

SHARE CAPITAL

The authorised and issued share capital of the Company as at the Latest Practicable Date and immediately following (i) the Capital Reorganisation becoming effective; (ii) the [REDACTED]; (iii) the Subscription; and (iv) the issue of the Consideration Shares will be as follows:

(i) As at the Latest Practicable Date

Authorised share capital

<i>Shares</i>	<i>HK\$</i>
<u>3,000,000,000</u> Shares of HK\$0.10 each	<u>300,000,000.00</u>

Issued and paid-up share capital

<u>1,945,996,565</u> Shares of HK\$0.10 each	<u>194,599,656.50</u>
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(ii) Immediately following (i) the Capital Reorganisation becoming effective; (ii) the [REDACTED]; (iii) the Subscription; and (iv) the issue of the Consideration Shares

Authorised share capital

<i>New Shares</i>	<i>HK\$</i>
<u>100,000,000,000</u> New Shares of HK\$0.005 each	<u>500,000,000.00</u>

Issued and paid-up share capital

194,599,655	New Shares of HK\$0.005 each immediately upon the Capital Reorganisation becoming effective	972,998.28
389,199,312	New Shares to be allotted and issued under the [REDACTED] to the Qualifying Shareholders on the basis of two (2) [REDACTED] for every one (1) New Share held on the [REDACTED] Record Date or, to the [REDACTED] pursuant to the [REDACTED] Agreement	1,945,996.56
1,167,597,940	New Shares to be allotted and issued to the Subscribers under the Subscription Agreements	5,837,989.70
<u>4,086,592,788</u>	New Shares to be allotted and issued to the Vendors under the Acquisition Agreement	<u>20,432,963.94</u>
<u>5,837,989,695</u>		<u>29,189,948.48</u>

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Since 31 December 2014, the date to which the latest audited financial statements of the Company were made up, and up to the Latest Practicable Date, no Shares have been allotted and issued by the Company or bought-back by the Company. The Company did not buy back any Share during the 12 months period immediately preceding the Latest Practicable Date. No part of the equity or debt securities of the Company is [REDACTED] or dealt in, nor is [REDACTED] or permission to deal in the Shares or loan capital of the Company being, or proposed to be, sought on any other stock exchange.

RANKING

When fully paid and allotted, the [REDACTED], the Subscription Shares and the Consideration Shares will rank pari passu in all respects among themselves, including all rights to dividend and distributions which may be declared, made or paid by the Company, voting and interest in capital, with the New Shares in issue (after the Capital Reorganisation becoming effective) as at the respective date of allotment and issue thereof.

MINIMUM PUBLIC FLOAT

Pursuant to Rule [REDACTED] of the Listing Rules, at least 25% of the Company’s total issued share capital must at all times be held by the public.

The Subscribers, and the Vendors (if necessary) will take appropriate steps, including entering into [REDACTED] agreement(s) with third party broker(s) or agent(s) to place down a portion of the New Shares to restore sufficient public float of the Company. For further details of the proposed [REDACTED], please refer to the section headed “Letter from the Board — 9. Changes in shareholding structure — [REDACTED] down to restore public float ” in this circular.

OUTSTANDING OPTIONS

Other than a total of 212,903,226 New Shares to be issued to Time Boomer and First Apex under the Subscription Agreements, there were no other outstanding options, warrants or other conversion rights over any part of the Company’s share capital as at the Latest Practicable Date.

Other than the capital of the Company, there was no capital of any member of the Group which is under option, or agreed conditionally or unconditionally to be put under option.

ISSUE MANDATE

A resolution will be proposed at the EGM for the Shareholders, or Independent Shareholders, as the case may be, to approve the grant of a specific mandate to issue the [REDACTED], the Subscription Shares and the Consideration Shares.

For further details of the specific mandate to issue the [REDACTED], the Subscription Shares and the Consideration Shares, please refer to the section headed “Letter from the Board — 8. The [REDACTED], the Subscription Shares, and the Consideration Shares” in this circular.

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CIRCUMSTANCES UNDER WHICH GENERAL MEETING AND CLASS MEETING ARE REQUIRED

The Company has only one class of shares, namely ordinary shares, each of which ranks pari passu with the other shares.

Pursuant to the Companies Law and the terms of the New Memorandum and Articles, the Company may from time to time by ordinary shareholders’ resolution (i) increase its capital; (ii) consolidate and divide its capital into shares of larger amount; (iii) divide its shares into classes; (iv) subdivide its shares into shares of smaller amount; and (v) cancel any shares which have not been taken. In addition, the Company may, subject to sanction by the courts in the Cayman Islands, reduce its share capital by shareholders’ special resolution.

All or any of the special rights attached to the share of the Company or any class of shares of the Company may be varied, modified or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class.

For more details, please refer to the section headed “Summary of the constitution of the Company and Cayman Islands Companies Law” set out in Appendix VIII of this circular.