世佳化工(廈門)有限公司
Nice World Chemical Industry (Xiamen) Co., Ltd. |
| (ii) Date of establishment: | 20 December 1995 |
| (iii) Registered office: | 101 Xiaguang Road, Xinyang Street, Haicang District,
Xiamen City, Fujian Province, the PRC |
| (iv) Economic nature: | Wholly foreign-owned enterprise |
| (v) Registered owner: | Great Top |
| (vi) Total investment capital: | US\$19,460,000 |
| (vii) Registered capital: | US\$8,000,000 |
| (viii) Attributable interest to
our Group: | 100% |
| (ix) Term of operation: | 22 December 1995 to 21 December 2045 |
| (x) Scope of business: | Production and sales of PA, fumaric acid and other
by-products of PA thereof including cis-acid,
cis-anhydride, MA, fumaric acid and PA derivatives
(excluding hazardous and controlled chemicals) (In the
case of a business scope including items for which approval
are required, such items shall be subject to the approval of
the competent authorities) |
| (xi) Directors: | Mr. Choi, Mrs. Choi, Mr. Chen Fan and Mr. Lee Lit Mo
Johnny |
| (xii) Legal representative: | Mr. Chen Fan |

7. Repurchase by our Company of our own Shares

This section includes information required by the Stock Exchange to be included in this prospectus concerning the repurchase by our Company of our own securities.

(a) Relevant legal and regulatory requirements

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their own shares on the Stock Exchange subject to certain restrictions, amongst which it is provided that:

(i) Shareholders' approval

All proposed repurchases of securities (which must be fully-paid up in the case of shares) on the Stock Exchange by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of its shareholders, either by way of a general mandate or by specific approval of a particular transaction.

Pursuant to the written resolutions of the sole Shareholder passed on 14 March 2012, conditional upon the conditions as stated in the sub-section headed "Conditions of the Share Offer" in the section headed "Structure and conditions of the Share Offer" in this prospectus being fulfilled (or, if applicable, waived), a general unconditional mandate (the "**Repurchase Mandate**") was given to our Directors to exercise all the powers of our Company to repurchase, on the Stock Exchange on any other stock exchange on which the securities of our Company may be listed and which is recognised by the SFC and the Stock Exchange for this purpose in accordance with all applicable laws and requirements of the Listing Rules (or of such other stock exchange), Shares with an aggregate nominal amount not exceeding 10% of the aggregate nominal amount of the share capital of our Company in issue immediately following completion of the Share Offer and the Capitalisation Issue (but excluding any Shares which may be issued pursuant to the exercise of options which may be granted under the Share Option Scheme). The Repurchase Mandate will remain in effect until the conclusion of the next annual general meeting of our Company, or the expiration of the period within which the next annual general meeting of our Company is required by any applicable law or the Articles of Association to be held or when it is revoked, varied or renewed by an ordinary resolution of the Shareholders in general meeting, whichever is the earliest.

(ii) Source of funds

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

Under the Companies Law, any repurchases by our Company may be made out of profits of our Company or out of the proceeds of a fresh issue of Shares made for the purpose of the repurchase or from sums standing to the credit of the share premium account of the Company or, if authorised by the Articles of Association and subject to the Companies Law, out of capital. Any premium payable on a redemption or purchase over the par value of the Shares to be repurchased must be provided for out of profits or from sums standing to the credit of the share premium account of our Company, or, if authorised by the Articles of Association and subject to the Companies Law, out of capital.

(b) Reasons for repurchases

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

(c) Funding of repurchases

In repurchasing the Shares, our Company may only apply funds of our Company legally available for such purpose in accordance with the Memorandum of Association and Articles of Association, the Listing Rules and the applicable laws and regulations of the Cayman Islands.

On the basis of the current financial position of our Company as disclosed in the prospectus, and taking into account the current working capital position of our Company, our Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse impact on the working capital and/or the gearing position of our Company as compared with the position disclosed in this prospectus. However, our Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital position of our Company or the gearing levels which in the opinion of our Directors are from time to time appropriate for our Company.

(d) Number of Shares which may be repurchased

On the basis of 200,000,000 Shares in issue immediately following the completion of the Share Offer and the Capitalisation Issue (without taking into account the exercise of options which may be granted under the Share Option Scheme), our Directors would be authorised under the Repurchase Mandate to repurchase up to 20,000,000 Shares during the period in which the Repurchase Mandate remains in force.

(e) *General*

None of our Directors nor, to the best of their knowledge, having made all reasonable enquiries, any of their respective associates, have any present intention, if the Repurchase Mandate is exercised, to sell any Shares to our Company or our subsidiaries.

Our Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules, the Articles of Association and the applicable laws and regulations of the Cayman Islands.

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

Any repurchase of Shares which results in the number of Shares held by the public being reduced to less than the prescribed percentage of the Shares then in issue could only be implemented with the approval of the Stock Exchange to waive the Listing Rules requirements regarding public shareholding. However, our Directors do not propose to exercise the Repurchase Mandate to such an extent that in the circumstances, there is insufficient public float as prescribed under the Listing Rules.

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

As required by Rule 10.06(5) of the Listing Rules, the Shares repurchased by our Company shall be cancelled upon purchase and our Company shall apply for listing of any further issues of that type of Shares in the normal way. Furthermore, our Company shall ensure that the documents of title of purchased Shares are cancelled and destroyed as soon as reasonably practicable following settlement of any such purchase.

B. FURTHER INFORMATION ABOUT THE BUSINESS

1. Summary of material contracts

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

- (i) the sale and purchase agreement dated 3 February 2012 entered into between Mr. Choi, Mrs. Choi, Shengfa, Cheng Wang and our Company in relation to the acquisition of the entire issued share capital of Great Top and all its outstanding indebtedness by Cheng Wang from Mr. Choi and Mrs. Choi in consideration of: (1) Cheng Wang procuring our Company to allot and issue 999,999 new Shares, credited as fully paid, to Lian Wang and to credit as fully paid at par one nil-paid Share held by Lian Wang; (2) one ordinary


share of US\$1.00 each in Shengfa, credited as fully paid, being allotted and issued to our Company; and (3) one ordinary share of US\$1.00 each in Cheng Wang, credit as fully paid, being allotted and issued to Shengfa;



- (ii) the deed of non-competition dated 14 March 2012 and executed by the Controlling Shareholders in favour of our Company (for ourselves and as trustee for each of our subsidiaries) containing the non-competition undertakings not to directly or indirectly engage or otherwise be interested in any business which is or may be in competition with the business of any members of our Group;
- (iii) the deed of indemnity dated 14 March 2012 given by the Controlling Shareholders in favour of our Company (for ourselves and as trustee for each of our subsidiaries) containing, among other things, indemnities in connection with our Group's possible liabilities under estate duty, taxation as well as the non-compliance with the relevant PRC rules and regulations in respect of the non-registration of a lease agreement in the PRC; and
- (iv) the Underwriting Agreement.

2. Intellectual Property

A. Trademarks

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

Trademark	Place of registration	Registration number	Name of proprietor		Class	Expiry date
	The PRC	1242040	NWCI		1	27 January 2019

Trademark	Place of Registration	Registration Number	Name of Owner	Class	Date of Registration	Expiry Date
(A) (Note 1)	Hong Kong	301691271	GREAT TOP	1	17 August 2010	16 August 2020
			INVESTMENT			
(B)			LIMITED (宏升投資有限公司)			
						

Note 1: The colour blue is claimed as an element of mark "A" in the series

(A) (Note 2)	Hong Kong	301691280	GREAT TOP	1	17 August 2010	16 August 2020
			INVESTMENT			
(B)			LIMITED (宏升投資有限公司)			
						

Note 2: The colour red is claimed as an element of mark "A" in the series

B. Domain names

As at the Latest Practicable Date, our Group was the registrant of the following domain name:

Domain name	Name of registrant	Registration date	Expiry date
www.judaintl.com.....	NWCI	16 August 2010	16 August 2020

Note: The contents contained in the website above do not form part of this prospectus.

Save as disclosed above, there are no other trademarks or other intellectual property rights which are material in relation to our Group's business.

C. FURTHER INFORMATION ABOUT DIRECTORS, MANAGEMENT STAFF AND SUBSTANTIAL SHAREHOLDERS**1. Disclosure of interests or short position of Directors and chief executives of our Company in the Shares, underlying Shares or debentures of our Company and its associated corporations**

Immediately following the completion of the Share Offer and the Capitalisation Issue and assuming that the options which may be granted under the Share Option Scheme are not exercised, the interests and/or short positions of our Directors and the chief executives of our Company in the Shares, underlying Shares and debentures of our Company or any of its associated corporations (within the meaning of Part XV of the SFO), which once the Shares are listed on the Stock Exchange, (a) will have to be disclosed pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests in which they are taken or deemed to have taken under the SFO); (b) will be required pursuant to section 352 of the SFO, to be entered in the register required to be kept therein; or (c) will be required pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in the Listing Rules to be notified to our Company and the Stock Exchange are as follows:

Long positions in the Shares

Name of Director/ chief executive	Capacity	Number of Shares	Approximate percentage of shareholding
			%
Mr. Choi	Interest of a controlled corporation (<i>note</i>)	150,000,000	75

Note: Lian Wang is the registered and beneficial owner of these Shares. Lian Wang is owned as to 0.01% and 99.99% by Mr. Choi and Mrs. Choi respectively. Mr. Choi is the spouse of Mrs. Choi. Moreover, Lian Wang or its directors are accustomed to act in accordance with Mr. Choi's directions. By virtue of the SFO, Mr. Choi is deemed to be interested in the same parcel of Shares in which Lian Wang is interested.

2. Particulars of service contracts and letters of appointment*(a) Executive Directors*

Each of the executive Directors has entered into a service contract with our Company on 14 March 2012 for an initial term of three years with effect from the Listing Date and thereafter be continuous unless and until terminated by not less than three months' notice in writing served by either party on the other or by payment of three month's fixed salary in lieu of such notice. Each of the annual basic salary (excluding the bonus mentioned below) of executive Directors including Mr. Choi, Mr. Lee Lit Mo Johnny and Mr. Chen Fan is HK\$600,000. The basic salary of each executive Director after the expiry of the initial term is subject to annual review with such increment (if any) at such rate to be determined by the remuneration committee of our Company and approved by a majority in number of the members of the Board (excluding the Director whose salary is under review) and the relevant executive Director shall abstain from voting and shall not be counted in the quorum in respect of the proposed resolution regarding the increment.

Pursuant to the terms of the service contracts entered into between each executive Director and our Company, the annual salary of each executive Director is as follows:

Name	Annual salary
	(HK\$)
Mr. Choi	600,000
Mr. Lee Lit Mo Johnny	600,000
Mr. Chen Fan	600,000

Each of the executive Directors may be entitled to a discretionary bonus determined and approved by the Board provided that the aggregate amount of such bonus payable in each financial year to all the executive Directors shall not exceed 5% of the audited consolidated net profit of our Group (before taxation but after minority interests and the taxation attributable to the minority interests). Subject to the above, the amount of discretionary bonus payable to each of the executive Directors shall be determined by the remuneration committee of our Company from time to time by reference to the then prevailing market conditions, the performance of our Company as well as his individual performance.

(b) Independent non-executive Directors

Each of the independent non-executive Directors has entered into a letter of appointment with our Company on 14 March 2012 for an period of two years commencing from the Listing Date subject to the provision of retirement and rotation of Directors under the Articles of Association.

Pursuant to the terms of the letters of appointment entered into between the independent non-executive Directors on the one part and our Company on the other part, the annual Director's fee payable to each of them is as follows:

Name	Annual Director's fee
	(HK\$)
Mr. Yan Wai Kiu (formerly known as Mr. Yan Kin Wai)	180,000
Mr. Wong Kin Tak	180,000
Mr. Choi Kin Cheong	180,000

The independent non-executive Directors are not entitled to any bonus.

- (c) Each of our Directors is entitled to reimbursement for all necessary and reasonable out-of-pocket expenses properly incurred in connection with the performance and discharge of his duties under the relevant service contract or letter of appointment.
- (d) Save as disclosed in this prospectus, none of our Directors has entered into any service agreements with any member of our Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation other than statutory compensation).

3. Directors' remuneration

- (a) The aggregate sums of approximately HK\$514,000, HK\$542,000, HK\$565,000 and HK\$351,000 were paid to our Directors as remuneration (including benefits in kind) by our Group for the three years ended 31 March 2009, 2010 and 2011 and the seven months ended 31 October 2011 respectively. Further information in respect of our Directors' remuneration is set out in the accountants' report in Appendix I to this prospectus.
- (b) Under the arrangements currently in force, it is estimated that an aggregate of approximately HK\$624,000 will be paid to our Directors as remuneration (including benefits in kind but excluding any discretionary bonus which may be paid to any executive Director) by our Group for the year ending 31 March 2012.
- (c) None of our Directors has been paid any sum of money for each of the three years ended 31 March 2009, 2010 and 2011 and the seven months ended 31 October 2011 respectively for (a) the loss of office as director or any other office in connection with the management affairs of any member of our Group or (b) as an inducement to join or upon joining any member of our Group.
- (d) There has been no arrangement under which a Director has waived or agreed to waive any emoluments in each of the three years ended 31 March 2009, 2010 and 2011 and the seven months ended 31 October 2011 respectively.

4. Substantial Shareholders

So far as our Directors are aware, immediately following completion of the Share Offer and the Capitalisation Issue and assuming that the options which may be granted under the Share Option Scheme are not exercised, the following persons (other than our Directors or the chief executive of our Company) will have an interest and/or a short position in the Shares or underlying Shares or debentures of our Company that would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO (including interests and/or short positions which they are taken or deemed to have under such provisions of the SFO) or will be expected, directly or indirectly, to be interested in 10% or more of nominal value of any class of share capital carrying right to vote in all circumstances at general meetings of any member of our Group, once the Shares are listed on the Stock Exchange:

Long positions in the Shares

Name	Capacity	Number of Shares	Approximate percentage of shareholding %
Lian Wang	Beneficial owner	150,000,000	75(Note)
Mrs. Choi	Interest of a controlled corporation	150,000,000	75(Note)

Note: Lian Wang is a company owned as to 0.01% and 99.99% by Mr. Choi and Mrs. Choi respectively. By virtue of the SFO, Mrs. Choi is deemed to be interested in the same parcel of Shares in which Lian Wang is interested.

5. Agency fees or commissions received

Save as disclosed in this prospectus, no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any capital of our Company or any of our subsidiaries within the two years ended on the date of this prospectus.

6. Related party transactions

Save as disclosed herein and in note 33 under the heading “Related party transactions” in the section headed “Notes to the financial information” of the accountants’ report set out in Appendix I to this prospectus, our Group has not entered into any related party transactions within the two years immediately preceding the date of this prospectus.

7. Disclaimers

Save as disclosed in this prospectus:

- (a) none of our Directors or the chief executives of our Company has any interest or short position in the Shares, underlying Shares or debentures of our Company or any of its associated corporations (within the meaning of Part XV of the SFO) immediately following the completion of the Share Offer and the Capitalisation Issue and assuming that the options which may be granted under the Share Option Scheme are not exercised, which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests which they are taken or deemed to have taken under such provision of the SFO), or will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or will be

required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules, in each case once the Shares are listed on the Stock Exchange;

- (b) our Directors are not aware of any person (other than our Directors or the chief executive of our Company) who will, immediately following completion of the Share Offer and the Capitalisation Issue and assuming that the options which may be granted under the Share Option Scheme are not exercised, have an interest and/or a short position in the Shares or underlying Shares that would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO (including interests and/or short positions which they are taken or deemed to have under such provisions of the SFO) or who will be expected, directly or indirectly, to be interested in 10% or more of nominal value of any class of share capital carrying right to vote in all circumstances at general meetings of any member of our Group;
- (c) none of our Directors nor the experts referred to in the paragraph headed “Qualification and consent of experts” under the section headed “Other information” in this Appendix has any direct or indirect interest in the promotion of our Company, or in any assets which have, within the two years immediately preceding the date of this prospectus, been acquired or disposed of by, or leased to, any member of our Group, or are proposed to be acquired or disposed of by, or leased to, any member of our Group;
- (d) none of our Directors nor the experts referred to in the paragraph headed “Qualification and consent of experts” under the section headed “Other information” in this Appendix is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to the business of our Group taken as a whole;
- (e) none of our Directors has any existing or proposed service contracts with any member of our Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation));
- (f) none of our Directors nor the experts referred to in the paragraph headed “Qualification and consent of experts” under the section headed “Other information” in this Appendix has received any agency fee, commissions, discounts, brokerage or other special terms from our Group within the two years immediately preceding the date of this prospectus in connection with the issue or sale of any capital of any member of our Group; and
- (g) none of the Controlling Shareholders and Directors is interested in any business apart from our Group’s business which competes or is likely to compete, directly or indirectly, with the business of our Group.

D. SHARE OPTION SCHEME

The purpose of the Share Option Scheme is to enable our Company to grant options to full-time or part-time employees, Directors (including executive, non-executive or independent non-executive) and any consultants or advisers (whether professional or otherwise and whether on an employment or contractual or honorary basis or otherwise and whether paid or unpaid), distributor, contractor, supplier, service provider, agent, customer and business partner of our Company and/or any of our subsidiaries (the “**Eligible Participants**”) as incentives or rewards for their contribution to the growth of our Group and to provide our Group with a more flexible means

to reward, remunerate, compensate and/or provide benefits to the Eligible Participants. The following is a summary of the principal terms of the Share Option Scheme conditionally adopted by a written resolution of the sole Shareholder on 14 March 2012 (the “**Adoption Date**”).

No options will be granted under the Share Option Scheme unless the grant of such options is in compliance with all the requirements of the Listing Rules.

1. Terms of the Share Option Scheme

(a) *Who may join*

The Board may, at its absolute discretion, offer the Eligible Participants, options to subscribe for such number of Shares as the Board may determine at a subscription price determined in accordance with paragraph (b) below, and subject to the other terms of the Share Option Scheme summarised below.

An offer of grant of an option shall remain open for acceptance by the Eligible Participant concerned for such period as determined by the Board, which period shall not be more than fourteen (14) days from the date of the offer, provided that no such offer shall be open for acceptance after the tenth anniversary of the Adoption Date or after the Share Option Scheme has been terminated in accordance with the provisions thereof. Upon acceptance of the offer, the grantee shall pay HK\$1.00 to our Company by way of consideration for the grant and the date on which the option is offered shall be deemed to be the date of grant of the relevant option, except in determining the date of grant for the purpose of calculating the subscription price under paragraph (b) where paragraphs (c)(v) and (d)(iii) apply.

(b) *Price of Shares*

The subscription price for Shares in respect of any particular option granted under the Share Option Scheme shall be such price as the Board shall determine, provided that such price shall not be less than the highest of (i) the closing price per Share on Main Board as stated in the Stock Exchange’s daily quotation sheet on the date of offer of the option, which must be a business day; and (ii) the average closing prices per Share on Main Board as stated in the Stock Exchange’s daily quotation sheets for the five (5) business days immediately preceding the date of offer of the option and (iii) the nominal value of a Share. For the purpose of determining the subscription price for Shares under this paragraph (b), where the Shares have been listed on Main Board for less than five (5) business days, the final offer price per Share (exclusive of brokerage fee, SFC transaction levy and Stock Exchange trading fee) at which Shares are to be subscribed or purchased pursuant to the Share Offer shall be taken as the “closing price per Share” for any business day falling within the period before the Listing Date.

(c) *Maximum number of Shares*

- (i) The maximum aggregate number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of our Group must not exceed 30% of the issued share capital of our Company from time to time. No options may be granted under the Share Option Scheme if this will result in such limit being exceeded.

- (ii) The total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of our Group must not, in aggregate, exceed 10% of the issued share capital of our Company as at the Listing Date (the “**Scheme Mandate Limit**”) (such 10% being equivalent to 20,000,000 Shares expected then to be in issue) unless Shareholders’ approval has been obtained pursuant to paragraph (iii) or (iv) below. Any options lapsed in accordance with the terms of the Share Option Scheme or any other share option scheme of our Group shall not be counted for the purpose of calculating the Scheme Mandate Limit.
- (iii) The Board may seek approval by Shareholders in general meeting to renew the Scheme Mandate Limit. However, the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of our Group in these circumstances must not exceed 10% of the issued share capital of our Company at the date of approval of the renewed limit (the “**Renewed Scheme Mandate Limit**”).
- (iv) Subject to paragraph (i) above, the Board may seek separate Shareholders’ approval in general meeting to grant options beyond the Scheme Mandate Limit or the Renewed Scheme Mandate Limit (as the case may be) provided that the options in excess of the Scheme Mandate Limit or the Renewed Scheme Mandate Limit are granted only to the Eligible Participants specifically identified by our Company before such approval is sought and our Company must issue a circular to our Shareholders containing a generic description of the specified Eligible Participants who may be granted such options, the number and terms of the options to be granted, the purpose of granting options to such Eligible Participants with an explanation as to how the terms of the options serve such purpose, the information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules.
- (v) Unless approved by our Shareholders in the manner set out in this paragraph (v), the total number of Shares issued and to be issued upon exercise of the options granted to each Eligible Participant (including both exercised and outstanding options under the Share Option Scheme) in any 12-month period must not exceed 1% of the issued share capital of our Company. Where any further grant of options to an Eligible Participant would result in the total number of Shares issued and to be issued upon exercise of all options granted and to be granted to such Eligible Participant (including exercised, cancelled and outstanding options under the Share Option Scheme) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the issued share capital of our Company as at the date of such further grant, such further grant must be subject to the separate approval of Shareholders at general meeting with such Eligible Participant and his/her associates abstaining from voting. A circular must be sent to our Shareholders disclosing the identity of the Eligible Participant, the number and the terms of the options previously granted and to be granted and containing the information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules. The number and terms (including the subscription price for Shares) of the

options to be granted to such Eligible Participant must be fixed before Shareholders' approval and the date of the Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price under paragraph (b) above.

(d) *Restrictions on grant of options*

- (i) No offer or the grant of an option shall be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision of our Directors, until such price sensitive information has been announced in accordance with the relevant requirements of the Listing Rules and, in particular, no Eligible Participant shall be granted an option during the period commencing one month immediately preceding the earlier of:
 - (1) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the annual results, the interim results or the quarterly or any other interim period results of our Company (whether or not required under the Listing Rules); and
 - (2) the deadline for our Company to publish announcement of its annual results, interim results or quarterly results under the Listing Rules or any other interim period results (whether or not required under the Listing Rule),

and ending on the date of announcement for such results. For the avoidance of doubt, the period in which no options shall be granted mentioned above shall include any period of delay in the publications of a results announcement.

- (ii) Any grant of options to a Director, chief executive or Substantial Shareholder of our Company or any of their respective associates must be approved by all of the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options).
- (iii) Where options are proposed to be granted to a Substantial Shareholder or an independent non-executive Director or any of their respective associates, and the proposed grant of options would result in the total number of Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the total issued share capital of our Company on the date of offer and having an aggregate value, based on the closing price of the Shares on the date of each grant, in excess of HK\$5 million, such further grant of options must be subject to the approval of Shareholders taken on a poll in general meeting. In addition, the date of the Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price under paragraph (b) above. The connected person involved in such proposed grant and all other connected persons of our Company must abstain from voting in such general meeting (except that any connected person may vote against the proposed grant provided that his/her intention to do so has been stated in the Shareholders' circular). A Shareholders' circular must be

prepared and sent by our Company containing (1) details of the number and terms (including the subscription price) of the options to be granted to each participant, which must be fixed before the Shareholders' meeting; (2) a recommendation from the independent non-executive Directors (excluding independent non-executive Director who is the grantee of the options) to the independent Shareholders as to voting; (3) the information required under Rules 17.02(2)(c) and (d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules; and (4) the information required under Rule 2.17 of the Listing Rules.

(e) Time of and restrictions on exercise of option

An option may be exercised in whole or in part in accordance with the terms of the Share Option Scheme at any time during a period to be notified by the Board to each grantee, the expiry date of such period not to exceed 10 years from the date of grant of the option.

There is no general requirement on the minimum period for which an option must be held or the performance targets which must be achieved before an option can be exercised under the terms of the Share Option Scheme. However, the Board may offer to grant any options subject to such terms and conditions in relation to the minimum period of the options to be held and/or the performance targets to be achieved before such options can be exercised as the Board may determine in its absolute discretion.

(f) Assignment

Options granted under the Share Option Scheme must be personal to the grantee, which shall not sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any option or attempt so to do. Any breach of the foregoing by the grantee shall entitle our Company to cancel any option granted to such grantee (to the extent not already exercised).

(g) Rights on cessation of employment by death

If the grantee of an option (being an individual) ceases to be an Eligible Participant by reason of death and none of the events set out in paragraph (i) below which would be a ground for the termination of his/her employment, directorship, appointment or engagement arises, his/her personal representative(s) may exercise the option up to the entitlement of the grantee as at the date of death (to the extent which has become exercisable but not already exercised) within a period of twelve (12) months from the date of death (or such longer period as the Board may determine or, if any of the events referred to in paragraphs (k), (l) and (m) below occurs during such period, his/her personal representative(s) may exercise the option pursuant to paragraphs (k), (l) and (m) below within such period), failing which the option will lapse.

(h) Right on winding up of, or material changes in, the grantee

If a grantee (being a corporation):

- (i) commences winding up by whatever means, whether voluntarily or not; or
- (ii) suffer a change in its constitution, management, directors, shareholdings or beneficial ownership which in the opinion of the Board is material, the option (to the extent not already exercised) shall lapse on the date of the commencement of

winding up of the grantee or on the date of notification by our Company that the said change in constitution, management, directors, shareholding or beneficial ownership is material, as the case may be, and not be exercisable unless the Board otherwise determines in which event the option (or such remaining part thereof) shall be exercisable within such period as the Board may in its absolute discretion determine following the date of such occurrence. A resolution of the Board resolving the grantee's option has lapsed by reason of material change in the constitution, management, directors, shareholding or beneficial ownership as aforesaid shall be final and conclusive.

(i) *Rights on dismissal of the grantee*

If the grantee of an option ceases to be an Eligible Participant by reason of the termination of his/her employment, directorship, appointment or engagement on any one or more of the grounds that he/she has been guilty of serious misconduct, or appears either to be unable to pay or to have no reasonable prospect of being able to pay his/her debts or has become insolvent or has made any arrangements or composition with his/her creditors generally, or has breached or failed to comply with any provisions of the relevant service contract, letter of appointment or other contracts or agreements of the grantee with our Company or the relevant subsidiary for the employment, appointment or engagement, or has been convicted of any criminal offence involving his/her integrity or honesty or on any other ground on which an employer would be entitled to terminate his/her employment at common law or pursuant to any applicable laws or under the service contract or letter of appointment or other contract or agreement for employment, appointment or engagement of the grantee with our Company or the relevant subsidiary, his/her option (to the extent not already exercised) will lapse and not be exercisable on the date of termination of his/her employment, directorship, appointment or engagement. A resolution of the Board or the board of directors or governing body of the relevant subsidiary to the effect that the employment, directorship, appointment or engagement of a grantee has or has not been terminated on one or more of the grounds specified in this paragraph (i) shall be conclusive.

(j) *Right on cessation of eligibility for other reasons*

If the grantee of an option ceases to be an Eligible Participant for any other reason, the grantee may exercise the option up to his/her entitlement at the date of cessation (to the extent which has become exercisable but not already exercised) within three (3) months following the date of such cessation (or such longer period as the Board may determine or, if any of the events referred to in paragraphs (k), (l) and (m) below occurs during such period, he/she may exercise the option pursuant to paragraphs (k), (l) and (m) below within such period), failing which the option will lapse. The date of cessation as aforesaid shall be the last working day with our Company or the relevant subsidiary, whether salary or compensation is paid in lieu of notice or not, or the last date of office or appointment as Director, or the last date of appointment or engagement as consultant or adviser to our Company or the relevant subsidiary, as the case may be, in the event of which, the date of cessation as determined by a resolution of the Board or the board of directors or governing body of the relevant subsidiary shall be conclusive.

(k) *Rights on a general offer*

If a general (or partial) offer (whether by takeover offer or scheme of arrangement or otherwise in like manner) is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror), the terms of which have been approved by any relevant regulatory authority and are in accordance with the applicable laws and regulatory requirements and becomes, or is declared unconditional prior to the expiry of the option, our Company shall within seven (7) days of such offer becoming or being declared unconditional give notice thereof to the grantee, whereupon the grantee (or his/her personal representatives) shall be entitled to exercise the option in full or in part (to the extent which has become exercisable but not already exercised) at any time within fourteen (14) days after the date of such notice and, to the extent any of the options have not been so exercised, such option shall upon the expiry of such period lapse.

(l) *Rights on winding up*

In the event that a notice is given by our Company to our Shareholders to convene a general meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind up our Company, our Company shall on the same date as it despatches such notice of the proposed general meeting to each Shareholder give notice thereof to the grantee (or his/her personal representatives), who may, by notice in writing to our Company (such notice to be received by our Company not later than five (5) business days prior to the proposed general meeting) accompanied by a remittance/payment for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given, exercise the option (to the extent which has become exercisable but not already exercised) either to its full extent or to the extent specified in such notice and our Company shall, as soon as possible and in any event no later than the business day immediately prior to the date of the proposed general meeting, allot and issue such number of Shares to the grantee which falls to be issued on such exercise, credited as fully paid up and register the grantee as holder thereof. Any options shall, to the extent they have not been so exercised, lapse and determine.

(m) *Rights on compromise or arrangement*

If, pursuant to the Companies Law or other applicable law, a compromise or scheme of arrangement between our Company and our members and/or creditors is proposed for the purpose of or in connection with the reconstruction of our Company or our amalgamation with any other company or companies, our Company shall give notice thereof to all grantees (or to their personal representatives) on the same day as we gives notice to the members or creditors of our Company summoning a meeting to consider such a compromise or scheme of arrangement. Upon receipt of the notice, the grantee may, during the period commencing on the date of the notice and ending on earlier of:

(i) the date two calendar months thereafter; and

(ii) the date on which such compromise or arrangement is sanctioned by the court,

exercise his/her option (to the extent which has become exercisable but not already exercised), conditional upon the compromise or arrangement being sanctioned by the court and becoming effective. Our Company may require the grantee to transfer or otherwise deal with the Shares

issued as a result of the exercise of the options in these circumstances so as to place the grantee in the same position as nearly as would have been the case had such Shares been subject to the compromise or arrangement. Upon such compromise or arrangement becoming effective, all options shall, to the extent that they have not been so exercised, lapse and determine. If for any reason such compromise or arrangement is not approved by the court (whether upon the terms presented to the court or upon any other terms as may be approved by such court) the rights of grantees to exercise their respective options shall with effect from the date of the making of the order by the court be restored in full but only up to the extent not already exercised and shall thereupon become exercisable (but subject to the other terms of the Share Option Scheme) as if such compromise or arrangement had not been proposed by our Company and no claim shall lie against our Company or any of our officers for any loss or damage sustained by any grantee as a result of the aforesaid suspension.

(n) Effects of alterations to share capital

In the event of any capitalisation of profits or reserves, rights issue or other similar offer of securities to holders of Shares, consolidation, subdivision, or reduction of the share capital of our Company in accordance with legal requirements and the requirements of the Stock Exchange (other than an issue of Shares as consideration in respect of a transaction to which our Company and/or any of our subsidiaries is a party), the number or nominal amount of Shares subject to the option granted pursuant to Share Option Scheme so far as unexercised and/or the subscription price or any combination thereof, shall be adjusted in such manner as the auditors for the time being of our Company or an independent financial adviser to be appointed by our Company for such purpose shall certify in writing to the Board to be in their opinion fair and reasonable provided always that:

- (i) no such adjustments shall be made the effect of which would be to enable any Share to be issued at less than its nominal value;
- (ii) such adjustments shall be made on the basis that the grantee shall have as nearly as possible the same proportion of the issued share capital of our Company to which the grantee was entitled before such adjustments;

and in each case, any adjustment must be made in compliance with the Listing Rules (including Chapter 17 thereof), the supplemental guidance issued on 5 September 2005 and any future guidance or interpretation of the Listing Rules issued by the Stock Exchange from time to time. In addition, in respect of any such adjustments, other than any adjustment made on a capitalisation issue, the auditors for the time being of our Company or an independent financial adviser to be appointed by our Company must confirm to our Directors in writing that the adjustments satisfy the requirements of the relevant provision of the Listing Rules or the relevant guidance or interpretation thereof.

(o) Ranking of Shares

The Shares to be issued and allotted upon the exercise of options granted under the Share Options Scheme will be subject to all the provisions of the Articles of Association for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue on the date on which Shares are allotted to the grantee (or his/her personal representative(s)) (the “**Allotment Date**”) and accordingly will entitle the holders to participate in all dividends or other distributions declared paid or made on or after the

Allotment Date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor is before the Allotment Date.

Unless the context otherwise requires, references to “**Shares**” in the Share Option Scheme include references to shares in the share capital of our Company of any such nominal amount as shall result from a sub-division or a consolidation, reclassification or reconstruction of the share capital of our Company from time to time forming part of the ordinary equity share capital.

(p) Lapse of option

The right to exercise an option shall lapse automatically (to the extent not already exercised) immediately upon the earliest of:

- (i) the expiry of the period referred to in paragraph (e) above;
- (ii) the expiry of the periods referred to paragraphs (g), (h), (j), (k), (l) and (m) above;
- (iii) subject to paragraph (l) above, the date of the commencement of the winding-up of our Company;
- (iv) the date on which the grantee ceases to be an Eligible Participant by reason of the termination of his/her employment, directorship, appointment or engagement referred to in paragraph (i) above;
- (v) the date on which the grantee sells, transfers, charges, mortgages, encumbers or creates any interest in favour of any third party over or in relation to any option or attempt to do so in breach of the Share Option Scheme.

(q) Period of the Share Option Scheme

Subject to the fulfillment of the conditions of the Share Option Scheme and the earlier termination by Shareholders’ resolution in general meeting or the Board, the Share Option Scheme shall be valid and effective for a period of ten (10) years commencing from the Adoption Date, after which period no further Options will be offered or granted but the provisions of the Share Option Scheme shall remain in full force and effect in all other respects with respect to options granted during the life of the Share Option Scheme.

(r) Alteration to the Share Option Scheme and the terms of options granted under the Share Option Scheme

All provisions of the Share Option Scheme may, subject to the Listing Rules, be altered from time to time in any respect by a resolution of the Board save that the following alterations shall require the prior sanction of an ordinary resolution by our Shareholders in general meeting (with all grantees, prospective grantee and their associates abstaining from voting and the votes taken by poll):

- (i) any alterations of the provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the grantee or the Eligible Participants;

- (ii) any alterations of the terms and conditions of the Share Option Scheme which are of a material nature or any change to the terms of options granted under the Share Option Scheme (except where the alterations take effect automatically under the existing terms of the Share Option Scheme); and
- (iii) any change to the authority of the Board in relation to any alteration to the terms of the Share Option Scheme.

No such alteration shall operate to affect adversely the terms of issue of any option granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the grantees as would be required of the Shareholders under the Articles of Association for the time being for a variation of the rights attached to the Shares. Any amended terms of the Share Option Scheme or options shall still comply with the relevant requirements of Chapter 17 of the Listing Rules (subject to such waiver as may be granted by the Stock Exchange from time to time).

In respect of any meeting of the grantees which may be held for this purpose, all the provisions of the constitutional documents for the time being of our Company as to general meetings of our Company shall mutatis mutandis apply as though the options were a class of shares forming part of the capital of our Company except that:

- (i) not less than seven (7) day's notice of such meeting shall be given;
- (ii) a quorum at any such meeting shall be two (2) grantees present in person or by proxy and holding options entitling them to the issue of one-tenth in nominal value of all Shares which would fall to be issued upon the exercise of all options then outstanding unless there is only one grantee holding all options then outstanding, in which case the quorum shall be one grantee;
- (iii) every grantee present in person or by proxy at any such meeting shall be entitled on show of hands to one vote, and on a poll, to one vote for each Share to which he/she would be entitled upon exercise in full of his/her options then outstanding;
- (iv) any grantee present in person or by proxy may demand a poll; and
- (v) if any such meeting is adjourned for want of a quorum, such adjournment shall be to such date and time, not being less than seven (7) or more than fourteen (14) days thereafter, and to such place as may be appointed by the chairman of the meeting. At any adjourned meeting those grantees who are then present in person or by proxy shall form a quorum and at least seven (7) days' notice of any adjourned meeting shall be given in the same manner as for an original meeting and such notice shall state that those grantee who are then present in person or by proxy shall form a quorum.

Where there is any proposed change to the terms of any options granted to a connected person of our Company who is also a Substantial Shareholder or an independent non-executive Director or any of their respective associates (except where the change takes effect automatically under the existing terms of the Share Option Scheme), then the proposed change must be subject to the approval of our Shareholders taken on poll at general meeting and to such other requirements of the Listing Rules. The connected person involved in such proposed change and all other connected persons of our Company must abstain from voting in

such general meeting (except that any connected person may vote against the proposed change provided that his/her intention to do so has been stated in the circular). A Shareholders' circular must be prepared and sent by our Company explaining the proposed change and disclosing the original terms of the options, and containing a recommendation from the independent non-executive Directors (excluding an independent non-executive Director who is the holder of the options which terms are to be changed) on whether or not to vote in favour of the proposed change and containing such other information required under the Listing Rules.

(s) Administration of the Share Option Scheme

The Share Option Scheme shall be administered by the Board.

Options may be granted on such terms and conditions in relation to their vesting, exercise or otherwise as the Board may determine in its absolute discretion, provided that such terms and conditions shall not be inconsistent with any other terms and conditions of the Share Option Scheme.

(t) Termination of the Share Option Scheme

Our Company by ordinary resolution in general meeting or the Board may at any time terminate the operation of the Share Option Scheme and in such event no further option shall be offered but the provisions of the Share Option Scheme shall remain in full force and effect in all other respects in respect of any options granted prior thereto but not yet exercised at the time of termination. Upon such termination, details of the options granted, including options exercised or outstanding shall be disclosed in the circular to Shareholders seeking approval of the first new scheme to be established after such termination.

(u) Cancellation of Options

Subject to paragraph (f) above, any cancellation of options granted but not exercised shall be approved by the Board. Cancelled options may be re-issued after such cancellation has been approved, provided that re-issued options shall only be granted in compliance with the terms of the Share Option Scheme and the requirements of the Listing Rules and provided further that new options may be issued to a grantee in place of his/her cancelled options only if there are available unissued options (excluding the cancelled options) within the Scheme Mandate Limit or the Renewed Scheme Mandate Limit.

Any reference to the “**Board**” above shall include a duly authorised committee of the Board.

2. Present status of the Share Option Scheme

The Share Option Scheme is conditional on:

- (a) the Listing Committee of the Stock Exchange granting (i) approval of the listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in this prospectus (including the Shares which may fall to be issued pursuant to the exercise of options granted under the Share Option Scheme) and (ii) if so required by the Stock Exchange, approval of the Share Option Scheme and the grant of options thereunder;

- (b) the obligations of the Underwriters under the Underwriting Agreements becoming unconditional (including, if relevant, as a result of the waiver of any conditions) and not being terminated in accordance with its terms or otherwise; and
- (c) commencement of dealings in the Shares on the Main Board.

As at the date of this prospectus, no option has been granted or agreed to be granted under the Share Option Scheme.

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

E. OTHER INFORMATION

1. Estate duty, tax and other indemnities

Each of Lian Wang, Mr. Choi and Mrs. Choi (collectively the “**Indemnifiers**”) has pursuant to a deed of indemnity dated 14 March 2012 (the “**Deed of Indemnity**”) (the document referred to in paragraph (iii) in the subsection headed “Summary of material contracts” in this Appendix) given joint and several indemnities in favour of our Company (for ourselves and as trustee for each of our subsidiaries), in connection with, inter alia, any liability for Hong Kong estate duty which might be incurred by any member of our Group and/or our associated companies by reason of any transfer of property (within the meaning of section 35 of the Estate Duty Ordinance (Chapter 111 of the Laws of Hong Kong)) to any member of our Group on or before the date on which the Share Offer becomes unconditional.

Under the Deed of Indemnity, the Indemnifiers have given indemnities to our Group in relation to taxation which might be payable by any member of our Group in respect of any income, profits or gains earned, accrued or received on or before the date on which the Share Offer becomes unconditional.

Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or any of our subsidiaries in the Cayman Islands, the BVI and the PRC.

Under the Deed of Indemnity, the Indemnifiers have also given indemnities to our Group against any costs, expenses, losses and claims that our Group may suffer as a result of the non-compliance with the relevant PRC rules and regulations as disclosed under the paragraph headed “Our Group has not registered a lease agreement according to relevant PRC rules and regulations” in the section headed “Risk factors” of this prospectus.

The Deed of Indemnity does not cover any claim and the Indemnifiers shall be under no liability under the deed of indemnity in respect of any taxation:

- (i) to the extent that provision, reserve or allowance has been made for such liability, taxation or taxation claim in the audited accounts (the “**Accounts**”) of our Company and our subsidiaries for the three years ended 31 March 2009, 2010 and 2011 and the seven months ended 31 October 2011 and provision, reserve or allowance for which will be made in the audited accounts of our Company and our subsidiaries covering the period from 1 November 2011 to the Listing Date on a basis consistent with that made in the Accounts; or

- (ii) to the extent that such taxation or liability for such taxation falling on any members of our Group in respect of their accounting periods or any accounting period commencing on or after 1 November 2011 and ending on the Listing Date, where such taxation or liability would not have arisen but for some act or omission of, or transaction voluntarily effected by, our Group or any of our members (whether alone or in conjunction with some other act, omission or transaction, whenever occurring) without the prior written consent or agreement of the Indemnifiers other than any such act, omission or transaction as follows:
 - (a) carried out or effected in the ordinary course of business or in the ordinary course of acquiring and disposing of capital assets on or before the Listing Date;
 - (b) carried out, made or entered into pursuant to a legally binding commitment created on or before the Listing Date or pursuant to any statement of intention made in this prospectus; or
 - (c) consisting of any of the members of our Group ceasing, or being deemed to cease, to be a member of any group of companies or being associated with any other company for the purposes of any matter of taxation;
- (iii) to the extent that such taxation claim arises or is incurred as a result of the imposition of taxation as a consequence of any retrospective change in the law or the interpretation or practice thereof by the Inland Revenue Department of Hong Kong or any other relevant authority coming into force after the date of the deed of indemnity or to the extent such taxation claim arises or is increased by an increase in rates of taxation after the date of the deed of indemnity with retrospective effect;
- (iv) to the extent of any provisions or reserve made for taxation in the Accounts which is finally established to be an over-provision or an excessive reserve in which case the Indemnifiers' liability (if any) in respect of such taxation shall be reduced by an amount not exceeding such provision or reserve, provided that the amount of any such provision or reserve applied pursuant to this item (iv) to reduce the Indemnifiers' liability in respect of taxation shall not be available in respect of any such liability arising thereafter; or
- (v) to any incomes, profits or gains earned, accrued or received by any member of our Group or any event occurred after the Listing Date.

2. Litigation

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

3. Sponsor

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

All necessary arrangements have been made to enable the Shares to be admitted into the CCASS.

4. Registration procedures

The register of members of our Company will be maintained in the Cayman Islands by Codan Trust Company (Cayman) Limited and a branch register of members of our Company will be maintained in Hong Kong by Tricor Investor Services Limited. Save where our Directors otherwise agree, all transfers and other documents of title to Shares must be lodged for registration with, and registered by, our Company's branch share register in Hong Kong and may not be lodged in the Cayman Islands.

5. Taxation of holders of Shares

(a) The Cayman Islands

Under the present laws of the Cayman Islands, transfers and other disposals of Shares are exempted from the Cayman Islands stamp duty.

(b) Hong Kong

Dealings in the Shares registered on our Company's Hong Kong branch register of members will be subject to Hong Kong stamp duty and the current rate charged on each of the purchaser and the seller is 0.1%. Profits from dealings in the Shares arising in or derived from Hong Kong may also be subject to Hong Kong profits tax.

(c) Generally

Potential holders of the Shares are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of, or dealing in, the Shares. It is emphasised that none of our Company, our Directors, the Sponsor, the Underwriters and all of their respective directors, agents or advisers nor any other parties involved in the Share Offer accepts responsibility for any tax effect on, or liabilities of, holders of the Shares resulting from their subscription for, holding, purchase or disposal of or dealing in the Shares or exercising any rights attaching to them.

6. Preliminary expenses

The preliminary expenses relating to the incorporation of our Company are approximately US\$6,800 and are payable by our Company.

7. Promoter

There are no promoters of our Company.

Save as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus, no cash, securities or other benefits has been paid, allotted or given to the promoters in connection with the Share Offer or the related transactions described in this prospectus.

8. Qualification and consent of experts

The following are the qualifications of the experts which have given opinions or advice which are contained in, or referred to in, this prospectus:

Expert	Qualification
Quam Capital Limited	Licensed corporation holding a licence under the SFO to carry on type 6 (advising on corporate finance) regulated activity under the SFO
HLB Hodgson Impey Cheng	Chartered Accountants Certified Public Accountants
Savills Valuation and Professional Services Limited	Property valuer
Dacheng Law Offices	Legal advisers as to PRC laws
Conyers Dill & Pearman	Cayman Islands attorneys-at-law

Each of Quam Capital, HLB Hodgson Impey Cheng, Savills Valuation and Professional Services Limited, Dacheng Law Offices and Conyers Dill & Pearman has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion of its report and/or letter and/or valuation certificate and/or opinion and/or the references to its name included herein in the form and context in which they are respectively included.

9. Binding effect

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

10. No material adverse change

Our Directors confirm that there has been no material adverse change in the financial or trading position or prospects since 31 October 2011, being the date on which the latest audited financial statements of our Company were made up.

11. Miscellaneous

- (a) Save as disclosed in this prospectus:
 - (i) within the two years preceding the date of this prospectus, no share or loan capital of our Company or any of our subsidiaries has been issued, agreed to be issued or is proposed to be issued fully or partly paid either for cash or for a consideration other than cash;
 - (ii) within the two years preceding the date of this prospectus, no commission, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries and no commission (excluding sub-underwriters' commission) has been paid or payable for subscribing or agreeing to subscribe or procuring or agreeing to procure subscription for any shares of our Company or any of our subsidiaries.

- (iii) no share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option; and
- (iv) no founders, management or deferred shares of our Company or any of our subsidiaries have been issued or agreed to be issued.
- (b) None of Quam Capital, HLB Hodgson Impey Cheng, Savills Valuation and Professional Services Limited, Dacheng Law Offices and Conyers Dill & Pearman:
 - (i) is interested beneficially or non-beneficially in any shares in any member of our Group; or
 - (ii) has any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group saved as disclosed in this prospectus and in connection with the Underwriting Agreement.
- (c) No company within our Group is presently listed on any stock exchange or traded on any trading system.
- (d) There has not been any interruption in the business of our Group which may have or has had a significant effect on the financial position of our Group in the 12 months preceding the date of this prospectus.

12. Bilingual prospectus

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