

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

We were incorporated in the Cayman Islands as an exempted company with limited liability under the Cayman Islands Companies Law on 13 May 2011. We have established a place of business in Hong Kong at Unit 1, 30/F, Singa Commercial Centre, 144-151 Connaught Road West, Hong Kong and registered as a non-Hong Kong company under Part XI of the Hong Kong Companies Ordinance under the same address. Mr. Wong Chi Wah, at Unit 1, 30/F, Singa Commercial Centre, 144-151 Connaught Road West, Hong Kong, has been appointed as our agent for the acceptance of service of process and notices under the same address.

As we are incorporated in the Cayman Islands, our corporate structure, and our Memorandum and Articles of Association are subject to the relevant laws of the Cayman Islands. A summary of the relevant provisions of our Memorandum and Articles of Association and certain relevant aspects of the Cayman Islands Companies Law are set out in Appendix VI to this prospectus.

**2. Changes in share capital**

As of the date of our incorporation, our authorised share capital was HK\$390,000 divided into 3,900,000 Shares of HK\$0.10 each. On 13 May 2011, 33,499 and 16,500 Shares were allotted and issued to Victor Soar and Achieve Ample respectively, and one subscriber Share was transferred to Victor Soar. On 12 June 2012, the authorised share capital of our Company was increased to HK\$100,000,000 divided into 1,000,000,000 Shares of HK\$0.10 each.

Saved as disclosed in this prospectus, there has been no alteration in our share capital within the two years preceding the date of this prospectus.

**3. Resolutions of our Shareholders****(a) Resolutions dated 12 June 2012**

Pursuant to the written resolutions passed by our Shareholders on 12 June 2012, among other matters:

- (1) the authorised share capital of our Company was increased from HK\$390,000 to HK\$100,000,000 by the creation of 996,100,000 additional new Shares of HK\$0.10 each in the capital of our Company to rank pari passu in all respect with the existing issued share;
- (2) conditional upon the execution of the International Underwriting Agreement, the sum of HK\$44,995,000 standing to the credit of the share premium account of the Company was approved to be capitalised and applied in paying in full at par 449,950,000 Shares for allotment and issue and 301,466,500 and 148,483,500 Shares be allotted and issued to Victor Soar and Achieve Ample, respectively (the “**Capitalisation Issue**”);

- (3) our Company approved and adopted its new Memorandum of Association and Articles of Association with effect on the date which our Shares are listed on the Stock Exchange, the terms of which are summarized in Appendix VI of this prospectus;
- (4) conditional upon the conditions for completion of the Share Offer being fulfilled:
  - (i) the Share Offer was approved and our directors were authorised to allot and issue the Offer Shares pursuant to the Share Offer;
  - (ii) the Over-allotment Option was approved and our Directors were authorised to allot and issue any Shares which may be required to be issued if the Over-allotment Option is exercised;
  - (iii) the rules of the Share Option Scheme were approved and adopted and our directors were authorised to implement the same, grant options to subscribe for shares thereunder and to allot, issue and deal with the shares pursuant to the exercise of the options which may be granted under the Share Option Scheme;
- (5) a general unconditional mandate (the “**Issuing Mandate**”) was given to our Directors to allot, issue and deal with (otherwise than pursuant to a rights issue, 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 upon the exercise of the options that may be granted under the Share Option Scheme or pursuant to the Share Offer) unissued Shares with an aggregate par value of not exceeding the sum of 20% of the aggregate par value of the share capital of our Company in issue immediately following the completion of the Share Offer (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option or any Shares which may be allotted and issued pursuant to the exercise of the options that may be granted under the Share Option Scheme) during the period prior to (i) the conclusion of the next annual general meeting of our Company; (ii) the expiration of the period within which the next annual general meeting of our Company is required by the Articles of Association or the Cayman Islands Companies Law or any applicable laws of the Cayman Islands to be held; or (iii) the revocation or variation of such mandate by any ordinary resolution of our Shareholders in a general meeting, whichever occurs first;
- (6) a general unconditional mandate (the “**Repurchase Mandate**”) was given to our Directors to exercise all powers for and on behalf of our Company to repurchase Shares with an aggregate par value of not exceeding 10% of the aggregate par value of the share capital of our Company in issue immediately following the completion of the Share Offer (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option or any Shares which may be allotted and issued pursuant to the exercise of the options that may be granted under the Share Option Scheme) during the period prior to (i) the conclusion of the next annual general meeting of our Company; (ii) the expiration of the period within which the next annual general meeting of our Company is required by the Articles of Association or the Cayman Islands Companies Law or any applicable laws of the Cayman Islands to be held; or (iii) the revocation or variation of such mandate by an ordinary resolution of our Shareholders in a general meeting, whichever occurs first;

- (7) the Issuing Mandate was extended by the addition to the aggregate par value of the share capital of our Company which may be allotted or agreed to be allotted by our Directors pursuant to such general mandate of an amount representing the aggregate par value of the share capital of our Company repurchased by our Company pursuant to the Repurchase Mandate provided that such extended amount shall not exceed 10% of the aggregate par value of the issued share capital of our Company immediately following the completion of the Share Offer (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option or any Shares which may be allotted and issue pursuant to the exercise of the options that may be granted under the Share Option Scheme).

**(b) Resolutions dated 21 June 2012**

Pursuant to the written resolutions passed by our Shareholders on 21 June 2012, our Company has declared a dividend of RMB32.4 million to our Shareholders, namely Victor Soar and Achieve Ample, in the same proportion as their respective shareholding in our Company.

**4. Changes in share capital of the subsidiaries of our Group**

Our subsidiaries are referred to in the accountants' report as set out in Appendix I to this prospectus. The following alterations in the share capital (or registered capital, as the case may be) of our subsidiaries have taken place within the two years preceding the date of this prospectus:

***HK Taylor***

On 15 December 2011, HK Taylor increased its capital HK\$10,000 divided into 10,000 shares of HK\$1.00 each to HK\$100,000,000 divided into 100,000,000 shares of HK\$1.00 each. On 22 December 2011, HK Taylor issued and allotted 86,890,000 shares of HK\$1.00 each in the capital of HK Taylor to MIH for the consideration of MIH releasing a shareholder loan of HK\$86,890,000 owed by HK Taylor to MIH.

***MIH***

On 25 July 2011, our Company acquired the entire issued share capital of MIH by acquiring 33,000 shares of US\$1.00 each of MIH from Mr. Gao and 17,000 shares of US\$1.00 of MIH from Ms. Gao for the consideration of US\$1.00 and US\$1.00, respectively.

***Yifeng Wanguo***

On 31 March 2011, HK Taylor acquired 13% equity interest in Yifeng Wanguo from Quanzhou Wanguo for a consideration of RMB20.5 million. Upon the completion of the acquisition, Yifeng Wanguo was owned as to 88% by HK Taylor and 12% by West-Jiangxi Brigade. On 27 April 2012, West-Jiangxi Brigade redeemed its 12% equity investment in Yifeng Wanguo and the total investment and registered capital of Yifeng Wanguo were reduced to approximately RMB268.8 million and RMB89.6 million, respectively. Upon completion of the redemption and reduction, Yifeng Wanguo became a wholly-owned subsidiary of HK Taylor.

Saved as the aforesaid, there has been no other alternation in share capital of the subsidiaries of our Company in the two years preceding the date of this prospectus.

## 5. Reorganisation

The companies comprising our Group and the companies at the shareholders level of our Company underwent a reorganisation to rationalize the business and the structure of our Company in anticipation of the Share Offer. For information with regard to our Reorganisation, see the section headed “History and Development – Reorganisation” in this prospectus.

## 6. Repurchases of our own securities

### (A) *Relevant legal and regulatory requirements in Hong Kong*

The Listing Rules permit a listed company whose primary listing is on the Stock Exchange to repurchase its securities on the Stock Exchange subject to the following restrictions:

#### (1) *Shareholder’s approval*

All proposed repurchases of Shares (which must be fully paid up) must be approved in advance by an ordinary resolution of our Shareholders in a general meeting, either by way of general mandate or by specific approval of a particular transaction. Pursuant to a resolution passed by our Shareholders on 12 June 2012, a general unconditional mandate (being the Repurchase Mandate referred to above) was given to our Board authorising any repurchase by our Company of Shares on the Stock Exchange or on any other stock exchange on which the securities may be listed and which is recognised by the SFC and the Stock Exchange for this purpose, of not more than 10% of the aggregate par value of our Company’s share capital in issue immediately following the completion of the Share Offer (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option or any Shares which may be allotted and issued pursuant to the exercise of the options that may be granted under the Share Option Scheme).

#### (2) *Source of funds*

Repurchases by our Company must be funded out of funds legally available for the purpose in accordance with the Articles of Association and the applicable laws and regulations 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.

#### (3) *Trading restrictions*

The total number of Shares which our Company may repurchase is up to 10% of the total number of our Shares in issue immediately after the completion of the Share Offer (without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option or any Shares which may be allotted and issued pursuant to the exercise of the options that may be granted under the Share Option Scheme). Without the prior approval of the Stock Exchange, our Company may not issue or announce a proposed issue of Shares for a period of 30 days immediately following

a repurchase of Shares. Our Company is also prohibited from repurchasing Shares on the Stock Exchange if the repurchase would result in the number of listed Shares which are in the hands of the public falling below the relevant prescribed minimum percentage as required by the Stock Exchange. As required by the prevailing requirements of the Listing Rules, an issuer shall not purchase its shares on the Stock Exchange if the purchase price is higher by 5% or more than the average closing market price for the five preceding trading days on which its shares were traded on the Stock Exchange. Our Company is required to procure that the broker appointed by it to effect a repurchase of Shares discloses to the Stock Exchange such information with respect to the repurchase as the Stock Exchange may require.

*(4) Status of repurchased Shares*

All repurchased Shares (whether effected on the Stock Exchange or otherwise) will be automatically delisted and the certificates for those Shares must be cancelled and destroyed. Under Cayman Islands Companies Law, a company's repurchased shares shall be treated as cancelled and the amount of the company's issued share capital shall be reduced by the aggregate par value of the repurchased shares accordingly although the authorised share capital of the company will not be reduced.

*(5) Suspension of repurchase*

Pursuant to the Listing Rules, our Company may not make any repurchase of Shares after a price sensitive development has occurred or has been the subject of a decision until such time as the price sensitive information has been made publicly available. In particular, under the requirements of the Listing Rules in force as at the date of this prospectus, during the period of one month immediately preceding the earlier of:

- (a) 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 our Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (b) the deadline for our Company to publish an announcement of our Company's results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and in each case ending on the date of the results announcement, our Company may not repurchase Shares on the Stock Exchange unless the circumstances are exceptional. In addition, the Stock Exchange may prohibit a repurchase of our Shares on the Stock Exchange if our Company has breached the Listing Rules.

(6) *Procedural and reporting requirements*

As required by the Listing Rules, repurchases of Shares on the Stock Exchange or otherwise must be reported to the Stock Exchange not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the Stock Exchange business day following any day on which our Company may make a purchase of Shares. The report must state the total number of the Shares purchased the previous day, the purchase price per Share or the highest and lowest prices paid for such purchases. Moreover, our Company's annual report is required to disclose details regarding repurchases of Shares made during the year, including a monthly analysis of the number of the Shares repurchased, the purchase price per Share or the highest and lowest price paid for all such purchases, where relevant, and the aggregate price paid.

(7) *Connected parties*

Our Company is prohibited from knowingly repurchasing Shares on the Stock Exchange from a "connected person" and a connected person shall not knowingly sell its securities to our Company on the Stock Exchange.

**(B) *Reasons for repurchases***

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

**(C) *Funding of repurchases***

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

On the basis of our current financial position as disclosed in this prospectus and taking into account our current working capital position, our Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect 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 requirements or the gearing levels of our Company which in the opinion of our Directors are from time to time appropriate for our Company.

The exercise in full of the Repurchase Mandate, on the basis of 600,000,000 Shares in issue immediately after the Share Offer (and assuming that the Over-allotment Option is not exercised and none of the options that may be granted under the Share Option Scheme is exercised), could accordingly result in up to 60,000,000 Shares being repurchased by our Company during the period prior to (i) the conclusion of the next annual general meeting of our Company; (ii) the expiration of the period within which the next annual general meeting of our Company is required by Cayman Islands Companies Law or the Articles of Association or any applicable laws of the Cayman Islands to be held; or (iii) the revocation or variation of the purchase mandate by an ordinary resolution of our Shareholders in a general meeting, whichever occurs first (the “**Relevant Period**”).

*(D) General*

None of our Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules) currently intends to sell any Shares to our Company.

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 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 purposes of the Codes on Takeovers and Mergers and Share Repurchases (“**Takeovers Code**”). Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of our Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. Save as aforesaid, our Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate. No connected person has notified our Company that he has a present intention to sell Shares to our Company, or has undertaken not to do so, if the Repurchase Mandate is exercised.

**B. FURTHER INFORMATION ABOUT OUR BUSINESS**

**1. Summary of material contracts**

We have entered into the following contracts (not being contracts entered into in the ordinary course of business) within the two years immediately preceding the date of this prospectus that are or may be material:

- (1) an agreement dated 4 January 2011 entered into between West-Jiangxi Brigade and HK Taylor in relation to Yifeng Wanguo (the Second Management Entrustment Agreement as referred to on page 108 of this prospectus);

- (2) an equity transfer agreement dated 2 March 2011 between Quanzhou Wanguo and HK Taylor for the transfer of 13% equity interest in Yifeng Wanguo from Quanzhou Wanguo to HK Taylor for a consideration of RMB20.5 million;
- (3) an agreement dated 25 March 2011 entered into between HK Taylor and West-Jiangxi Brigade in relation to Yifeng Wanguo (the Joint Venture Agreement as referred to on page 107 of this prospectus);
- (4) a share transfer form dated 25 July 2011 between Mr. Gao and our Company for the transfer of 33,000 shares in MIH from Mr. Gao to our Company for a consideration of US\$1.00;
- (5) a share transfer form dated 25 July 2011 between Ms. Gao and our Company for the transfer of 17,000 shares in MIH from Ms. Gao to our Company for a consideration of US\$1.00;
- (6) a loan agreement dated 15 December 2011 between Mr. Gao and HK Taylor in relation to a shareholder loan provided by Mr. Gao to HK Taylor (the “**Taylor Shareholder Loan**”);
- (7) a deed of assignment dated 22 December 2011 between Mr. Gao, MIH and HK Taylor for the assignment of the Taylor Shareholder Loan from Mr. Gao to MIH;
- (8) a deed of release dated 22 December 2011 executed by MIH in favour of HK Taylor for the release of the Taylor Shareholder Loan;
- (9) an agreement dated 3 March 2012 entered into between Yifeng Wanguo, West-Jiangxi Brigade and HK Taylor in relation to the capital reduction of Yifeng Wanguo (the Capital Reduction Agreement as defined on page 13 of this prospectus);
- (10) the Deed of Non-competition;
- (11) the Deed of Indemnity; and
- (12) the Hong Kong Underwriting Agreement.



## 2. Intellectual property rights

As of the Latest Practicable Date, our Group has registered/has applied for the registration of the following intellectual property rights.

### (A) Trademarks

As of the Latest Practicable Date, our Group is the owner of certain registered trade or service marks, details of which are as follows:

Trade/Service Marks	Name of Registered Owner	Territory of Registration	Class	Registration Number	Commencement Date (DD/MM/YY)
<sup>A</sup> 	Yifeng Wanguo	Hong Kong	1	301833075	15/02/2011
<sup>B</sup> 					
<sup>A</sup> 	Yifeng Wanguo	Hong Kong	6	301833075	15/02/2011
<sup>B</sup> 					
<sup>A</sup> 	Yifeng Wanguo	Hong Kong	37	301833075	15/02/2011
<sup>B</sup> 					
<sup>A</sup> 	Yifeng Wanguo	Hong Kong	40	301833075	15/02/2011
<sup>B</sup> 					

### (B) Domain Names

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

Registrant	Domain Name	Date of Registration (DD/MM/YY)	Expiry Date (DD/MM/YY)
Yifeng Wanguo	wgmine.com	07/12/2009	07/12/2012
Yifeng Wanguo	万国矿业.com	07/12/2009	07/12/2012

### C. FURTHER INFORMATION ABOUT OUR DIRECTORS, MANAGEMENT, STAFF AND EXPERTS

#### 1. Disclosure of Interests

Immediately following completion of the Share Offer (without taking into account Shares which may be issued and allotted pursuant to the exercise of the Over-allotment Option or upon the exercise of options granted under the Share Option Scheme), the interests of our Directors and chief executive of our Company in the equity or debt securities of our Company or any associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions which they are taken or deemed to have under such provisions of the SFO) once the Shares are listed, or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein once the Shares are listed, or pursuant to the Model Code for Securities Transactions by Directors of Listed Companies in the Listing Rules, to be notified to our Company and the Stock Exchange once the Shares are listed will be as follows:

##### (a) Interest in our Company

Name of Director	Nature of interest	Number of Shares	Approximate percentage of interest in our Company immediately after the Share Offer <sup>(1)</sup>
Mr. Gao <sup>(2)</sup>	Interest in controlled corporation	301,500,000	50.25%
Ms. Gao <sup>(3)</sup>	Interest in controlled corporation	148,500,000	24.75%

*Notes:*

- Assuming the Over-allotment Option is not exercised and without taking into account any Shares which may be issued and allotted upon the exercise of options granted under the Share Option Scheme.
- Victor Soar is wholly owned and controlled by Mr. Gao. Therefore, Mr. Gao is deemed to be interested in 301,500,000 Shares held by Victor Soar.
- Achieve Ample is wholly owned and controlled by Ms. Gao. Therefore, Ms. Gao is deemed to be interested in 148,500,000 Shares held by Achieve Ample.

##### (b) Interest in associated corporations of our Company

Name of Director	Name of associated corporation	Percentage of interest in the associated corporation
Mr. Gao	Victor Soar <sup>(1)</sup>	100%

*Note:*

- Victor Soar will be holding more than 50% of our Shares and, therefore, the holding company and an associated corporation of our Company.

## 2. Substantial shareholders

So far as our Directors are aware, immediately following completion of the Share Offer (without taking into account any shares which may be issued and allotted pursuant to the exercise of the Over-allotment Option or upon the exercise of options granted under the Share Option Scheme), the following persons (who is neither our Director nor chief executive) will have an interest or short position in the Shares or underlying Shares of our Company which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or who will be, 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 general meetings of any other member of our Group:

Name of Shareholder	Capacity/nature of interest	Number of Shares	Approximate percentage of interest in our Company immediately after the Share Offer <sup>(1)</sup>
Victor Soar <sup>(2)</sup>	Beneficial owner	301,500,000	50.25%
Ms. Lin Yinyin <sup>(3)</sup>	Interest of spouse	301,500,000	50.25%
Achieve Ample <sup>(4)</sup>	Beneficial owner	148,500,000	24.75%
Mr. Wang Weimian <sup>(5)</sup>	Interest of spouse	148,500,000	24.75%

*Notes:*

- Assuming the Over-allotment Option is not exercised and without taking into account any Shares which may be issued and allotted upon the exercise of options granted under the Share Option Scheme.
- Victor Soar is a company wholly owned and controlled by Mr. Gao.
- Ms. Lin Yinyin is the wife of Mr. Gao and is deemed to be interested in the 301,500,000 Shares held by Victor Soar, a company controlled by Mr. Gao.
- Achieve Ample is a company wholly owned and controlled by Ms. Gao.
- Mr. Wang Weimian is the husband of Ms. Gao and is deemed to be interested in the 148,500,000 Shares held by Achieve Ample, a company controlled by Ms. Gao.

## 3. Particulars of service contracts

Each of our executive Directors and non-executive Directors has entered into a service contract with our Company on 12 June 2012 for a term of three years commencing from the Listing Date, subject to termination before expiry by either party giving not less than three months' notice in writing to the other. Under these service contracts, Mr. Gao, Ms. Gao, Mr. Liu Zhichun, Mr. Xie Yaolin, Mr. Li Kwok Ping, Mr. Lee Hung Yuen and Mr. Wen Baolin will receive an annual salary (including any director's fees) of RMB600,000, RMB350,000, RMB350,000, RMB550,000, RMB200,000, RMB200,000 and RMB240,000, respectively (such annual salary is subject to annual review by our board and the remuneration committee) and a discretionary bonus as may be decided by our board and the remuneration committee at their discretion, having regard to the performance of the relevant executive director. Such executive director shall abstain from voting, and not be counted in the quorum, in respect of any resolution of our board approving the determination of the salary, bonus and other benefits payable to him or her.

Each of our independent non-executive Directors, has entered into a service contract with our Company on 12 June 2012 for an initial term of three years commencing from the Listing Date, and shall continue thereafter unless terminated by either party giving at least one month's notice in writing. The annual fee for Dr. Lu Jian Zhong, Mr. Qi Yang and Mr. Shen Peng is RMB150,000, RMB150,000 and RMB200,000, respectively.

Save as disclosed above, none of our directors has or is proposed to have a service contract with any member of our Group other than contracts expiring or determinable by the employer within one year without the payment of compensation other than the statutory compensation.

#### **4. Directors' remuneration**

The aggregate amount of remuneration (including fees, salaries, contributions to pension schemes, housing allowances and other allowances and benefits in kind and discretionary bonuses) which were paid to our Directors for the three years ended 31 December 2011, were approximately RMB258,000, RMB962,000 and RMB1,863,000, respectively.

It is estimated that remuneration and benefits in kind, excluding any discretionary bonus payable to our Directors, that is equivalent to approximately RMB2,729,000 in the aggregate will be paid and granted to our Directors by us in respect of the financial year ending 31 December 2012 under arrangements in force at the date of this prospectus.

#### **5. Fees or commissions received**

Save as disclosed in this prospectus, none of our Directors or any of the persons whose names are listed in the paragraph headed "F. Other Information – 8. Consents" in this Appendix had received any commissions, discounts, agency fee, brokerages or other special terms in connection with the issue or sale of any capital of any member of our Group from our Group within the two years preceding the date of this prospectus.

#### **6. Related party transactions**

During the two years preceding the date of this prospectus, we were engaged in related party transactions as described under note 34 of the accountants' report set out in Appendix I to this prospectus. Our Directors are of the view that the related party transactions are based on normal commercial terms determined and agreed by the respective parties. The related party transactions will be discontinued after the Listing.

**D. DISCLAIMERS**

Save as disclosed in this prospectus:

- (1) none of our Directors or chief executive of our Company has any interests and short positions in the Shares, underlying shares and debentures of our Company or any associated corporation (within the meaning of Part XV of the SFO) which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered into the register referred to therein, or will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies to be notified to us and the Stock Exchange, in each case once our Shares are listed;
- (2) none of our Directors nor any of the parties listed in the paragraph headed “F. Other Information – 8. Consents” in this Appendix is interested in our promotion, or in any assets which have, within the two years immediately preceding the issue of this prospectus, been acquired or disposed of by or leased to us, or are proposed to be acquired or disposed of by or leased to any member of our Group;
- (3) none of our Directors nor any of the parties listed in the paragraph headed “F. Other Information – 8. Consents” in this Appendix is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to our business;
- (4) none of the persons whose names are listed in the paragraph headed “F. Other Information – 8. Consents” in this Appendix has any shareholding in any member of our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group; and
- (5) none of our Directors are 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.

**E. SHARE OPTION SCHEME**

The following is a summary of the principal terms of the Share Option Scheme conditionally adopted pursuant to the written resolutions of our Shareholders passed on 12 June 2012 and the resolutions of the Directors passed on 12 June 2012:

**1. Purpose of the Share Option Scheme**

The purpose of the Share Option Scheme is to provide an incentive for Eligible Participants (defined below) to work with commitment towards enhancing the value of our Company and the Shares for the benefit of our Shareholders and to retain and attract calibres and working partners whose contributions are or may be beneficial to the growth and development of our Group.

## 2. Participants of the Share Option Scheme and the basis of determining the eligibility of the participants

The board of directors of our Company (the “**Board**”) may at its discretion grant options to any full-time or part-time employees, potential employees, consultants, executives or officers (including executive, non-executive and independent non-executive Directors) of our Company or any of its Subsidiaries and any suppliers, customers, consultants, agents and advisers who, in the sole opinion of the Board has contributed or will contribute to our Group (collectively “**Eligible Participants**”).

## 3. Status of the Share Option Scheme

### *(a) Conditions of the Share Option Scheme*

The Share Option Scheme shall take effect subject to and is conditional upon: (i) the commencement of dealing in the shares on the Stock Exchange; (ii) the passing of the necessary resolutions to adopt the Share Option Scheme by our Shareholders and the Board; (iii) the obligations of the Underwriters under the Underwriting Agreement becoming unconditional (including, if relevant, following the waiver(s) of any conditions by the Joint Bookrunners) (acting for and on behalf of the Underwriters) and not being terminated in accordance with their terms or otherwise; and (iv) the Listing Committee approving the listing of and permission to deal in any Shares to be allotted and issued pursuant to the exercise of options under the Share Option Scheme (the “**Conditions**”).

### *(b) Life of the Share Option Scheme*

The Share Option Scheme shall be valid and effective for 10 years from the Listing Date (the “**Scheme Period**”), after which time no further option will be granted but the provisions of the Share Option Scheme shall remain in full force and effect in all other respects.

## 4. Grant of options

### *(a) Making of offer*

An offer of the grant of an option shall be made to an Eligible Participant by an offer document (“**Offer Letter**”) in such form as the Board may from time to time determine, requiring the Eligible Participant to undertake to hold the option on the terms on which it is to be granted and to be bound by the provisions of the Share Option Scheme (including any operational rules made under the Share Option Scheme). The offer shall remain open for acceptance for a period of 14 business days from the date on which it is made provided that no such offer shall be open for acceptance after the expiry of the Scheme Period or after the termination of the Share Option Scheme. Unless otherwise determined by the Board and stated in the Offer Letter, there shall be no general performance target for the vesting or exercise of options.

*(b) Acceptance of an offer*

An option shall be deemed to have been granted to (subject to certain restrictions in the Share Option Scheme), and accepted by, the Eligible Participant (the “**Grantee**”) and to have taken effect upon the issue of an option certificate after the duplicate offer letter comprising acceptance of the option duly signed by the Grantee together with a remittance in favor of our Company of HK\$1.00 by way of consideration for the grant of the option shall have been received by our Company on or before the last day for acceptance set out in paragraph 4(a) above. The remittance is not in any circumstances refundable and shall be deemed as part payment of the exercise price. Once accepted, the option is granted as from the date on which it was offered to the relevant Grantee.

*(c) Restrictions on time of grant*

- (i) No grant of options shall be made after a price sensitive event in relation to the securities of our Company has occurred or a price sensitive matter in relation to the securities of our Company has been the subject of a decision, until the price sensitive information has been announced pursuant to the requirements of the Listing Rules. In particular, no option shall be granted during the period of one month immediately preceding the earlier of:

- (1) the date of the Board meeting as shall have been notified to the Stock Exchange for the approval of our Company’s results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (2) the deadline for our Company to publish an announcement of its results for any year or half-year under the Listing Rules or quarterly or other interim period (whether or not required under the Listing Rules),

and ending on the actual date of the results announcement for such year, half year, quarterly or interim period (as the case may be). The period during which no option may be granted will cover any period of delay in the publication of a results announcement.

- (ii) For so long as the shares are listed on the Stock Exchange:

- (1) no options shall be granted during the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and
- (2) during the period of 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results.

*(d) Grant to connected persons*

Any grant of options to a connected person must be approved by all our independent non-executive Directors (if any independent non-executive Director is a proposed Grantee of the options, the vote of such independent non-executive Director shall not be counted for the purposes of approving the grant).

*(e) Grant to substantial shareholders and independent non-executive directors*

Without prejudice to paragraph 4(d) above, any grant of options to a substantial shareholder or an independent non-executive Director or any of their respective associates must be approved by our Shareholders in general meeting if the shares issued and to be issued upon exercise of all options already granted and proposed to be granted to him (whether exercised, cancelled or outstanding) in the 12 month period up to and including the proposed date of such grant:

- (i) would represent in aggregate more than 0.1%, or such other percentage as may from time to time be provided under the Listing Rules, of the Shares then in issue; and
- (ii) would have an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5,000,000 (or such other amount as shall be permissible under the Listing Rules from time to time).

*(f) Proceedings in general meeting to approve the grant of option*

At the general meeting to approve the proposed grant of options under paragraph (d), all connected persons of our Company must abstain from voting unless intending to vote against the proposed grant. At such general meeting, the vote to approve the grant of such options must be taken on a poll in accordance with the relevant provisions of the Listing Rules.

## 5. Subscription price

The price per Share at which a Grantee may subscribe for Shares upon exercise of an option (the “**Subscription Price**”) shall, subject to any adjustment pursuant to paragraph 7 below, be a price determined by the Board but in any event shall be at least the highest of:

- (i) the closing price of the Shares as stated in the Stock Exchange’s daily quotations sheets on the date on which the option is offered (the “**Offer Date**”);
- (ii) the average of the closing prices of the Shares as stated in the Stock Exchange’s daily quotation sheets for the five business days immediately preceding the Offer Date; and
- (iii) the par value of the Shares;

except that for the purposes of calculating the Subscription Price under paragraph 5(ii) above for an option offered within five business days of the Listing Date, the price at which the Shares are to be offered for subscription pursuant to the Share Offer shall be used as the closing price for any business day falling within the period before the Listing Date.



**6. Maximum number of Shares available for subscription*****(a) Scheme Mandate***

Subject to sub-paragraphs 6(b) and 6(c) below, the maximum number of Shares in respect of which options may be granted under the Share Option Scheme and any other share option schemes of our Company shall not in aggregate exceed the number of Shares that shall represent 10% of the total number of Shares in issue as of the Listing Date (excluding Shares which may be allotted and issued under the Over-allotment Option) (“**Scheme Mandate**”), which is expected to be 60,000,000 Shares. For the purpose of calculating the Scheme Mandate, options which have lapsed in accordance with the terms of the relevant scheme shall not be counted.

***(b) Renewal of Scheme Mandate***

Our Company may seek approval by our Shareholders in general meeting for renewing the Scheme Mandate provided that the total number of Shares in respect of which options may be granted under the Share Option Scheme and any other schemes of our Company under the Scheme Mandate as renewed must not exceed 10% of the total number of Shares in issue as at the date of the shareholders’ approval. Options previously granted under the Share Option Scheme and any other share option schemes of our Company, whether outstanding, cancelled, lapsed in accordance with its applicable rules or already exercised, will not be counted for the purpose of calculating the limit as renewed.

For the purpose of seeking the approval of our Shareholders under this sub-paragraph 6(b), a circular 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 must be sent to our shareholders.

***(c) Grant of Options beyond Scheme Mandate***

Our Company may seek separate approval by our Shareholders in general meeting for granting options beyond the Scheme Mandate provided that the options in excess of the Scheme Mandate are granted only to Eligible Participants who are specifically identified before such approval is sought.

For the purpose of seeking the approval of our Shareholders under this sub-paragraph (6)(c), our Company must send a circular to our Shareholders containing a generic description of the specified Grantees who may be granted such options, the number and terms of the options to be granted, the purpose of granting such options to the Grantees with an explanation as to how the terms of options serve such purpose and the information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer as required under Rule 17.02(4) of the Listing Rules.

***(d) Maximum number of Shares issued pursuant to Options***

Notwithstanding anything to the contrary in the Share Option Scheme, the maximum limit on the 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 schemes of our

Company must not exceed such number of Shares as shall represent 30% of the Shares in issue from time to time. No options may be granted if such grant will result in this 30% limit being exceeded.

*(e) Grantee's maximum holding*

Unless approved by our Shareholders in general meeting in the manner prescribed in the Listing Rules, the Board shall not grant options to any Grantee if the acceptance of those options would result in the total number of shares issued and to be issued to that Grantee on exercise of his options during any 12 month period exceeding 1% of the total Shares then in issue.

Where any further grant of options to a Grantee, if exercised in full, would result in the total number of Shares already issued or to be issued upon exercise of all options granted and to be granted to such Grantee (including exercised, cancelled and outstanding options) in any 12-month period up to and including the date of such further grant exceeding 1% of the total number of Shares in issue, such further grant must be separately approved by our Shareholders in general meeting with such Grantee and his associates abstaining from voting. Our Company must send a circular to our Shareholders and the circular must disclose the identity of the Grantee, the number and terms of the options to be granted and options previously granted to such Grantee and 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) of the options to be granted to such Eligible Participant must be fixed before the Shareholders' approval. The date of the meeting of the Board for proposing such further grant of option should be taken as the date of grant for the purpose of calculating the Subscription Price.

*(f) Adjustment*

The number of Shares subject to the options and to the Share Option Scheme may be adjusted in such manner as our Company's independent financial advisor or auditor (acting as expert and not as arbitrator) shall certify in writing to the Board to be in its opinion fair and reasonable in accordance with sub-paragraph 7(b) below.

**7. Reorganisation of capital structure**

*(a) Adjustment of options*

In the event of any alteration in the capital structure of our Company whilst any option becomes or remains exercisable, whether by way of capitalisation of profits or reserves, rights issue, consolidation, subdivision or reduction of the share capital of our Company (other than an issue of Shares as consideration in respect of a transaction to which our Company is a party), the Board shall make (and shall notify to the Grantee) such corresponding alterations (if any) in:

- (i) the Subscription Price; or
- (ii) the number of Shares subject to the Share Option Scheme;

that are required to give each Grantee the same proportion of the share capital as that to which the Grantee was previously entitled, but not so that the effect would be to enable any Share to be issued to a Grantee at less than its par value, provided that no adjustment to the Subscription Price and number of Shares should be made to the advantage of the Eligible Participants without specific prior approval of our Shareholders.

*(b) Auditors/independent financial advisor confirmation*

On any capital reorganisation other than a capitalisation issue, the auditor or an independent financial advisor shall certify in writing to the Board that the adjustments made by the Board pursuant to sub-paragraph 7(a) above is in its opinion fair and reasonable pursuant to Rule 17.03(13) of the Listing Rules and the supplementary guidance on adjustments to the exercise price and number of share options under the Listing Rules.

## **8. Cancellation of options**

Subject to the consent from the relevant Grantee, the Board may at its discretion cancel options previously granted to and yet to be exercised by a Grantee for the purpose of re-issuing new options to that Grantee provided that there are sufficient available unissued options under the Scheme Mandate as renewed from time to time (excluding such cancelled options) in accordance with the terms of the Share Option Scheme.

## **9. Assignment of options**

An option is personal to the Grantee and shall not be transferable or assignable. No Grantee shall sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favor of any third party over or in relation to any option or attempt to do so (except that the Grantee may nominate a nominee, of which the Grantee is the sole beneficial owner, in whose name the Shares issued pursuant to the Share Option Scheme may be registered provided that evidence of such trust arrangement between the Grantee and the nominee has been provided to the satisfaction of, and on terms acceptable by, the Board).

## **10. Rights attached to the Shares**

The Shares to be allotted upon exercise of an option will be subject to all the provisions of our bye-laws and will rank pari passu with the fully paid Shares in issue as from the day when the name of the Grantee is registered on the register of members of our Company (the “**Registration Date**”). Accordingly the Shares will entitle the holders to participate in all dividends or other distributions paid or made on or after the Registration Date other than any dividends or other distributions previously declared or recommended or resolved to be paid or made with respect to a record date which is before the Registration Date.

A Share issued upon the exercise of an option shall not carry any voting rights until the registration of the Grantee or his nominee as the holder of the Share on the register of members of our Company.

Unless otherwise regulated by applicable law, a Grantee, shall have no rights as a Shareholder with respect to any Shares covered by an option before such Grantee exercises the option.

**11. Exercise of options****(a) General**

The period during which an option may be exercised in accordance with the terms of the Share Option Scheme (“**Option Period**”) shall be the period of time to be notified by our Board to each Grantee, which the Board may in its absolute discretion determine, save that such period shall not be more than ten years commencing on the Offer Date.

**(b) Rights on a takeover**

In the event of a general or partial offer, whether by way of take-over offer, share re-purchase 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 association or concert with the offeror, our Company shall use all reasonable endeavours to procure that such offer is extended to all the Grantees on the same terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the option granted to them, our Shareholders. If such offer becomes or is declared unconditional, the Grantee shall be entitled to exercise the option (to the extent not already exercised) to its full extent or to the extent specified in the Grantee’s notice to our Company in exercise of the option at any time before the expiry of the period of ten business days following the date on which the offer becomes or is declared unconditional.

**(c) Rights on a voluntary winding up**

In the event a notice is given by our Company to our Shareholders to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up our Company, our Company shall on the same date as or soon after it despatches such notice to each of our Shareholders give notice to all Grantees (together with a notice of the existence of the provisions of this subparagraph 11(c)). Upon receipt of such notice, each Grantee (or where permitted, his or her legal personal representative(s)) shall be entitled to exercise all or any of the option (to the extent which has become exercisable and not already exercised) at any time not later than two (2) business days prior to the proposed general meeting of our Company by giving notice in writing to our Company, accompanied by a remittance for the full amount of the aggregate Subscription Price for the Shares in respect of which the notice is given. Upon receipt of such notice together with the remittance by our Company, 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 referred to above, allot the relevant Shares to the Grantee credited as fully paid. The allotted Shares shall rank pari passu with all other Shares in issue on the date prior to the passing of the resolution to wind-up our Company to participate in the distribution of assets of our Company available in liquidation.

*(d) Rights on a compromise or arrangement*

If a compromise or arrangement between our Company and our Shareholders or creditors is proposed in connection with a scheme for the reconstruction of our Company or its amalgamation with any other company or companies, our Company shall give notice to the Grantee on the same day as it gives notice of the meeting to its shareholders or creditors to consider the compromise or arrangement. Upon receipt of the notice, the Grantee may, during the period commencing on the date of the notice and ending on the 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 the option (to the extent not already exercised), conditional upon the compromise or arrangement being sanctioned by the court and becoming effective. With effect from the date of such meeting, the rights of all Grantees to exercise their respective options shall forthwith be suspended. Our Company may require the Grantee to transfer or otherwise deal with the Shares issued as a result of the exercise of 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. 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 the 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 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 its officers for any loss or damage sustained by any Grantee as a result of the aforesaid suspension.

## **12. Lapse of options**

An option whether vested or unvested shall lapse automatically (to the extent not already exercised) on the earliest of:

- (i) the expiry of the Option Period;
- (ii) the expiry of the periods referred to in sub-paragraphs 11(b) to (d) above;
- (iii) the date of the commencement of the winding-up of our Company in respect of the situation contemplated in sub-paragraph 11(c);
- (iv) the date on which the scheme or compromise referred to in sub-paragraph 11(d) above becomes effective;
- (v) in respect of a Grantee (being an Eligible Participant) who ceases to be an Eligible Participant by reasons other than termination of employment on grounds under sub-paragraph 12(vi) below, one month following the date of such cessation;

(vi) the date on which the Grantee (being Eligible Employee) ceases to be an Eligible Participant by reason of the termination of his employment on any one or more of the following grounds:

- (a) that he has been guilty of serious misconduct; or
- (b) that he has been convicted of a criminal offence involving his integrity or honesty; or
- (c) any other ground on which an employer would be entitled to unilaterally terminate his employment or service at common law or pursuant to any applicable laws or under the Grantee's service contract with our Company or the relevant subsidiary of our Company;

and a resolution of the Board or the board of directors of the relevant subsidiary of our Company or of the Interested Entity to that effect shall be conclusive;

- (vii) the date on which a Grantee commits a breach of paragraph 9 above;
- (viii) if an option was granted subject to certain conditions, restrictions or limitation, the date on which the Board resolves that the Grantee has failed to satisfy or comply with such conditions, restrictions or limitation; and
- (ix) the occurrence of such event or expiry of such period as may have been specifically provided for in the offer letter, if any.

### **13. Amendment of the Share Option Scheme**

#### ***(a) Amendments requiring Board approval***

Any amendment to the Share Option Scheme other than those set out in subparagraph 13(b) below must be approved by the majority of the Board or the scheme administrator.

#### ***(b) Amendments requiring shareholder approval***

Subject to sub-paragraphs 13(c) and (d), the following matters require the prior sanction of a resolution of the Shareholders in general meeting:

- (i) any change to the provisions relating to:
  - (1) the purpose of the Share Option Scheme;
  - (2) the definitions of "Eligible Participant", "Expiry Date", "Grantee" and "Option Period" contained in the Share Option Scheme;
  - (3) the provisions relating to the Scheme Period, the basis of eligibility for options, the making of offer, the contents of offer letter, the acceptance of an option, the Subscription Price, the granting of options to connected persons,

substantial shareholders and independent non-executive directors, the exercise of options, the lapse of options, the maximum number of shares available for subscription, cancellation of options, reorganisation of capital structure and termination of the Share Option Scheme; which operates to the advantage of Eligible Participants or Grantees;

- (ii) any change to the authority of the Board or the scheme administrator;
- (iii) any amendment to the terms and conditions of the Share Option Scheme which are of a material nature except where such amendment takes effect automatically under the existing terms of the Share Option Scheme; and
- (iv) any amendment to the terms of options granted except where such amendment takes effect automatically under the existing terms of the Share Option Scheme.

*(c) Amendments requiring the super majority consent from the Grantees*

Notwithstanding any approval obtained pursuant to sub-paragraphs 13(b) above, no amendment shall operate to adversely affect the terms of issue of any option granted or agreed to be granted prior to such amendment except with the consent or sanction in writing of such number of Grantees as shall together hold options in respect of not less than three-fourths in par value of all Shares then subject to the options granted under the Share Option Scheme, except where such amendment takes effect automatically under the existing terms of the Share Option Scheme.

*(d) Amendments requiring the approval of the Stock Exchange*

Any amendment to the terms and conditions of the Share Option Scheme which are of a material nature shall first be approved by the Stock Exchange except where such amendment takes effect automatically under the existing terms of the Share Option Scheme.

#### **14. Termination**

Our Company may at any time terminate the operation of the Share Option Scheme by resolution of the Board or resolution of the shareholders in general meeting and in such event no further options will be offered but the provisions of the Share Option Scheme shall remain in force in all other respects to the extent necessary to give effect to the exercise of the options (to the extent not already exercised) granted prior to the termination or otherwise or may be required in accordance with the provisions of the Share Option Scheme. All options granted prior to the termination and yet to be exercised shall continue to be valid and exercisable in accordance with the terms of the Share Option Scheme.

As of the Latest Practicable Date, no option has been granted by our Company under the Share Option Scheme.

**F. OTHER INFORMATION****1. Estate Duty**

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

**2. Tax and other indemnity**

Each of Mr. Gao Mingqing and Victor Soar (together, the “**Indemnifiers**”) has entered into the Deed of Indemnity in favor of our Group (being a material contract referred to in the paragraph headed “B. Further Information about our Business – 1. Summary of material contracts” of this Appendix) to provide the following indemnities in favor of our Group. Our Directors have been advised that no material liability for estate duty is likely to fall on us or any of our subsidiaries.

Under the Deed of Indemnity, the Indemnifiers jointly and severally indemnify each of the members of our Group against, among other things, (a) taxation falling on any member of our Group in respect of or by reference to any income, profits or gains earned, accrued or received (or alleged to have been earned, accrued or received) on or before the date on which the Share Offer becomes unconditional and all reasonable costs, expenses and losses which any member of our Group may properly incur in connection therewith; (b) costs, expenses and losses incurred by any member of our Group resulting from or in respect of any non-compliance with the applicable laws, rules and regulations by any member of our Group on or before the date on which the Share Offer becomes unconditional; (c) any costs, expenses and losses resulting from or in respect of the non-availability of the land use rights certificates and real estate title certificates of any property in the PRC owned by or leased to our Group or the breach of the tenancy agreement and deed of mutual covenant in relation to any property leased to our Group in Hong Kong except where such costs, expenses and losses that arise after the date on which the Share Offer becomes unconditional.

The Indemnifiers will, however, not be liable under the Deed of Indemnity for taxation where, among others, (a) full provision or allowance has been made for such taxation in the audited accounts of our Group; and (b) the taxation arises or is incurred as a result of a retrospective change in law or regulation or retrospective increase in tax rates coming into force after the date on which the Share Offer becomes unconditional; (c) the liability for such taxation is caused by the act or omission of, or transaction voluntarily effected by, any member of our Group which is carried out or effect in the ordinary course of business or in the ordinary course of acquiring or disposing capital assets after 31 December 2011 or carried out or entered into pursuant to a legally binding commitment on or after 31 December 2011; (d) any provision or reserve made for such taxation in the audited accounts of any member of our Group up to 31 December 2011 which is finally established to be an over-provision or an excessive reserve.

In the event the Indemnifiers have indemnified our Group of any tax liability and payment arising from any additional assessment by any tax authority pursuant to the Deed of Indemnity referred to above, our Company shall disclose such fact and relevant details by way of an announcement to the public immediately after the payment of indemnification by the Indemnifiers.

**3. Litigation**

As of the Latest Practicable Date, we were not aware of any other litigation or arbitration proceedings pending or threatened against us or any of our Directors that could have a material adverse effect on our financial condition or results of operation.



**4. Sole Sponsor**

The Sole Sponsor has made an application on behalf of our Company to the Listing Committee for the listing of, and permission to deal in, the Shares in issue and to be issued as set out in this prospectus.

**5. Preliminary expenses**

Our estimated preliminary expenses are approximately US\$3,900 and have been paid by our Company.

**6. Promoter**

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

**7. Qualifications of experts**

The qualifications of the experts (as defined under the Listing Rules and the Hong Kong Companies Ordinance) who have given their opinions or advice in this prospectus are as follows:

<b>Name</b>	<b>Qualifications</b>
Guotai Junan Capital Limited	Licensed corporation to carry on type 6 (advising on corporate finance) regulated activity as defined under the SFO
Deloitte Touche Tohmatsu	Certified public accountants
DTZ Debenham Tie Leung Limited	Property valuers
Commerce & Finance Law Offices	PRC legal advisers
Harney Westwood & Riegels	Cayman Islands legal advisers
Behre Dolbear Asia, Inc.	Independent technical expert

**8. Consents**

Each of Guotai Junan Capital, Deloitte Touche Tohmatsu, DTZ Debenham Tie Leung Limited, Commerce & Finance Law Offices, Harney Westwood & Riegels and Behre Dolbear Asia, Inc. has given and has not withdrawn its respective written consents to the issue of this prospectus with the inclusion of their reports and/or letters and/or valuation certificates and/or the references to their names included herein in the form and context in which they are respectively included.

None of the experts named above has any shareholding interests in any member of our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

**9. Binding effect**

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

**10. Compliance Adviser**

Our Company will appoint Guotai Junan Capital Limited as our compliance adviser upon Listing in compliance with Rule 3A.19 of the Listing Rules.

**11. Shares will be eligible for CCASS**

We have applied to the Listing Committee of the Stock Exchange for the granting of the listing of, and permission to deal in, our Shares (including the additional Shares which may be issued pursuant to the exercise of the Over-allotment Option and the options to be granted under the Share Option Scheme).

All necessary arrangements have been made enabling our Shares to be admitted into the Central Clearing and Settlement System, or CCASS, established and operated by the Hong Kong Securities Clearing Company Limited, or HKSCC.

**12. Bilingual Prospectus**

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

**13. Miscellaneous**

- (1) Saved as disclosed in this prospectus, within the two years immediately preceding the date of this prospectus:
  - (a) no share or loan capital of our Company or any of our subsidiaries has been issued or agreed to be issued or is proposed to be fully or partly paid either for cash or for a consideration other than cash;
  - (b) no share or loan capital of our Company or any of its subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
  - (c) no commissions, discounts, brokerages or other special terms have been granted or agreed to be granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries; and
  - (d) no commission has been paid or is payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any share in our Company or any of our subsidiaries.
- (2) Saved as disclosed in this prospectus, there are no founder, management or deferred shares nor any debentures in our Company or any of our subsidiaries and no amount or benefit had been paid or given within the two immediately preceding years or is intended to be paid or given to any promoter.
- (3) Our Directors confirm that there has been no material adverse change in the financial or trading position or prospects of our Group since 31 December 2011 (being the date to which the latest audited consolidated financial statements of our Group were made up).

- (4) 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.
- (5) The register of members of our Company will be maintained in Hong Kong by Tricor Investor Services Limited. Unless our Directors otherwise agree, all transfer and other documents of title of our Shares must be lodged for registration with any registered by our Company's share register in Hong Kong and may not be lodged in the Cayman Islands. All necessary arrangements have been made to enable the Shares to be admitted to CCASS.
- (6) No company within our Group is presently listed on any stock exchange or traded on any trading system.
- (7) Our Directors have been advised that, under the Cayman Islands Companies Law, the use of a Chinese name pre-approved by the Registrar of Companies in the Cayman Islands by our Company in conjunction with its English name does not contravene the Cayman Islands Companies Law.
- (8) The English text of this prospectus shall prevail over the Chinese text.