
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Qianlong Technology International Holdings Limited (乾隆科技國際控股有限公司)*, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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QIANLONG TECHNOLOGY INTERNATIONAL HOLDINGS LIMITED
(乾隆科技國際控股有限公司)*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8015)

**MAJOR TRANSACTION — ACQUISITION OF PROPERTIES
LOCATED AT UNITS 25A-25J ON LEVEL 25 AND 10 CAR PARKING
SPACES ON BASEMENT 2 OF WORLD PLAZA (世界廣場),
NO. 855 PUDONG SOUTH ROAD, PUDONG, SHANGHAI, THE PRC
(COLLECTIVELY “THE PROPERTIES”)**

* For identification purpose only

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “EXCHANGE”)

GEM has been positioned as a market designed to accommodate companies to which a high investment risk may be attached than other companies listed on the Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

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

“Agreements”	The 20 sale and purchase agreements all dated 28 February 2011 entered into between the Vendor and the Purchaser in relation to the Properties
“Board”	The board of Directors of the Company
“Company”	Qianlong Technology International Holdings Limited, a company incorporated in the Cayman Island with limited liability, whose shares are listed on the Growth Enterprise Market of the Stock Exchange
“Consideration”	Consideration for the acquisition of the Properties in the sum of RMB57,300,920
“Director(s)”	The director(s) of the Company
“GEM”	The Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	The Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange
“Group”	The Company and its subsidiaries
“Hong Kong”	The Hong Kong Special Administrative Region
“Independent Third Party(ies)”	Independent third party(ies), who is/are not connected with the Company or any of its directors, chief executives, substantial shareholders or management shareholders (as such term is defined in the GEM Listing Rules) of the Company and their subsidiaries or their respective associates (as such term is defined in the GEM Listing Rules)
“Latest Practicable Date”	31 March 2011, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Properties”	Units 25A-25J on Level 25 and 10 car parking spaces on Basement 2 of World Plaza (世界廣場), No. 855 Pudong South Road, Pudong, Shanghai, the PRC
“PRC”	The People’s Republic of China which, for the purpose of this Circular only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Purchaser”	Shanghai Qianlong Advanced Technology Co. Ltd.
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Commerzbank AG Shanghai Branch

LETTER FROM THE BOARD



QIANLONG TECHNOLOGY INTERNATIONAL HOLDINGS LIMITED
(乾隆科技國際控股有限公司)*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8015)

Executive Directors:

Mr. Liao Chao Ping
Mr. Fan Ping Yi
Mr. Yang Ching Shou
Mr. Chen Shen Tien
Mr. Chen Ming Chuan
Mr. Yu Shih Pi
Miss Liao Angela Min Yin

Registered office:

Ugland House
P.O. Box 309
George Town
Grand Cayman
Cayman Islands
British West Indies

Independent non-executive Directors:

Ms. Chiu Kam Hing, Kathy
Mr. Chang Long Teng
Mr. Hsieh Billy Shao Ven

Principal place of business in Hong Kong:

Unit A, 25th Floor,
Yardley Commercial Building,
No.3 Connaught Road West,
Sheung Wan, Hong Kong

26 April 2011

To the Shareholders

Dear Sir or Madam,

**MAJOR TRANSACTION — ACQUISITION OF PROPERTIES
LOCATED AT UNITS 25A-25J ON LEVEL 25 AND 10 CAR PARKING
SPACES ON BASEMENT 2 OF WORLD PLAZA (世界廣場),
NO. 855 PUDONG SOUTH ROAD, PUDONG, SHANGHAI, THE PRC**

INTRODUCTION

On 4 March 2011, the Directors announced that Shanghai Qianlong Advanced Technology Co. Ltd., a wholly-owned subsidiary of the Company, entered into the Agreements with the Vendor, an Independent Third Party on 28 February 2011 to acquire the Properties at a total consideration of RMB57,300,920, which constitute a major transaction of the Company under Chapter 19 of the GEM Listing Rules.

* For identification purpose only

LETTER FROM THE BOARD

The purpose of this circular is to give you further information in relation to the Agreements and the transaction contemplated thereunder.

THE AGREEMENTS

Date:

28 February 2011

Parties:

Vendor: Commerzbank AG Shanghai Branch, a company incorporated in Germany, with limited liability which together with its ultimate beneficial owner(s), to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, are Independent Third Parties independent of the Company and connected persons of the Company.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Vendor is a bank.

Purchaser: Shanghai Qianlong Advanced Technology Co. Ltd., a wholly-owned subsidiary of the Company.

Subject Matter:

Shanghai Qianlong Advanced Technology Co., Ltd. has agreed to purchase, and the Vendor has agreed to sell, the Properties.

Information on the Properties:

The Properties are located at Units 25A-25J on Level 25 and 10 Car Parking Spaces on Basement 2 of World Plaza (世界廣場), No. 855 Pudong South Road, Pudong, Shanghai, the PRC. The total gross floor area of the 10 office units on Level 25 is about 1,761.32 sq. metre. It is an office premises. The 10 car parking spaces on Basement 2 have a total gross floor area of about 371.4 sq. metre. Vacant possession would be delivered on Completion.

Completion:

In about late March 2011.

Consideration:

The Consideration is RMB57,300,920 in total. The total purchase price of the 10 office units is RMB54,600,920. The total purchase price of the 10 car parking spaces is RMB2,700,000.

LETTER FROM THE BOARD

The Consideration was determined by reference to the information available to the Company based on a valuation report prepared by Vigers Appraisal & Consulting Limited, and was negotiated on an arm's length basis and agreed on normal commercial terms between the parties.

Prior to the signing of the Agreements and in part payment of the Consideration, Shanghai Qianlong Advanced Technology Co., Ltd. had paid deposits of (i) RMB3,000,000 and (ii) RMB17,190,276 which sums were stakeheld.

Within 3 working days after signing of the Agreements, the said second deposit of RMB17,190,276 was released and paid to the Vendor.

Within 3 working days after signing of the Agreements, Shanghai Qianlong Advanced Technology Co., Ltd. had paid the balance of the Consideration, that is, RMB37,110,644 which was stakeheld.

40% of the Consideration amounting to RMB22,920,368 was released and paid to the Vendor within 3 working days after completion of the transaction and transfer procedures at the Real Estate Transaction Centre of Pudong New District, Shanghai, the PRC.

The remaining 30% of the Consideration amounting to RMB17,190,276 was released and paid to the Vendor within 3 working days after Completion when Shanghai Qianlong Advanced Technology Co., Ltd. was granted the relevant Certificate of Real Estate Ownership.

Completion of the sale and purchase of the Properties has taken place on 31 March 2011.

The Company has paid the Consideration from its internal resources. The Company will have sufficient working capital to complete the acquisition of the Properties.

Notwithstanding the Notes in the Valuation Certificate included in Appendix I to this circular, title of the Properties is now vested in Shanghai Qianlong Advanced Technology Co., Ltd., which is entitled to all land use rights to occupy, use, transfer, mortgage or dispose of the Properties.

Value of the Asset to be acquired:

The Properties are valued at RMB57,800,000 as at 28 February 2011 by Vigers Appraisal & Consulting Limited, independent professional surveyors. The valuation report is included in Appendix 1 to this circular.

INFORMATION ON THE GROUP AND THE PURCHASER

The Purchaser, Shanghai Qianlong Advanced Technology Co., Ltd., is a wholly-owned subsidiary of the Company. The principal activities of the Group are the development, production and distribution of computer software, provision of related maintenance, usage and information services and investment in other IT companies. The Purchaser was established in Shanghai, the PRC in 1994. Its principal activities are the development, production and distribution of securities analysis software and the provision of related maintenance, usage and information services in the PRC.

LETTER FROM THE BOARD

REASONS FOR ACQUISITION AND BENEFITS EXPECTED

The Company is at present occupying the whole of Level 26 of the same building as the head office of the Group, which was acquired in 2006 and owned by the Company also through Shanghai Qianlong Advanced Technology Co., Ltd. Due to the rapid expansion of its business in recent years, the Company has to acquire more office space to accommodate its staff. In addition to substantial savings of rent in the future, the Directors believe that the acquisition of the Properties would further enhance its reputation. Furthermore, by seizing this rare opportunity to acquire, inter alia, the office space just below its present head office, the Group would be able to better co-ordinate and allocate its resources and manpower with more flexibility.

The Directors consider that the terms of the acquisition are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

WRITTEN SHAREHOLDERS' APPROVAL

The acquisition of the Properties constitutes a major transaction under Chapter 19 of the GEM Listing Rules and is subject to the shareholders' approval in accordance with Chapter 19 of the GEM Listing Rules. However, pursuant to Rule 19.44 of the GEM Listing Rules, as no shareholder of the Company has a material interest in this transaction, no shareholder of the Company is required to abstain from voting if the Company were to convene a general meeting for the approval of this transaction. Furthermore, the written shareholders' approval has been obtained from a closely allied group of shareholders (namely Red Coral Financial Limited, Sapphire World Investment Limited, Legend Isle Technology Limited, Star Channel Technology Limited, Star Orient Global Limited, Mr. Liao Chao Ping, and Madam Lin Meng Jung) who together hold 130,600,000 shares in the issued share capital of the Company representing 51.70% of the nominal value of the securities giving the right to attend and vote at that meeting to approve this transaction. Therefore no general meeting of the Company will be convened for the purpose of the acquisition of the Properties.

Details of the aforesaid closely allied group of shareholders are as follows:-

Name	Number of the shares held	Percentage of the Company's issued share capital
Red Coral Financial Limited	35,250,000	13.955%
Sapphire World Investment Limited	24,500,000	9.699%
Legend Isle Technology Limited	24,500,000	9.699%
Star Channel Technology Limited	18,375,000	7.274%
Star Orient Global Limited	14,875,000	5.889%
Liao Chao Ping	5,000,000	1.979%
Lin Meng Jung	8,100,000	3.207%
	<u>130,600,000</u>	<u>51.702%</u>

LETTER FROM THE BOARD

As at the latest practicable date, Mr. Chen Shen Tien is the sole shareholder of Red Coral Financial Limited which holds 35,250,000 shares of the Company, representing a 13.955% interest in the Company. Mr. Fan Ping Yi is the sole shareholder of Sapphire World Investment Limited which holds 24,500,000 shares of the Company, representing a 9.699% interest in the Company. Mr. Yang Ching Shou is the sole shareholder of Legend Isle Technology Limited which holds 24,500,000 shares of the Company, representing a 9.699% interest in the Company. Mr. Chen Ming Chuan is the sole shareholder of Star Channel Technology Limited which holds 18,375,000 shares of the Company, representing a 7.274% interest in the Company. Mr. Yu Shih Pi is the sole shareholder of Star Orient Global Limited which holds 14,875,000 shares of the Company, representing a 5.889% interest in the Company. The closely allied group are the respective ultimate shareholders of Red Coral Financial Limited, Sapphire World Investment Limited, Legend Isle Technology Limited, Star Channel Technology Limited and Star Orient Global Limited.

The aforesaid Messrs. Liao Chao Ping, Chen Shen Tien, Fan Ping Yi, Yang Ching Shou, Chen Ming Chuan and Yu Shih Pi are Executive Directors of the Company.

The aforesaid Messrs. Chen Shen Tien, Fan Ping Yi, Yang Ching Shou, Chen Ming Chuan and Yu Shih Pi have been personal friends and colleagues for about 20 to 30 years. They had been working together in Taiwan and founded the Group in Shanghai in 1993. Mr. Liao Chao Ping was appointed executive director of the Company in July 2004. He is a shareholder of the Company since 1999. He is also a personal friend of the other 5 executive directors and have known each other for about 20 to 30 years. Madam Lin Meng Jung is a personal friend of Mr. Liao Chao Ping for more than 10 years. Since becoming the Company's shareholder in 2008, Madam Lin has regularly met and consulted Mr. Liao and other Directors about the Company's results and long term development. She has also been in close contact and enjoyed a harmonious relationship with the Directors.

FINANCIAL EFFECT OF THE TRANSACTION

As the Company plans to finance the acquisition of the Properties wholly by its internal resources, there will be no impact on the Group's liabilities. Subject to the final audit, the consideration paid and the related expenses for the acquisition of the Properties will be recognised by the Group in the consolidated statement of financial position as non-current assets. The resulting increase in non-current assets will be offset by a decrease in current assets by the amount of cash paid for the acquisition. The profit of the Group will be reduced by the annual amortisation of the Properties recognised by the Group over 20 years and the investment return which would have been earned on the Consideration. On the other hand, the profit of the Group will be increased by the rental saving on leasing office premises.

LETTER FROM THE BOARD

TRADING AND FINANCIAL PROSPECTS OF THE GROUP

The acquisition of the Properties, comprising the whole of Level 25 immediately below the head office of the Group, would provide more office space to accommodate its staff. In addition to substantial savings of rent, the present acquisition will also protect the Group from being subject to future rental fluctuations. The Group would continue its principal activities as aforesaid. Since the present acquisition would be funded by its internal resources, and given the healthy and rapid development of the Company's products at all fronts, the Directors believe the Group's performance and financial and trading prospects will continue to improve in the near future.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular.

By order of the Board
Qianlong Technology International Holdings Limited
Liao Chao Ping
Chairman

Vigers Appraisal & Consulting Limited
International Assets Appraisal Consultants

10th Floor, The Grande Building
398 Kwun Tong Road
Kowloon
Hong Kong



26 April 2011

The Directors
Qianlong Technology International Holdings Limited
Unit A, 25th Floor
Yardley Commercial Building
No. 3 Connaught Road West
Sheung Wan
Hong Kong

Dear Sirs,

In accordance with your instructions for us to value the property interest to be acquired by Qianlong Technology International Holdings Limited (the “Company”) and its subsidiaries (together referred to as the “Group”) in the People’s Republic of China (“the PRC”), we confirm that we have carried out inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of such property interest as at 28 February 2011 (“date of valuation”) for the purpose of incorporation in the circular.

Our valuation is our opinion of the market value of the property interest which we would define market value as intended to mean “the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion”.

In valuing the property interest, we have valued the property interest by the direct comparison approach assuming sale of the property in its existing state with the benefit of vacant possession and by making reference to comparable sales transactions as available in the market.

Our valuation has been made on the assumption that the owner sells the property interest on the open market in its existing state without the benefit of a deferred terms contract, leaseback, joint venture, management agreement or any similar arrangement which would serve to increase the value of the property interest. In addition, no forced sale situation in any manner is assumed in our valuation.

We have not caused title searches to be made for the property interest at the relevant government bureau in the PRC. We have been provided with certain extracts of title documents relating to the property interest. However, we have not inspected the original documents to verify the ownership, encumbrances or the existence of any subsequent amendments which may not appear on the copies handed to us. In undertaking our valuation for the property interest, we have relied on the legal opinion (the “PRC legal opinion”) provided by the Group’s PRC legal adviser, Shanghai Joinway Law Firm.

We have relied to a considerable extent on information provided by the Group and have accepted advice given to us by the Group on such matters as planning approvals or statutory notices, easements, tenure, occupation, lettings, site and floor areas and in the identification of the property and other relevant matter. We have also been advised by the Group that no material facts had been concealed or omitted in the information provided to us. All documents have been used for reference only.

All dimensions, measurements and areas included in the valuation certificate are based on information contained in the documents provided to us by the Group and are approximations only. No on-site measurement has been taken.

We have inspected the exterior and, where possible, the interior of the property. However, we have not carried out a structural survey nor have we inspected woodwork or other parts of the structures which are covered, unexposed or inaccessible and we are therefore unable to report that any such parts of the property are free from defect. No tests were carried out on any of the services.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the property interest nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property interest is free from encumbrances, restrictions and outgoings of an onerous nature which could affect its value.

Our valuation is prepared in accordance with the HKIS Valuation Standards on Properties (First Edition 2005) published by The Hong Kong Institute of Surveyors (HKIS) and the requirements set out in Chapter 8 in the Rules Governing the Listing of Securities on the Growth Enterprise Market issued by The Stock Exchange of Hong Kong Limited.

Unless otherwise stated, all money amounts stated are in Renminbi (RMB). The exchange rate used in valuing the property interest in the PRC as at 28 February 2011 was HK\$1=RMB0.844. There has been no significant fluctuation in the exchange rate for Renminbi against Hong Kong Dollars (HK\$) between that date and the date of this letter.

We enclose herewith the valuation certificate.

Yours faithfully,
For and on behalf of
Vigers Appraisal & Consulting Limited
Raymond Ho Kai Kwong
Registered Professional Surveyor
MRICS MHKIS MSc(e-com)
Managing Director

Note: Mr. Raymond Ho Kai Kwong, Chartered Surveyor, MRICS MHKIS MSc(e-com), has over twenty four years' experiences in undertaking valuations of properties in Hong Kong and has over seventeen years' experiences in valuations of properties in the PRC.

VALUATION CERTIFICATE

Property interest to be acquired by the Group in the PRC

Property	Description and Tenure	Particulars of occupancy	Market Value in existing state as at 28 February 2011
Units 25A-25J on Level 25 and 10 car parking spaces on Basement 2 of World Plaza (世界廣場), No. 855 Pudong South Road, Pudong, Shanghai, the PRC	The property comprises 10 office units on Level 25 and 10 car parking spaces on Basement 2 of a 38-storey commercial building completed in or about 1997. The 10 office units on Level 25 have a total gross floor area of approximately 1,761.32 sq.m. The 10 car parking spaces on Basement 2 have a total gross floor area of approximately 371.4 sq.m. The property is held with the land use rights for a term from 16 July 2002 to 31 May 2042.	The property is currently vacant.	RMB57,800,000 (equivalent to approximately HK\$68,500,000)

Notes:

1. According to a Shanghai Certificate of Real Estate Ownership (Document No.: Hu Fang Di Pu Zi (2002) No.014172) dated 22 February 2011, the title of the property having a total gross floor area of 2,132.72 sq.m. is vested in 德國商業銀行股份有限公司上海分行 (Commerzbank AG Shanghai Branch) for a term from 16 July 2002 to 31 May 2042 for office and special purpose uses.
2. According to 20 Shanghai Real Estate Sale and Purchase Contracts entered into between 德國商業銀行股份有限公司上海分行 (Commerzbank AG Shanghai Branch) ("Party A") and 上海乾隆高科技有限公司 (Shanghai Qianlong Advanced Technology Co. Ltd.), a wholly-owned subsidiary of the Company ("Party B"), Party A agreed to sell the property to Party B at a total consideration of RMB57,300,920.
3. The PRC legal opinion states, inter alia, the following:
 - (i) The property is owned by 德國商業銀行股份有限公司上海分行 (Commerzbank AG Shanghai Branch).
 - (ii) 德國商業銀行股份有限公司上海分行 (Commerzbank AG Shanghai Branch) is the legal owner of the property and is entitled to occupy, use, transfer, mortgage or dispose of the property by other means.
 - (iii) The property is free from any mortgages, tenancies and charges imposed by judicial authorities.

1. THREE-YEAR FINANCIAL INFORMATION

Financial information of the Group for each of the three years ended 31 December 2010, 2009 and 2008 are disclosed in pages 31 to 84 of annual report 2010, pages 28 to 80 of annual report 2009 and pages 26 to 82 of annual report 2008 of the Company respectively, which are published on both the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.qianlong.com.cn).

2. INDEBTEDNESS**Borrowings**

As at the close of business on 28 February 2011, being the latest practicable date for the purpose of preparing this indebtedness statement prior to the printing of this circular, the Group had neither made any loan arrangements with nor obtained any credit facilities from any financial institutions. At the same time, the Group's assets have never been subject to any securities or mortgages.

Contingent liabilities

As at the close of business on 28 February 2011, the Group did not have any significant contingent liabilities.

Commitments

As at the close of business on 28 February 2011, the Group had operating lease commitments in respect of leased properties of approximately RMB2 million.

Disclaimers

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities, the Group did not have any outstanding mortgages, charges, debentures, loan capital, bank overdrafts, loans, debt securities or other similar indebtedness, finance leases or hire purchase commitments, liabilities under acceptance or acceptance credits or any guarantees or other material contingent liabilities outstanding as at the close of business on 28 February 2011.

3. WORKING CAPITAL

The Directors are of the opinion that taking into account the Group's existing cash and bank balances and other internal financial resources available, after the full settlement of the Consideration, the Group has sufficient working capital for its present requirements and for at least twelve months from the date of publication of this circular in the absence of unforeseen circumstances.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2010, being the date to which the latest published audited financial statements of the Group were made up.

1. RESPONSIBILITY STATEMENT

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

2. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, the Company has entered into service contracts with each of the executive Directors for a term of two years and shall continue thereafter until terminated by either party giving to the other at least three months' prior notice in writing.

Save as aforesaid, none of the Directors has an unexpired service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than normal statutory obligations.

3. DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at the Latest Practicable Date, the interests of the Directors and the chief executive and their associates in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Rule 5.46 of the GEM Listing Rules, were as follows:

Name of directors	Type of interests	Percentage of	
		Number of shares held	the Company's issued share capital
Liao Chao Ping	Personal	5,000,000	1.979%
Chen Shen Tien	Corporate (Notes (1) and (2))	35,250,000	13.955%
Fan Ping Yi	Corporate (Notes (1) and (2))	24,500,000	9.699%
Yang Ching Shou	Corporate (Notes (1) and (2))	24,500,000	9.699%
Chen Ming Chuan	Corporate (Notes (1) and (2))	18,375,000	7.274%
Yu Shih Pi	Corporate (Notes (1) and (2))	14,875,000	5.889%

Notes:

1. As at the Latest Practicable Date, Mr. Chen Shen Tien is the sole shareholder of Red Coral Financial Limited which holds 35,250,000 shares, representing a 13.955% interest in the Company. Mr. Fan Ping Yi is the sole shareholder of Sapphire World Investment Limited which holds 24,500,000 shares, representing a 9.699% interest in the Company. Mr. Yang Ching Shou is the sole shareholder of Legend Isle Technology Limited which holds 24,500,000 shares, representing a 9.699% interest in the Company. Mr. Chen Ming Chuan is the sole shareholder of Star Channel Technology Limited which holds 18,375,000 shares, representing a 7.274% interest in the Company. Mr. Yu Shih Pi is the sole shareholder of Star Orient Global Limited which holds 14,875,000 shares, representing a 5.889% interest in the Company.
2. According to the register of substantial shareholders required to be maintained under Section 336 of the SFO, the Company has been notified of these interests, being 5% or more of the issued share capital of the Company.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Rule 5.46 of the GEM Listing Rules.

4. SUBSTANTIAL INTERESTS IN THE SHARES AND UNDERLYING SHARES

As at the Latest Practicable Date, in addition to those interests as disclosed above in respect of the Directors, the interests or short positions in the shares and underlying shares of the substantial shareholders of the Company as recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO, the Company had been notified of the following interests, being 5% or more in the issued share capital of the Company:

Name	Number of the share capital	Percentage of the Company's issued shares held
Red Coral Financial Limited	35,250,000	13.955%
Sapphire World Investment Limited	24,500,000	9.699%
Legend Isle Technology Limited	24,500,000	9.699%
Star Channel Technology Limited	18,375,000	7.274%
Star Orient Global Limited	14,875,000	5.889%

Notes:

1. As at the Latest Practicable Date, Mr. Chen Shen Tien is the sole shareholder of Red Coral Financial Limited which holds 35,250,000 shares, representing a 13.955% interest in the Company. Mr. Fan Ping Yi is the sole shareholder of Sapphire World Investment Limited which holds 24,500,000 shares, representing a 9.699% interest in the Company. Mr. Yang Ching Shou is the sole shareholder of Legend Isle Technology Limited which holds

24,500,000 shares, representing a 9.699% interest in the Company. Mr. Chen Ming Chuan is the sole shareholder of Star Channel Technology Limited which holds 18,375,000 shares, representing a 7.274% interest in the Company. Mr. Yu Shih Pi is the sole shareholder of Star Orient Global Limited which holds 14,875,000 shares, representing a 5.889% interest in the Company.

Save as disclosed above, the Directors were not aware of any other person (other than the Directors or the chief executive of the Company or their associates) who had an interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

5. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors, Management Shareholders (as defined in the GEM Listing Rules) or substantial Shareholders or any of their respective associates had an interest in a business which competes or may compete with the business of the Group or had any conflict of interest which any such person has or may have with the Group.

6. LITIGATION

None of the members of the Group is engaged in any litigation, arbitration or claim of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened by or against any member of the Group.

7. INTERESTS IN CONTRACTS AND ASSETS

As of the Latest Practicable Date, none of the Directors has any direct or indirect interest in any assets which had been acquired or disposed of by or leased to, or which are proposed to be acquired or disposed of by or leased to, the Company or any of its subsidiaries during the period since 31 December 2010, the date to which the latest published audited financial statements of the Group were made up, up to and including the Latest Practicable Date.

There had been no contract or arrangement of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which any of the Directors had a material interest, whether directly or indirectly, subsisted as at the Latest Practicable Date.

8. EXPERT'S QUALIFICATION AND CONSENT

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

Name	Qualification
Vigers Appraisal & Consulting Limited	Professional property surveyors and valuers

The above expert has given and has not withdrawn its written consent to the issue of this circular with the inclusion therein of its reports or opinions and references to its name in the form and context in which it appears.

As at the Latest Practicable Date, the above expert does not have any shareholding in any member of the Group and did not have any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, the above expert does not have any direct or indirect interests in any assets which had been, since 31 December 2010 (being the date to which the latest published audited consolidated financial statement of the Group were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased-to, any member of the Group.

9. AUDIT COMMITTEE

The Company established an audit committee in 1999 with written terms of reference in compliance with Rules 5.28 and 5.33 of the GEM Listing Rules. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control system of the Group. The audit committee comprises three members, Ms. Chiu Kam Hing, Kathy, Mr. Chang Long Teng and Mr. Hsieh Billy Shao Ven, all of them are independent non-executive Directors. Ms. Chiu Kam Hing, Kathy is the chairman of the audit committee.

The biography of the members of Audit Committee are set out below:

Ms. Chiu Kam Hing, Kathy, aged 62, has over 39 years of banking experience in Canada and Asia Pacific region. Ms. Chiu was senior vice-president at the Republic National Bank of New York and was responsible for the management and investment of third party clients' funds. Ms. Chiu is the chairman of the Group's audit committee and remuneration committee.

Mr. Chang Long Teng, aged 51, has extensive experience in management and administration. He does not hold any directorship in other public listed companies.

Mr. Hsieh Billy Shao-Ven, aged 54, is a certified public accountant and an attorney licensed in the State of California, U.S.A. He has been advising multinational clients about doing business in China for over 15 years. He has extensive experience in mergers and acquisitions, market entry and development, investment structure, financing alternative, tax & regulatory planning and compliance. Mr. Hsieh was appointed as an independent non-executive Director of the Company on 30 August 2010.

10. MISCELLANEOUS

- (a) The registered office of the Company is Uglan House, P.O. Box 309, George Town, Grand Cayman, Cayman Islands, British West Indies.
- (b) The Principal Place of Business of the Company in Hong Kong is Unit A, 25th Floor, Yardley Commercial Building, No. 3 Connaught Road West, Sheung Wan, Hong Kong.
- (c) The Hong Kong Share Registrar and Transfer Office of the Company is Computershare Hong Kong Investor Services Limited at Unit 1901-1905, 19th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (d) The Company Secretary of the Company is Tse Kai Chung Bobby, who is a solicitor practising in Hong Kong.
- (e) The Compliance Officer of the Company is Fan Ping Yi, who is the vice-chairman and one of the founders of the Group. He is responsible for the Group's overall strategic planning and its implementation. Before joining the Group, Mr. Fan held senior management positions in various computer software companies in Taiwan.
- (f) The English text of this circular shall prevail over the Chinese text in case of any inconsistency.

11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the principal place of business of the Company in Hong Kong at Unit A, 25th Floor, Yardley Commercial Building, 3 Connaught Road West, Sheung Wan, Hong Kong during normal business hours on any business day from, the date of this circular up to 21 days thereafter:

- (a) the Amended and Restated Memorandum and Articles of Association of the Company;
- (b) the annual reports of the Company for the three financial years ended 31 December 2010;
- (c) the letter and valuation certificate prepared by Vigers Appraisal & Consulting Limited, the text of which is set out in Appendix 1 to this circular;
- (d) the written consent referred to in the paragraph headed "Expert's Qualification and Consent" in this appendix;
- (e) the Formal Agreement; and
- (f) this circular.