

THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your securities in Merdeka Mobile Group Limited (formerly known as Merdeka Resources Holdings Limited) (the "Company"), you should at once hand this Prospectus to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Dealings in the securities of the Company and the Rights Shares in their nil-paid and fully-paid forms may be settled through CCASS and you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser for details of those settlement arrangements and how such arrangements may affect your rights and interests.

A copy of each of the Prospectus Documents, having attached thereto the documents specified in the paragraph headed "Documents delivered to the Registrar of Companies" in Appendix III to this Prospectus, have been registered with the Registrar of Companies in Hong Kong pursuant to the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). Neither the Securities and Futures Commission nor the Registrar of Companies in Hong Kong takes any responsibility as to the contents of any of the Rights Issue Documents.

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



MERDEKA

MERDEKA MOBILE GROUP LIMITED

(萬德移動集團有限公司*)

(formerly known as Merdeka Resources Holdings Limited (萬德資源集團有限公司))*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8163)

**RIGHTS ISSUE
ON THE BASIS OF FOUR RIGHTS SHARES
FOR EVERY ONE EXISTING SHARE HELD
ON THE RECORD DATE
AT A SUBSCRIPTION PRICE OF HK\$0.040 PER RIGHTS SHARE**

Underwriter to the Rights Issue



The latest time for acceptance of and payment for the Rights Shares is 4:00 p.m. on Monday, 14 July 2014. The procedure for acceptance and transfer of the Rights Shares are set out in the paragraph headed "Procedure for acceptance and payment or transfer" on pages 11 and 12 of this prospectus.

The Shares have been dealt with on an ex-rights basis since Thursday, 19 June 2014 and the Rights Shares are expected to be dealt with in their nil-paid form from Monday, 30 June 2014 to Wednesday, 9 July 2014 (both days inclusive). It is expected that the conditions referred to in the paragraph headed "Conditions of the Rights Issue" in this Prospectus are to be fulfilled on Tuesday, 15 July 2014. If the conditions referred to in that paragraph are not fulfilled or the Underwriting Agreement has been terminated in accordance with the terms thereof, the Rights Issue will not proceed. Any person contemplating buying or selling Shares from the date of this prospectus up to the date on which all the conditions of the Rights Issue are fulfilled and any dealings in the Rights Shares in their nil-paid form between Monday, 30 June 2014 to Wednesday, 9 July 2014 (both days inclusive), will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Any persons contemplating dealing in the Shares and/or the Rights Shares in their nil-paid form are recommended to consult his/her/its/their own professional adviser.

It should be noted that the Underwriting Agreement contains provisions entitling the Underwriter by notice in writing to the Company at any time prior to the Latest Termination Time to terminate the obligations of the Underwriter thereunder on the occurrence of certain events including force majeure. These events are set out under the section headed "Termination of the Underwriting Agreement" on page 6 of this Prospectus. If the Underwriters terminate the Underwriting Agreement in accordance with the terms thereof, the Rights Issue will not proceed. In addition, the Rights Issue is conditional on all conditions set out on page 14 of this prospectus being fulfilled. If such conditions have not been fulfilled in accordance with the Underwriting Agreement on or before the time and dates specified therein, the Rights Issue will not proceed.

* For identification purposes only

CHARACTERISTICS OF GEM

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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EXPECTED TIMETABLE

The expected timetable of the proposed Rights Issue is as follows:

(Hong Kong time)

Despatch of the Rights Issue Documents	Thursday, 26 June 2014
First day of dealings in nil-paid Rights Shares	Monday, 30 June 2014
Latest time for splitting nil-paid Rights Shares	4:30 p.m. on Friday, 4 July 2014
Last day of dealings in nil-paid Rights Shares	Wednesday, 9 July 2014
Latest time for acceptance of and payment for the Rights Shares	4:00 p.m. on Monday, 14 July 2014
Rights Issue expected to become unconditional	Tuesday, 15 July 2014
Change in board lot size becoming effective	Monday, 21 July 2014
Designated broker starts to stand in the market to provide matching services for odd lots of Shares	Monday, 21 July 2014
Announcement of results of the Rights Issue	Tuesday, 22 July 2014
Certificates for the Rights Shares expected to be despatched on or before	Wednesday, 23 July 2014
Refund cheques in respect of the payment for the Rights Shares (if the Rights Issue cannot become unconditional) are expected to be posted on or before	Wednesday, 23 July 2014
Dealings in fully-paid Rights Shares commence	Thursday, 24 July 2014
Last day for the designated broker to provide matching services for odd lots of Shares	Monday, 11 August 2014

All times and dates in this Prospectus refer to Hong Kong local times and dates. Dates or deadlines specified in expected timetable above are indicative only and may be extended or varied by the Company. Any changes to the expected timetable will be published or notified to the Shareholders as and when appropriate.

EXPECTED TIMETABLE

EFFECT OF BAD WEATHER

The latest time for acceptance of and payment for the Rights Shares will not take effect if there is a tropical cyclone warning signal number 8 or above, or a “black” rainstorm warning:

- (1) in force in Hong Kong at any local time before 12:00 noon but no longer in force after 12:00 noon on the Acceptance Date. Instead the latest time for acceptance of and payment for the Rights Shares will be extended to 5:00 p.m. on the same Business Day; or
- (2) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the Acceptance Date. Instead the latest time for acceptance of and payment for the Rights Shares and for application will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m..

If the latest time for acceptance of and payment for the Rights Shares and for application does not take effect on the Acceptance Date, the dates mentioned above may be affected. An announcement will be made by the Company in such event as soon as practicable.

DEFINITIONS

In this Prospectus, unless the context otherwise requires, the following terms shall have the following meanings:

“Acceptance Date”	14 July 2014 or such other date as the Underwriter may agree in writing with the Company as the latest date for acceptance of, and payment for, the Rights Shares
“Announcement”	the announcement of the Company dated 11 April 2014 in relation to, among other things, the Rights Issue
“associate(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Board”	the board of Directors
“Business Day”	a day on which banks in Hong Kong are generally open for business (other than a Saturday or Sunday and any day on which a tropical cyclone warning No. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon)
“CB Holders”	holders of the Convertible Bonds
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Circular”	the circular of the Company dated 28 May 2014 to the Shareholders containing, among other things, further information of the Rights Issue
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Company”	Merdeka Mobile Group Limited (formerly known as Merdeka Resources Holdings Limited) (Stock Code: 8163), a company incorporated in Cayman Islands with limited liability, the issued Shares of which are listed on GEM

DEFINITIONS

“connected person(s)”	has the meaning ascribed to this term under the GEM Listing Rules
“Convertible Bonds”	the zero coupon convertible bonds due 2014 issued by the Company with total outstanding principal amount of HK177,880,000 as at the Latest Practicable Date which are convertible into a maximum of 44,470,000 Shares (subject to adjustment)
“Director(s)”	director(s) of the Company from time to time
“EGM”	the extraordinary general meeting of the Company held on 17 June 2014 for the Independent Shareholders to approve, among other things, the Rights Issue
“Excluded Shareholders”	those Overseas Shareholders whom the Directors, based on opinions provided by the Company’s legal advisers, consider it necessary or expedient not to offer the Rights Shares to such Shareholders on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Existing Share(s)”	existing shares of HK\$0.01 each in the capital of the Company in issue
“GEM”	The Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Shareholders”	the Shareholders who were not required under the GEM Listing Rules to abstain from voting on the resolution(s) approving the Rights Issue at the EGM

DEFINITIONS

“Independent Third Party”	any person or company and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons
“Ivana”	Ivana Investments Limited, the entire issued shares of which are owned by Mr. Cheung
“Last Trading Day”	11 April 2014, being the date of the Underwriting Agreement
“Latest Practicable Date”	20 June 2014, being the latest practicable date prior to the printing of this Prospectus for the purpose of ascertaining certain information contained herein
“Latest Termination Time”	4:00 p.m. on the next Business day after the Acceptance Date or such other date as the Underwriter may agree in writing with the Company
“Listing Committee”	has the meaning ascribed to this term under the GEM Listing Rules
“Mr. Cheung”	Mr. Cheung Wai Yin, Wilson, an executive Director, Chairman and the Chief Executive Officer of the Company
“Outstanding Option(s)”	the 1,697,948 outstanding options granted under the Share Option Scheme, as at the Latest Practicable Date
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose address(es) as shown on such register is (are) outside Hong Kong
“PAL(s)”	the renounceable provisional allotment letter(s) issued to the Qualifying Shareholders in connection with the Rights Issue, being in such usual form as agreed between the Company and the Underwriter
“Posting Date”	26 June 2014, being the date of despatch of the Rights Issue Documents
“Prospectus”	this prospectus despatched to the Shareholders containing details of the Rights Issue

DEFINITIONS

“Qualifying Shareholders”	Shareholders, other than the Excluded Shareholders, whose name(s) appear on the register of members of the Company on the Record Date
“Record Date”	25 June 2014, as the date by reference to which entitlements to the Rights Issue were determined
“Registrar”	the branch share registrar of the Company in Hong Kong, being Tricor Tengis Limited of Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong
“Rights Issue”	the issue by way of rights on the basis of 4 Rights Shares for every 1 Existing Share in issue and held on the Record Date at the Subscription Price on the terms and subject to the conditions set out in the Underwriting Agreement and the Rights Issue Documents
“Rights Issue Documents”	this Prospectus and the PAL(s)
“Rights Shares”	Shares to be issued and allotted under the Rights Issue on the basis of 4 Rights Shares for every 1 Existing Share in issue on the Record Date, being 2,451,400,860 Shares based on the Company’s issued share capital as at the Record Date
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	existing ordinary share(s) of HK\$0.010 each in the share capital of the Company
“Share Option Scheme”	the share option scheme adopted by the Company on 3 May 2012
“Shareholder(s)”	registered holder(s) of the Shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.040 per Rights Share
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers

DEFINITIONS

“Underwriter”	CNI Securities Group Limited, a licensed corporation to carry out business in type 1 regulated activity (dealing in securities) and type 2 regulated activity (dealing in futures contracts) under the SFO
“Underwriting Agreement”	the underwriting agreement dated 11 April 2014 (as supplemented) entered into between the Company and the Underwriter in relation to the underwriting arrangement in respect of the Rights Issue
“Underwritten Shares”	2,240,210,860 Rights Shares
“%” or “per cent.”	percentage or per centum

TERMINATION OF THE UNDERWRITING AGREEMENTS

If at any time on or before the Latest Termination Time:

- (A) the Underwriter shall become aware of the fact that, or shall have reasonable cause to believe that any of the representations, warranties and undertakings in the Underwriting Agreement was untrue, inaccurate, misleading or breached, and in each case the same is (in the reasonable opinion of the Underwriter) material in the context of the Rights Issue; or
- (B) there shall be:
 - (i) any new law or regulation is enacted, or there is any change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority, whether in Hong Kong or elsewhere;
 - (ii) any change in local, national or international financial, political, industrial or economic conditions;
 - (iii) any change of an exceptional nature in local, national or international equity securities or currency markets;
 - (iv) any local, national or international outbreak or escalation of hostilities, insurrection or armed conflict;
 - (v) any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange;
 - (vi) any suspension in the trading of the Shares on the Stock Exchange for a continuous period of 7 trading days (as defined in the GEM Listing Rules);
 - (vii) any change or development involving a prospective change in taxation or exchange controls in Hong Kong or elsewhere,

which is or are, in the reasonable opinion of the Underwriter:

- (a) likely to have a material adverse effect on the business, financial position or prospects of the Group taken as a whole; or
- (b) likely to have a material adverse effect on the success of the Rights Issue or the level of Rights Shares to be taken up; or
- (c) so material as to make it inappropriate, inadvisable or inexpedient to proceed further with the Rights Issue,

then the Underwriter may, by notice in writing rescind the Underwriting Agreement and thereupon all obligations of the Underwriter hereunder shall cease and determine and no party shall have any claim against any other party (save for any antecedent breaches hereof). If the Underwriter exercises such right, the Rights Issue shall not proceed.



MERDEKA

MERDEKA MOBILE GROUP LIMITED

(萬德移動集團有限公司*)

(formerly known as Merdeka Resources Holdings Limited (萬德資源集團有限公司))*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8163)

Executive Directors:

Mr. Cheung Wai Yin, Wilson

(Chairman and Chief Executive Officer)

Mr. Lau Chi Yan, Pierre *(Managing Director)*

Non-executive Director:

Mr. Wong Chi Man

Independent non-executive Directors:

Ms. Yeung Mo Sheung, Ann

Mr. Ng Kay Kwok

Mr. Yip Kat Kong, Kenneth

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

British West Indies

*Head office and Principal Place
of business in Hong Kong*

Room 1502

Chinachem Century Tower

178 Gloucester Road

Wanchai, Hong Kong

26 June 2014

To the Qualifying Shareholders,

and for information only, the Excluded Shareholders

Dear Sir or Madam,

**RIGHTS ISSUE
ON THE BASIS OF FOUR RIGHTS SHARES
FOR EVERY ONE EXISTING SHARE HELD
ON THE RECORD DATE
AT A SUBSCRIPTION PRICE OF HK\$0.040 PER RIGHTS SHARE**

INTRODUCTION

Reference is made to the Announcement and the Circular in relation to, among other things, the Rights Issue at the Subscription Price of HK\$0.040 per Rights Share on the basis of 4 Rights Shares for every 1 Existing Share held on the Record Date.

* For identification purposes only

LETTER FROM THE BOARD

At the EGM held on 17 June 2014, the relevant resolution approving the Rights Issue was duly passed by the Independent Shareholders by way of poll.

The purpose of this Prospectus is to provide you with details regarding the Rights Issue, including information on dealing in, transfer and acceptance of the Rights Shares, and certain financial and other information in respect of the Group.

RIGHTS ISSUE

Issue statistics

Basis of the Rights Issue	:	4 Rights Shares for every 1 Existing Shares held on the Record Date
Number of Shares in issue as at the Latest Practicable Date	:	612,850,215 Shares
Number of Rights Shares	:	2,451,400,860 Rights Shares, representing 400% of the issued share capital as at the Latest Practicable Date and 80% of the enlarged issued share capital upon completion of the Rights Issue
Subscription Price	:	HK\$0.040 per Rights Share
Number of Rights Shares underwritten by the Underwriter	:	all the Rights Shares other than those provisionally allotted to and undertaken to be subscribed by Mr. Cheung and his associates and the CB Holders, being 2,240,210,860 Rights Shares
Enlarged issued share capital upon completion of the Rights Issue	:	3,064,251,075 Shares

LETTER FROM THE BOARD

As at the Latest Practicable Date:

- (i) there were 1,697,948 Outstanding Options granted under the Share Option Scheme entitling the holders thereof to subscribe for 1,697,948 Shares;
- (ii) there are Convertible Bonds convertible into a maximum of 44,470,000 Shares (subject to adjustment). The CB Holders have irrevocably undertaken to the Company and the Underwriter not to transfer any Convertible Bonds to any third party on or prior to the Record Date and if any CB Holder shall convert any Convertible Bonds into Shares on or prior to the Record Date, such CB Holder shall not transfer any such conversion shares to any third party and shall accept all the Rights Shares to be provisionally allotted to it pursuant to the Rights Issue in respect of the Shares held by it as at the Record Date.

Save as disclosed above, as at the Latest Practicable Date, the Company has no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares.

The aggregate nominal value of the 2,451,400,860 Rights Shares will be HK\$24,514,008.60.

Qualifying Shareholders

The Company has sent the Rights Issue Documents to the Qualifying Shareholders only. For the Excluded Shareholders, copies of the Prospectus were sent to them for their information only, but no PAL was sent to the Excluded Shareholders.

To qualify for the Rights Issue, a Shareholder must:

1. be registered as a member of the Company at the close of business on the Record Date; and
2. be a Qualifying Shareholder.

Rights of Overseas Shareholders

This prospectus has not been registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong. There were five Overseas Shareholders on the Record Date with registered address located in the United States. Having made enquiries regarding the legal restrictions under the laws of the United States and the requirements of the relevant regulatory bodies or stock exchanges, the Directors are of the view that it is necessary and expedient to exclude the Overseas Shareholders in the United States and such Overseas Shareholders were regarded as Excluded Shareholders pursuant to Rule 17.41(1) of the GEM Listing Rules because of the time and costs that may need to be involved in complying with the relevant legal and regulatory requirements if the Rights Shares are to be offered to the Overseas Shareholders in the United States.

LETTER FROM THE BOARD

Arrangements will be made for the Rights Shares, which would otherwise have been provisionally allotted to the Excluded Shareholders in nil-paid form, to be sold as soon as practicable after dealings in the nil-paid Rights Shares commence, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses and stamp duty, of HK\$100 or more will be paid pro rata (but rounded down to the nearest cent) to the relevant Excluded Shareholders in Hong Kong dollars by ordinary post at their own risk to their registered addresses. The Company will retain individual amounts of less than HK\$100 for its own benefit.

Subscription Price

The Subscription Price is HK\$0.040 per Rights Share, payable in full upon acceptance of the relevant provisional allotment of Rights Shares under the Rights Issue or when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents:

- (a) a discount of approximately 75.16% to the closing price of HK\$0.161 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a discount of approximately 75.79% to the average closing price of HK\$0.165 per Share as quoted on the Stock Exchange for the five consecutive trading days ended on the Last Trading Day;
- (c) a discount of approximately 38.46% to the theoretical ex-rights price of HK\$0.065 per Share based on the closing price of HK\$0.161 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (d) a discount of approximately 18.37% to the closing price of HK\$0.049 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (e) a discount of approximately 76.74% to the net assets value per Share of approximately HK\$0.172 based on the audited consolidated net assets value attributable to equity holders of the Company as at 31 December 2013; and
- (f) a discount of approximately 35.70% to the theoretical ex-rights price of approximately HK\$0.064 per Share based on the closing price of HK\$0.160 per Share as quoted on the Stock Exchange on the Last Trading Date.

The Subscription Price was determined after arm's length negotiations between the Company and the Underwriter with reference to the market price of the Shares under the prevailing market conditions and the par value of the Shares. The Directors (including the independent non-executive Directors) consider the terms of the Rights Issue, including the Subscription Price, to be fair and reasonable and in the best interests of the Company and the Shareholders as a whole. The net price per Rights Share (assuming no further issue of new Shares or repurchase of Shares on or before the Record Date) after deducting the related expenses of the Rights Issue will be approximately HK\$0.0382.

LETTER FROM THE BOARD

Basis of provisional allotment

The basis of the provisional allotment shall be 4 Rights Shares for every 1 Existing Shares in issue and held at the close of business on the Record Date at the Subscription Price payable in full on acceptance. Application for all or any part of a provisional allotment should be made by completing the PAL and lodging the same with a remittance for the Rights Shares being applied for in accordance with the procedures specified in the section headed "Procedure for acceptance and payment or transfer" below.

Fractions of Rights Shares

The Company will not provisionally allot fractions of Rights Shares. The aggregate of fractions of the Rights Shares will be sold by the Company in the market, and, if a net premium can be obtained the proceeds will be retained by the Company for its own benefit. No odd lot matching service will be provided for the Rights Shares.

Procedure for acceptance and payment or transfer

A PAL is enclosed with this Prospectus which entitles the Qualifying Shareholders to subscribe for the number of Rights Shares indicated on the PAL. If the Qualifying Shareholders wish to exercise the right to subscribe for all the Rights Shares provisionally allotted to them as specified in the enclosed PAL, the Qualifying Shareholders must lodge the PAL in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance of the number of Rights Shares provisionally allotted to the Qualifying Shareholders, with the Registrar at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong by no later than 4:00 p.m. on Monday, 14 July 2014. All remittances must be made by cheque or banker's cashier order in Hong Kong dollars. Cheques must be drawn on an account with, and banker's cashier orders must be issued by, a licensed bank in Hong Kong and made payable to "MERDEKA MOBILE GROUP LIMITED – PAL ACCOUNT" and crossed "ACCOUNT PAYEE ONLY".

It should be noted that unless the duly completed PAL, together with the appropriate remittance, has been received by the Registrar by 4:00 p.m. on Monday, 14 July 2014, whether by the original allottee or any person by whom the rights have been validly transferred, the provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled, and such Rights Shares will be made available for underwriting by the Underwriter.

If the Qualifying Shareholders wish to accept only part of their provisional allotment, to transfer part of their rights to subscribe for the Rights Shares provisionally allotted to them or to transfer their rights to more than one person, the entire original PALs must be surrendered and lodged for cancellation by not later than 4:30 p.m. on Friday, 4 July 2014 to the Registrar which will cancel the original PALs and issue new PALs in the denominations required. The new PALs will be available for collection at the office of the Registrar during normal business hours after 9:00 a.m. on the next Business Day after the surrender of the original PALs. It should be noted that Hong Kong stamp duty is payable in connection with the transfer of the rights to subscribe for the Rights Shares.

LETTER FROM THE BOARD

The PAL contains the full information regarding the procedure to be followed if the Qualifying Shareholders wish to accept and/or transfer the whole or part of their provisional allotment of the Right Shares. All cheques and banker's cashier orders will be presented for payment immediately upon receipt and all interest earned on such monies, if any, will be retained for the benefit of the Company. Completion and return of the PAL together with a cheque or banker's cashier order in payment for the Rights Shares accepted will constitute a warranty by the applicant that the cheque or banker's cashier order will be honoured on first presentation. If any cheque or banker's cashier order is dishonoured on first presentation, the PAL is liable to be rejected, and in that event the provisional allotment and all rights given pursuant to it will be deemed to have been declined and will be cancelled. No receipt will be issued in respect of any application submitted for the Rights Shares allotted or any part of it.

No Application for excess Rights Shares

After arm's length negotiation with the Underwriter, the Board has decided that the Qualifying Shareholders will not be entitled to subscribe for any Rights Shares in excess of their respective assured entitlements. Given that each Qualifying Shareholder will be given equal and fair opportunity to participate in the Rights Issue, the Board considers that it will put in additional effort and costs to administer the excess application procedures. Any Rights Shares not taken up by the Qualifying Shareholders will be taken up by the Underwriter pursuant to the terms of the Underwriting Agreement.

Share certificates and refund cheques for Rights Issue

Subject to the fulfillment of the conditions of the Rights Issue, certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on or before Wednesday, 23 July 2014. Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are expected to be posted on or before Wednesday, 23 July 2014 by ordinary post to the applicants at their own risk. One share certificate will be issued for all the fully paid Rights Shares allotted to an applicant.

If the conditions of the Rights Issue as set out in the paragraph headed "Conditions of the Rights Issue" below are not fulfilled by the Latest Termination Time, the Rights Issue will not proceed and the application monies, without interest, will be returned to the applicants by means of cheques crossed "Account Payee Only" to be despatched by ordinary post to their registered addresses and, in the case of joint applicants, to the registered address of the applicant whose name first appears on the register of members of the Company or the transfer form at the risk of such applicants on or before Wednesday, 23 July 2014.

LETTER FROM THE BOARD

Application for listing

The Company has applied to the Listing Committee of the Stock Exchange for the listing of and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their stockbroker or other professional adviser for details of those settlement arrangements and how such arrangements will affect their rights and interests.

No part of the share capital of the Company is listed or dealt in or on which listing or permission to deal in is being or is proposed to be sought on any other stock exchange.

Both nil-paid Rights Shares and fully-paid Rights Shares will be traded in board lots of 10,000 Shares, however, from Monday, 21 July 2014, after the change in board lot size of the Shares becomes effective, the nil-paid Rights Shares and fully-paid Rights Shares will be traded in board lots of 40,000 Shares. In order to facilitate the trading of odd lots (if any) of Shares arising from the change in board lot size, a designated broker will be appointed to match the purchase and sale of odd lots of the Shares at the relevant market price per Share for the period from 21 July 2014 to 11 August 2014 (both dates inclusive). Holders of odd lots of Shares should note that successful matching of the sale and purchase of odd lots of Shares is not guaranteed. Any Shareholder who is in any doubt about the odd lot arrangement is recommended to consult his/her/its own professional advisers. For details of the matching service please refer to the disclosure in the Circular.

Dealings in the Rights Shares in both their nil-paid and fully-paid forms which are registered in the register of members of the Company in Hong Kong will be subject to the payment of stamp duty, Stock Exchange trading fee, transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong.

Status of the Rights Shares

The Rights Shares, when allotted, issued and fully paid, will rank *pari passu* in all respects with the Shares then in issue. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which are declared, made or paid after the date of allotment of the Rights Shares in their fully-paid form.

LETTER FROM THE BOARD

Taxation

Qualifying Shareholders are recommended to consult their professional advisers if they are in any doubt as to the tax implications of the subscription of, or holding or disposal of, or dealings in the Rights Shares in both their nil-paid and fully-paid forms and, as regards the Excluded Shareholders (if any), their receipt of the net proceeds of sale of the Rights Shares otherwise falling to be issued to them under the Rights Issue under the laws of jurisdictions in which they are liable to taxation. It is emphasised that none of the Company, the Directors or any other parties involved in the Rights Issue accepts responsibility for any tax effects on, or liabilities of any person resulting from the subscription, purchase, holding or disposal of, or dealing in the Rights Shares in both their nil-paid and fully-paid forms.

Conditions of the Rights Issue

The Rights Issue is conditional upon the following conditions being fulfilled:

1. the delivery to the Stock Exchange and registration with the Registrar of Companies in Hong Kong one duly certified copy of each of the Rights Issue Documents (and all other documents required to be attached thereto) not later than the Posting Date and in compliance with the GEM Listing Rules and the Companies Ordinance;
2. the posting of the Rights Issue Documents to the Qualifying Shareholders;
3. the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment), and not having revoked, listing of, and permission to deal in the Rights Shares, in nil-paid and fully-paid forms;
4. compliance by the Company and Mr. Cheung of their respective obligations under the Underwriting Agreement;
5. compliance by the CB Holders of their obligations under the CB Undertaking;
6. the obligations of the Underwriter becoming unconditional and that the Underwriting Agreement is not terminated in accordance with its terms; and
7. all requirements and conditions imposed by the Stock Exchange or under the GEM Listing Rules or otherwise in connection with the transactions contemplated by the Underwriting Agreement having been fulfilled or complied with by no later than the Latest Termination Time.

None of the above conditions are capable of being waived. As at the date of this Prospectus, conditions 1, 2, 5 above have been fulfilled. In the event that all the above conditions have not been satisfied on or before the Latest Termination Time (or such later date as the Underwriter and the Company may agree in writing), all liabilities of the parties to the Underwriting Agreement shall cease and determine and no party shall have any claim against the other parties save for any antecedent breach of the Underwriting Agreement and the Rights Issue will not proceed.

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UNDERWRITING ARRANGEMENTS

The Underwriting Agreement

The principal terms and conditions of the Underwriting Agreement are summarised as below:

Date	:	11 April 2014 (as supplemented on 27 May 2014)
Underwriter	:	CNI Securities Group Limited
Underwriting commitment of the Underwriter	:	All the Rights Shares other than those provisionally allotted to and undertaken to be subscribed by Mr. Cheung and CB Holders, being 2,240,210,860 Rights Shares
Commission	:	3.5% of the aggregate Subscription Price of the Underwritten Shares actually issued as determined on the Record Date
Undertakings	:	The Company had undertaken from 11 April 2014 until after the Record Date not to issue any new Shares or issue or grant any options or other securities convertible into, exchangeable for or which carry rights to acquire Shares save and except for purpose of issuing Shares to the grantee of the Outstanding Options or the CB Holders.

The Rights Issue is fully underwritten by the Underwriter pursuant to the Underwriting Agreement, other than those Rights Shares provisionally allotted to and undertaken to be subscribed by Mr. Cheung and his associates and the CB Holders.

The Underwriter will not and shall procure that the sub-underwriters and placees procured by them, together with parties acting in concert with each of them, will not own 10% or more of the issued share capital of the Company immediately after the Rights Issue. The Underwriter shall and shall cause the sub-underwriters to procure placees who are Independent Third Parties to take up such number of Rights Shares as necessary to ensure that the public float requirements under Rule 11.23 of the GEM Listing Rules are complied with. The Underwriter shall use its reasonable endeavours to ensure that each of the sub-underwriters and their placees (and their respective ultimate beneficial owners) is an Independent Third Party and is not a party acting in concert with each other. The Underwriter has entered into sub-underwriting arrangement on 15 May 2014 with Cheong Lee Securities Limited, its sub-underwriter ("**Sub-underwriter**") in respect of the sub-underwriting of approximately 13.39% of the Underwritten Shares (representing approximately 9.79% of the entire issued share capital of the Company as enlarged by the Rights Issue). The Sub-underwriter is an Independent Third Party. Moreover, in light of the undertaking given in favour of the Company mentioned in the paragraph headed

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“Undertakings given by the Underwriter” below, the Underwriter will place down its Underwritten Shares to not less than six places who will be independent professional, institutional or other investors and are Independent Third Parties, so that the Underwriter will not become a substantial Shareholder of the Company. Save as aforesaid, as at the Latest Practicable Date, there is no other sub-underwriter procured by the Underwriter.

The underwriting commission was determined after arm’s length negotiations between the Company and the Underwriter with reference to the prevailing market rate. The Directors (including independent non-executive Directors) consider that the terms of the Underwriting Agreement (including the underwriting commission) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

To the best of the Director’s knowledge, information and belief having made all reasonable enquiries, the Underwriter, its ultimate beneficial owner and its associates are Independent Third Parties.

Undertakings given by the Underwriter

The Underwriter undertakes to the Company that, in any event, when the Underwriter exercise its obligation under the Underwriting Agreement to subscribe for or to procure subscription of the Underwritten Shares, the number of shares to be held by the Underwriter and each of the subscribers procured by the Underwriter (when aggregated with the Shares (if any) already held by each of them) together with their respective concert parties shall not exceed 30% (or such other percentage as stated in Rule 26 of the Takeovers Code in effect from time to time) of the enlarged issue share capital of the Company immediately after completion of the Rights Issue; and the Underwriter or each of the subscribers procured by the Underwriter (when aggregated with the Shares (if any) already held by each of them) together with their respective concert parties shall not be interested in Shares exceeding 10% of the enlarged issued share capital of the Company immediately after completion of the Rights Issue, by placing down its Underwritten Shares to not less than six places who will be independent professional, institutional or other investors and are Independent Third Parties.

Underwriting commission

The Company will pay the Underwriter an underwriting commission of 3.5% of the aggregate Subscription Price in respect of the Underwritten Shares actually issued on the Record Date and all legal fees and other out-of-pocket expenses of the Underwriter in respect of the Right Issue. The underwriting commission mentioned above shall not be payable if the Underwriting Agreement does not become unconditional or if it is terminated by the Underwriter.

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Termination of the Underwriting Agreement

If at any time on or before the Latest Termination Time:

- (A) the Underwriter shall become aware of the fact that, or shall have reasonable cause to believe that any of the representations, warranties and undertakings in the Underwriting Agreement was untrue, inaccurate, misleading or breached, and in each case the same is (in the reasonable opinion of the Underwriter) material in the context of the Rights Issue; or
- (B) there shall be:
 - (i) any new law or regulation is enacted, or there is any change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority, whether in Hong Kong or elsewhere;
 - (ii) any change in local, national or international financial, political, industrial or economic conditions;
 - (iii) any change of an exceptional nature in local, national or international equity securities or currency markets;
 - (iv) any local, national or international outbreak or escalation of hostilities, insurrection or armed conflict;
 - (v) any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange;
 - (vi) any suspension in the trading of the Shares on the Stock Exchange for a continuous period of 7 trading days (as defined in the GEM Listing Rules);
 - (vii) any change or development involving a prospective change in taxation or exchange controls in Hong Kong or elsewhere,

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which is or are, in the reasonable opinion of the Underwriter:-

- (a) likely to have a material adverse effect on the business, financial position or prospects of the Group taken as a whole; or
- (b) likely to have a material adverse effect on the success of the Rights Issue or the level of Rights Shares to be taken up; or
- (c) so material as to make it inappropriate, inadvisable or inexpedient to proceed further with the Rights Issue,

then the Underwriter may, by notice in writing rescind the Underwriting Agreement and thereupon all obligations of the Underwriter hereunder shall cease and determine and no party shall have any claim against any other party (save for any antecedent breaches hereof). If the Underwriter exercises such right, the Rights Issue shall not proceed.

IRREVOCABLE UNDERTAKINGS

Mr. Cheung, who was interested in 52,797,500 Shares as at the Latest Practicable Date representing approximately 8.62% of the existing issued Shares, has irrevocably undertaken to the Company and the Underwriter that he will accept and will procure his associates to accept all the Rights Shares to be provisionally allotted to him and his associates pursuant to the Rights Issue in respect of the Shares held by him and his associates as at the Record Date. The CB Holders have irrevocably undertaken to the Company and the Underwriter not to transfer any Convertible Bonds to any third party on or prior to the Record Date and if any CB Holder shall convert any Convertible Bonds into Shares on or prior to the Record Date, such CB Holder shall not transfer any such conversion shares to any third party and shall accept all the Rights Shares to be provisionally allotted to it pursuant to the Rights Issue in respect of the Shares held by it as at the Record Date.

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EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company (i) as at the Latest Practicable Date, (ii) immediately after completion of the Rights Issue under various scenarios:

Shareholders	As at the Latest Practicable Date		Immediately after completion of Rights Issue and assuming 100% acceptance by Qualifying Shareholders <i>(for illustrative purpose only)</i>		Immediately after completion of Rights Issue and assuming no acceptance by Qualifying Shareholders other than Mr. Cheung and his associates <i>(for illustrative purpose only)</i>	
	No. of Shares	Approx.	No. of Shares	Approx.	No. of Shares	Approx.
		%		%		%
Cheung Wai Yin, Wilson <i>(Note 1)</i>	52,797,500	8.62	263,987,500	8.62	263,987,500	8.62
Lau Chi Yan, Pierre <i>(Note 2)</i>	2,125,000	0.35	10,625,000	0.35	2,125,000	0.07
Option holders	0	0.00	0	0.00	0	0.00
CB Holders	0	0.00	0	0.00	0	0.00
Underwriter <i>(Note 3)</i>	0	0.00	0	0.00	2,240,210,860	73.10
Other public Shareholders	557,927,715	91.03	2,789,638,575	91.03	557,927,715	18.21
						<i>(Note 4)</i>
Total	612,850,215	100.00	3,064,251,075	100.00	3,064,251,075	100.00

Notes:

- The interests disclosed includes 52,500,000 Shares held by Ivana, which is wholly owned by Mr. Cheung. The remaining 297,500 Shares are held by Mr. Cheung personally.
- Mr. Lau Chi Yan, Pierre is the Managing Director of the Company.
- The Underwriter will not and shall procure that the sub-underwriters and placees procured by them, together with parties acting in concert with each of them, will not own 10% or more of the issued share capital of the Company immediately after the Rights Issue. The Underwriter shall and shall cause the sub-underwriters to procure placees independent of the Company and its connected persons to take up such number of Rights Shares as necessary to ensure that the public float requirements under Rule 11.23 of the GEM Listing Rules are complied with. The Underwriter shall use its reasonable endeavours to ensure that each of the sub-underwriters and their placees (and their respective ultimate beneficial owners) is an Independent Third Party and is not a party acting in concert with each other. As at the Latest Practicable Date, the Underwriter has entered into sub-underwriting arrangement on 15 May 2014 with Cheong Lee Securities Limited, its Sub-underwriter in respect of the sub-underwriting of approximately 13.39% of the Underwritten Shares. The Sub-underwriter is an Independent Third Party. Save as aforesaid, as at the Latest Practicable Date, there is no other sub-underwriter procured by the Underwriter.
- This is for illustrative purpose only since the Underwriter has entered into the sub-underwriting arrangement as disclosed in note 3 above and none of the Underwriter and sub-underwriters is expected to become a substantial Shareholder (as defined in the GEM Listing Rules) upon completion of the Rights Issue and hence their respective shareholdings will be regarded as held by public.

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REASON FOR AND BENEFITS OF THE PROPOSED RIGHTS ISSUE AND USE OF PROCEEDS

The Group is principally engaged in forestry business, plantation business and trading business, including the trading of various brands of milk powder products to customers based in Hong Kong and information technology business.

The gross proceeds from the Rights Issue will be approximately HK\$98.06 million. The estimated net proceeds from the Rights Issue will be approximately HK\$93.56 million. In order to provide incentive to the holders of the Convertible Bonds to agree to the extension of the maturity of the Convertible Bonds as well as to reduce the total liabilities of the Company, the Company intends to apply at least half of the net proceeds from the Rights Issue for the partial redemption of the Company's Convertible Bonds from each of the CB Holders on a pro rata basis. The remaining net proceeds from the Rights Issue will be applied for strengthening the general working capital base of the Company to finance its business development and/or to finance any future investment opportunities.

The outstanding principal amount of the Convertible Bonds of approximately HK\$177,880,000 will be matured on 12 August 2014. As of the Latest Practicable Date, the CB Holders have not given any undertaking or entered into any agreements with the Company for the extension of the maturity of the Convertible Bonds, but the Company had obtained written confirmation from all of the CB Holders that they will not call for repayment within twelve months from March 2014. As explained above, the Company is intended to redeem part of outstanding Convertible Bonds, and the Company is negotiating with the bondholders regarding the extension of the maturity of the Convertible Bonds with regard to the outstanding amount. In the event that such extension did not materialise, the CB Holders could only request for redemption of the outstanding amount upon the expiry of the 12-month period from March 2014 under the written confirmation, i.e. in March 2015. The Company will make relevant announcement(s) when and where appropriate in due course.

The Company has no any agreement, arrangement, understanding, intention or negotiation (concluded or otherwise) about any acquisition or investment opportunity as at the Latest Practicable Date. Having considered that; (i) the Company has been actively seeking for investments/acquisition opportunities to expand and diversify the information technology and trading business of the Group to bring in returns to the Shareholders; (ii) the current cash balance of the Group of approximately 14 million as at the Latest Practicable Date; (iii) the substantial time required for conducting fund raising activities which may make the Company difficult to repay the outstanding liabilities on time when they become mature and extension thereto could not be secured; and (iv) there is only approximately HK\$14 million left as the proceeds raised from the previous placings, we consider that there is no certainty that the existing cash and credit resources (including the fund to be raised under the Rights Issue after deducting the amounts to be utilised for the early redemption of the Convertible Bonds) will be adequate for business development and acquisition of appropriate investments that may be arisen in near future. In the event that the Group identifies suitable business or investment opportunities and does not have sufficient cash and credit resources on hand, and it fails to obtain loans on terms which the Directors consider acceptable to the Group or raise

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funds from the equity market, or it cannot find other alternatives to finance the business development or acquisition of such investment opportunities in a timely manner, the Group may lose its opportunity in an otherwise favourable development/investment. On the other hand, in the event that no appropriate investment opportunities are identified, the remaining proceeds will be applied as general working capital. The Board also wishes to clarify that the Group still has sufficient working capital as disclosed on page 33 of the circular of the Company dated 29 January 2014 for at least 12 months from the date of that circular (i.e. from 29 January 2014) even without the Rights Issue, provided that if the extension of the maturity dates of the Convertible Bonds is materialised; on the other hand, the proceeds to be raised under the Rights Issues are for the preparation of the negotiation for extension of the maturity date of the Convertible Bonds, and for potential investment opportunities as explained above, and only if such suitable investment opportunities could not be identified will the remaining proceeds from the Rights Issue be used as general working capital.

Furthermore, the Board considers that it is prudent to finance the Group by long-term financing, preferably in the form of equity. The Board also believes that the Rights Issue will enable the Group to enhance its financial position. The Rights Issue will give the Qualifying Shareholders the opportunity to maintain their respective pro rata shareholding interests in the Company and to continue to participate in the future development of the Group. Accordingly, the Board considers that fund raising through the Rights Issue is in the interests of the Company and the Shareholders as a whole.

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FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE MONTHS

Apart from the fund raising activity mentioned below, the Company had not conducted any other fund raising activities in the past 12 months immediately preceding the date of this Prospectus:

Date of announcement	Fund raising activity	Net proceeds (approximately)	Intended use of proceeds	Actual use of proceeds
6 December 2013	(i) Placing of new Shares under general mandate	HK\$6.58 million	Approximately HK\$3 million for the expansions of the Company's existing trading business and information technology business; approximately HK\$1.58 million for general working capital and approximately HK\$2 million for financing future investment opportunities	Approximately HK\$3 million has been used for the expansions of the Company's existing trading business and information technology business; approximately HK\$1.58 million has been used for the redemption of the Company's existing convertible bonds; and approximately HK\$2 million has been used for general working capital

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Date of announcement	Fund raising activity	Net proceeds (approximately)	Intended use of proceeds	Actual use of proceeds
	(ii) Placing of new Shares under specific mandate	HK\$22.55 million	Approximately HK\$2.25 million for the expansions of the trading business; approximately HK\$6.77 for the information technology business and approximately HK\$13.53 million for general working capital	Approximately HK\$13.50 million has been used for the redemption of the Company's existing convertible bonds; approximately HK\$4.4 million for the expansions of the trading business; approximately HK\$2.2 million for the information technology business; and the remaining is deposited in bank
21 February 2014	Placing of new Shares under general mandate	HK\$12.56 million	For general working capital to finance its business development and/or to finance any future investment opportunities	Approximately HK\$12.56 million is deposited in bank

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RISK FACTORS

Risks which are relevant to the Group

The revenue of the Group in 2013 was approximately HK\$40,762,000 which was relatively small in terms of revenue base. There are certain liquidity risks in light of the loss attributable to owners of the Company for 2013 of approximately HK\$109,167,000. Although the Group does not have indebtedness and contingent liabilities other than outstanding principal of Convertible Bonds of HK\$177,880,000, such Convertible Bonds represent certain liquidity risks when they become mature in the year 2014.

The postponement of the forestry project in the Papua and the lower market prices for timber products had also led to the further impairment of approximately HK\$70,000,000 to the forest concessions. There may be a risk in a potential further impairment on the forest concessions which is the core asset of the Group.

Risks which are relevant to the Group's business

The Group's forestry business is dampened by certain newly imposed regulatory pressure that monitors de-forestation. Forestry itself is limited by natural disasters such as earthquake in the geographical locality of the forest concessions and prolonged adverse weather conditions. Demand for wood and timber products in Indonesia and in other major markets such as China is not as stable as expected because of the worldwide slow economy.

The Group's trading business has a lower profit margin than the forestry business and the growth is limited in terms of variety of products. As the Group trades milk powder only, customers and suppliers bases are concentrated that impose certain risks if there is a loss in customer or supplier.

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The Group lacks experience in engaging in the information technology industry which is subject to intense market competition and strong human resources competition. This business is also subject to a number of risks beyond its control, including insufficient growth in demand for information technology products because of changes in customer spending habits and other shifts in market demands. The success of such business depends on a number of factors, both within and outside the control of the Group, including the successful employment of the Group's experience from the provision of information technology solution, web content development, and enterprise system maintenance services. In order to minimise the risk of the lack of experience in the information technology industry, the Group has invited Mr. Lau Chi Yan, being the Managing Director of the Group who has accumulated over 13 years in the field of information system and operational system, joined the Group in August 2012. The acquisitions of Quasicom Systems Limited and Ever Hero Group Limited strengthened the Group's capabilities in developing and expanding this business, and thus increases the competitiveness of the Group in the information technology industry.

Geopolitical risk in respect of the country of Indonesia and the political risk specific to the Province of Papua

The current Government of the Republic of Indonesia has introduced laws and policies aimed at reducing corrupt practices and enhancing Indonesia as a destination for foreign investment. The long-term success of these actions remains unknown. The Province of Papua of Indonesia is vulnerable to political unrest due to the independence movement of the indigenous people. The forestry and plantation businesses of the Group are entirely located in the Province of Papua of Indonesia and its financial and business conditions and prospects may be materially and adversely affected if political instability were to occur.

Moreover, in light of the recent political unrest in Timika, the Mimika regency of Papua, where the operation of the forest concession business of the Company is located, the Company has decided to suspend the operation of the forest concession business pending further review and development of the political condition thereat. For details, Shareholders may also refer to the announcement of the Company dated 3 June 2014.

Currency risk

Indonesia Rupiah is relatively stable but weak and as it was one of the least valued currency units in the world, it is still regarded as a risky currency to hold. Indonesia's Central Bank has announced that the rupiah would be redenominated by removing three zeros starting 2014. If this happens, it may have an adverse effect on the currency and the Group is exposed to certain currency risk.

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WARNING OF THE RISKS OF DEALING IN SHARES AND THE NIL-PAID RIGHTS SHARES

The last day of dealing in the Shares on a cum-rights basis was Wednesday, 18 June 2014. The Shares have been dealt in on an ex-rights basis commencing from Thursday, 19 June 2014. Dealings in the Rights Shares in the nil-paid form are expected to take place from Monday, 30 June 2014 to Wednesday, 9 July 2014 (both days inclusive). Shareholders and potential investors should note that dealing in the Shares and/or nil-paid Rights Shares will take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled. If the conditions of the Underwriting Agreement are not fulfilled or the Underwriting Agreement is terminated by the Underwriter, the Rights Issue will not proceed.

Any dealings in the Shares from the date of this Prospectus and up to 4:00 p.m. on Tuesday, 15 July 2014, being the time and date by which all the conditions of the Rights Issue are to be fulfilled and when the right of the Underwriter to terminate the Underwriting Agreement is to lapse, and any dealings in the Rights Shares in their nil-paid form between Monday, 30 June 2014 and Wednesday, 9 July 2014 (both days inclusive), are accordingly subject to the risk that the Rights Issue may not proceed. Shareholders and potential investors should therefore exercise caution when dealing in the Shares or the Rights Shares in their nil-paid form and, if they are in any doubt about their position, they should consult their professional adviser(s).

ADDITIONAL INFORMATION

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

Yours faithfully,
On behalf of the Board
MERDEKA MOBILE GROUP LIMITED
(formerly known as Merdeka Resources Holdings Limited)
Cheung Wai Yin, Wilson
Chairman and Chief Executive Officer

The English text of this prospectus shall prevail over the Chinese text for the purpose of interpretation.

1. THREE-YEAR FINANCIAL INFORMATION

Financial information of the Group for the year ended 31 December 2011, the year ended 31 December 2012 and the year ended 31 December 2013 are disclosed on pages 35-89 of the 2011 annual report published on 27 March 2012, pages 38-91 of the 2012 annual report published on 28 March 2013 and pages 35-89 of the 2013 annual report published on 24 March 2014 respectively, which are published on both the GEM website (www.hkgem.com) and the website of the Company (www.merdeka.com.hk). Please refer to the hyperlinks as stated below:

2011 annual report:

<http://www.hkexnews.hk/listedco/listconews/GEM/2012/0327/GLN20120327186.pdf>

2012 annual report:

<http://www.hkexnews.hk/listedco/listconews/GEM/2013/0328/GLN20130328079.pdf>

2013 annual report:

<http://www.hkexnews.hk/listedco/listconews/GEM/2014/0324/GLN20140324051.pdf>

Events since 31 December 2013

Completion of the acquisition of Ever Hero Group Limited

On 4 April 2014 the acquisition of 100% of Ever Hero Group Limited (the “**Target Company**”) was completed as all the conditions precedent set forth in the acquisition agreement dated 6 September 2012 was fulfilled. In accordance with the terms of the Agreement, the Promissory Note has been issued pursuant to the terms of the Promissory Note Instrument. Upon Completion, the Company is interested in 1 ordinary share of the Target Company, representing approximately 100.00% of its issued share capital. The Target Company has become an indirect wholly-owned subsidiary of the Company. The consideration of this acquisition was HK\$71 million, out of which HK\$20 million was paid in cash and the remaining HK\$51 million was settled by way of Promissory Note as mentioned above. The Target Company is principally engaged in providing information technology solution, online and offline game and content development, and enterprise system maintenance services. The aggregate of the remuneration payable to and benefits in kind receivable by the directors of the Target Company have not varied in consequence of the acquisition.

As at the Latest Practicable Date, there has been no material change on the financial information and financial and trading prospects of the Target Company from those disclosed in the circular of the Company dated 29 January 2014 (the “VSA Circular”), and Shareholders may refer to page 22 to 28 of the VSA Circular for the financial information and financial and trading prospects of the Target Company.

Subscription of 60% of the enlarged share capital of Mian Yang Heng Da Information Technology Limited (綿陽恒達信息科技有限公司)

On 1 April 2014, the Company through its indirect wholly-owned subsidiary entered into a shareholders agreement to subscribe for the 60% of the enlarged share capital of Mian Yang Heng Da Information Technology Limited (綿陽恒達信息科技有限公司), a company incorporated in the PRC, which is developing its mobile games and the cloud-based city Wi-Fi application software.

The auditor’s report

The auditor’s report on the Group’s consolidated financial statements for the year ended 31 December 2013, an extract of which is as follows, has stipulated that:

“OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2013, and of the Group’s loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

EMPHASIS OF MATTER

Without qualifying our opinion, we draw attention to note 3(a) to the financial statements which indicates that as of 31 December 2013, the Group’s current liabilities exceed its current assets by approximately HK\$150,684,000. Notwithstanding the above, the consolidated financial statements have been prepared on a going concern basis, the validity of which is dependent on whether the convertible bonds holder agrees to extend the settlement of the principal amount of convertible bonds of approximately HK\$197,880,000. This condition indicates the existence of material uncertainty which may cast significant doubt about the Group’s ability to continue as a going concern.”

2. INDEBTEDNESS STATEMENT

As at 31 May 2014, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this Prospectus, the Group had an outstanding principal amount of Convertible Bonds of HK\$177,880,000. Save as aforesaid and apart from intra-group liabilities and normal trade payables in the ordinary course of business, the Group did not have any loan capital issued or agreed to be issued, bank overdrafts, loans, debt securities issued and outstanding, and authorised or otherwise created but unissued and term loans or other borrowings, indebtedness in the nature of borrowings, liabilities under acceptance (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, finance lease or hire purchase commitments, which are either guaranteed, unguaranteed, secured or unsecured, guarantees or other material contingent liabilities outstanding as at 31 May 2014.

Save as aforementioned in this indebtedness statement, the Directors have confirmed that there have been no material changes in the indebtedness and contingent liabilities of the Group since 31 May 2014, up to and including the Latest Practicable Date.

3. WORKING CAPITAL

The Directors are of the opinion that, after taking into account the existing cash and bank balances and other internal resources available and also the estimated net proceeds from the Rights Issue, the Group has sufficient working capital for its present requirements and for at least 12 months from the date of this Prospectus in the absence of unforeseen circumstances.

4. MATERIAL ADVERSE CHANGE

The Directors are not aware of any material adverse change in the financial position or trading position of the Group since 31 December 2013, being the date to which the latest published audited financial statements of the Group was made up.

5. PROSPECT OF THE GROUP

Forestry and plantation business

The slow global economy and adverse local political situation in the Papua province of Indonesia continues to impose great challenges to our forestry and plantation business. We will continue to refine our production plan and scale down the operation in order to preserve our financial resources before resumption of the forestry project. We will also actively look for any suitable business opportunities to further broaden the sources of revenues and cash inflows of the Group.

Information technologies

Leveraging on the experience of the Directors, the Group entered into information technologies industry while exploring any potential business opportunity:

Ever Hero Group Limited

On 4 April 2014 the acquisition of 100% of Ever Hero Group Limited was completed as all the conditions precedent set forth in the acquisition agreement dated 6 September 2012 was fulfilled. The management is confident that the successful completion of this acquisition will have a positive impact on the Group's financial performance in future.

The principal activity of Ever Hero Group Limited and its subsidiary, Netgenii Technology Limited ("**Netgenii**"), is to provide information technology solution, online and offline game and content development, and enterprise system maintenance services. Netgenii, previously known as "Xcreate Company Limited" is a creative multi-media producers and game developers in the past 16 years. By working as a business agent of electronic academics and producers of global educational products, Netgenii focuses on the introduction, development, production and distribution of educational and other child related software products. Its expertise includes online education, school education, home education, animation and network educational games.

Quasicom Systems Limited

The acquisition of Quasicom Systems Limited provided the Group with an opportunity to diversify into information technology business and to generate income from such business. After the successful acquisition of Quasicom Systems Limited in the second half of 2013, revenue relating to information technology business was derived therefrom. The Group recorded a revenue of approximately HK\$2,724,000 from this segment of business for the period from 1 July 2013 to 31 December 2013.

Mian Yang Heng Da Information Technology Limited (綿陽恒達信息科技有限公司)

The Company is looking forward to the exploding mobile game market, value of which is growing tremendously with relatively low barriers to entry. Leveraging on the reputation and experience of Ever Hero Group Limited in online and mobile game industry and with the Company's capabilities in relation to the provision of virtualization solutions such as cloud computing and server management by Quasicom Systems Limited, the Company feels that mobile game industry would be a possible business opportunity for the Company to explore.

On 1 April 2014, the Company through its indirect wholly-owned subsidiary entered into a shareholders agreement to subscribe for the 60% of the enlarged share capital of Mian Yang Heng Da Information Technology Limited (綿陽恒達信息科技有限公司), a company incorporated in the PRC, which is developing its mobile games and the cloud-based city Wi-Fi application software. Such possible investment in it is in line with the Group's business development plans.

Trading Business

Revenue from our trading business increased by 380.95% from approximately HK\$7,909,000 in 2012 to approximately HK\$38,038,000 in 2013, as the Group strived to grow the trading business which provided a stable source of revenue. In order to increase the variety of products for trading business, the Group is actively expanding into the trading of dispensary-related products and other products.

6. FOREIGN EXCHANGE

The Group will from time to time maintain sufficient Indonesian Rupiah which is a freely convertible currency to meet its cost of forestry and plantation operations in Indonesia.

**1. REPORT FROM THE REPORTING ACCOUNTANTS ON UNAUDITED PRO
FORMA FINANCIAL INFORMATION OF THE GROUP**

The following is the text of a report, prepared for the sole purpose of inclusion in this Prospectus from the independent reporting accountants of the Company, Elite Partners CPA Limited, Certified Public Accountants, Hong Kong.



開元信德會計師事務所有限公司
ELITE PARTNERS CPA LIMITED
Certified Public Accountants

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION
INCLUDED IN A PROSPECTUS**

To the Directors of Merdeka Mobile Group Limited (formerly known as Merdeka Resources Holdings Limited)

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Merdeka Mobile Group Limited (formerly known as Merdeka Resources oldings Limited) (the “**Company**”) and its subsidiaries (collectively the “**Group**”) by the Directors of the Company (the “**Directors**”) for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted net tangible liabilities of the Group as at 31 December 2013, and related notes (the “**Unaudited Pro Forma Financial Information**”) as set out in Appendix II of the Company’s prospectus dated 26 June 2014, in connection with the proposed rights issue of the Company. The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described in Notes 1-4.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the proposed rights issue on the Group’s financial position as at 31 December 2013 as if the proposed rights issue had taken place on 31 December 2013. As part of this process, information about the Group’s financial position has been extracted by the Directors from the Group’s financial statements for the year ended 31 December 2013, on which an audit report has been published.

Directors’ Responsibility for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with Rule 7.31 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by Rule 7.31 (7) of the GEM Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus", issued by HKICPA. This standard requires that the reporting accountants comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with Rule 7.31 of the GEM Listing Rules and with reference to AG 7 issued by HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of the Unaudited Pro Forma Financial Information included in the prospectus is solely to illustrate the impact of the rights issue on unadjusted financial information of the Group as if transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the transaction would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgement, having regard to the reporting accountants' understanding of the nature of the Group, the transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to Rule 7.31 (1) of the GEM Listing Rules.

Your faithfully,
Elite Partners CPA Limited
Certified Public Accountants
Hong Kong, 26 June 2014

2. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE LIABILITIES OF THE GROUP

The unaudited pro forma statement of adjusted consolidated net tangible liabilities attributable to owners of the Company has been prepared in accordance with Rule 7.31 (1) of the GEM Listing Rules set out below to illustrate the effect of the Right Issue on the audited consolidated net tangible liabilities of the Group as if it had taken place on 31 December 2013.

The unaudited pro forma statement of adjusted consolidated net tangible liabilities of the Group attributable to owners of the Company has been prepared for illustrative purposes only, and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible liabilities of the Group attributable to owners of the Company had the Right Issue been completed as at 31 December 2013 or at any future date.

The following unaudited pro forma statement of the adjusted consolidated net tangible liabilities of the Group attributable to owners of the Company is prepared based on the audited consolidated net tangible liabilities of the Group attributable to owners of the Company as at 31 December 2013, extracted from the published annual report of the Group for the year ended 31 December 2013, with adjustments described below:

	Unaudited consolidated net tangible liabilities attributable to owners of the Company as at 31 December 2013 HK\$'000 (Note 1)	Estimated net proceeds from the Rights Issue HK\$'000 (Note 2)	Unaudited pro forma adjusted consolidated net tangible liabilities attributable to owners of the Company as at 31 December 2013 HK\$'000	Unaudited pro forma adjusted consolidated net tangible liabilities attributable to owners of the Company per Share before the completion of the Rights Issue HK\$ (Note 3)	Unaudited pro forma adjusted consolidated net tangible liabilities attributable to owners of the Company per Share immediately after the completion of the Rights Issue HK\$ (Note 4)
Based on 2,451,400,860 Rights Shares at subscription price of HK\$0.040 per Rights Share	(149,439)	93,556	(55,883)	(0.387)	(0.020)

Notes:

- (1) The unaudited consolidated net tangible liabilities of the Group as at 31 December 2013 has been extracted from the published annual report of the Company for the year ended 31 December 2013 after deducting forest concessions and goodwill of approximately HK\$199,811,000 and HK\$6,341,000 respectively.
- (2) The estimated net proceeds from the Rights Issue of approximately HK\$93,556,000 are based on 2,451,400,860 Rights Shares to be issued at the Subscription Price of HK\$0.040 per Rights Share and after deducting estimated expenses of approximately HK\$4,500,000.
- (3) The unaudited pro forma adjusted consolidated net tangible liabilities of the Group per share attributable to the owners of the Company before the completion of the Rights Issue is determined based on the unaudited pro forma adjusted consolidated net tangible liabilities of the Group attributable to the owners of the Company as at 31 December 2013 of approximately HK\$149,439,000 as disclosed in note 1 above, divided by 385,850,215 shares of the Company in issue as at 31 December 2013.
- (4) The calculation of the unaudited pro forma adjusted consolidated net tangible liabilities per share is based on 2,837,251,075 shares which comprise 385,850,215 shares in issue as at 31 December 2013 and 2,451,400,860 Rights Shares assuming no further issue of new shares or repurchase of shares, after the completion of the Rights Issue.

1. RESPONSIBILITY STATEMENT

This Prospectus, 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 Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this Prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Prospectus misleading.

2. SHARE CAPITAL OF THE COMPANY

- (I) As at the Latest Practicable Date, the authorised and issued share capital of the Company were as follows:

<i>Authorised:</i>		<i>HK\$</i>
<u>20,000,000,000</u>	ordinary shares of HK\$0.01 each	<u>200,000,000.00</u>

<i>Issued and fully paid or credited as fully paid:</i>		<i>HK\$</i>
<u>612,850,215</u>	ordinary shares of HK\$0.01 each	<u>6,128,502.15</u>

- (II) The following table illustrates the share capital structure of the Company immediately after completion of the Rights Issue (assuming no further issue of new Shares or repurchase of Shares from the Latest Practicable Date to completion of the Rights Issue) will be as follows:

<i>Authorised:</i>		<i>HK\$</i>
<u>20,000,000,000</u>	ordinary shares of HK\$0.01 each	<u>200,000,000.00</u>
<i>Issued and fully paid or credited as fully paid:</i>		<i>HK\$</i>
612,850,215	Shares as at Latest Practicable Date	6,128,502.15
<u>2,451,400,860</u>	Rights Shares to be issued	<u>24,514,008.60</u>
<u>3,064,251,075</u>	Total	<u>30,642,510.75</u>

All of the Rights Shares when allotted, issued and fully paid, will rank pari passu in all respect with each other, including, in particular, as to dividends, voting rights and capital, and with all the Shares in issue as at the date of allotment and issue of the Rights Shares.

The Rights Shares will be listed on the Stock Exchange. No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or the Rights Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

As at the Latest Practicable Date, there were no arrangement under which future dividends are waived or agreed to be waived.

As at the Latest Practicable Date, no part of the capital of any member of the Group is under option, or has been agreed conditionally or unconditionally to be put under option save pursuant to the Outstanding Options and Convertible Bonds.

3. DISCLOSURE OF INTERESTS

Interests of Directors

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporation(s) (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required, pursuant to rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by directors to be notified to the Company and the Stock Exchange, were as follows:

Long positions in the Shares

Name of Director	Nature of Interest	Number of Shares	Approximate percentage of the issued share capital of the Company
Cheung Wai Yin, Wilson	Corporate and Personal (<i>Note 1</i>)	52,797,500	8.62%
Lau Chi Yan, Pierre (<i>Note 2</i>)	Personal	2,125,000	0.35%

Notes:

- 297,500 Shares are personal interest and 52,500,000 Shares are interest of a controlled corporation, Ivana, which is wholly owned by Mr. Cheung.
- Mr. Lau Chi Yan, Pierre is the Managing Director of the Company.

Long positions in the underlying shares

Name of Director	Nature of Interest	Number of underlying shares	Approximate percentage of total issued share capital of the Company
Cheung Wai Yin, Wilson	Corporate (<i>Note</i>)	37,500,000	6.12%
Wong Chi Man	Personal	59,230	0.01%
Yeung Mo Sheung, Ann	Personal	69,103	0.01%

Note: The interest is held by a controlled corporation, Ivana, which is wholly owned by Mr. Cheung.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executives of the Company have interest or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or (iii) were required, pursuant to rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by directors to be notified to the Company and the Stock Exchange.

4. INTERESTS OF SUBSTANTIAL SHAREHOLDERS

So far as is known to any Directors or chief executives of the Company, as at the Latest Practicable Date, the following persons (not being Directors or chief executives of the Company) had, or were deemed to have, interests or short positions in the shares, debentures or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who were or were expected, directly or indirectly, interested in 5% 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 the Company were as follows:

Long positions

Name of Shareholder	Nature of Interest	Number of shares	Number of underlying shares	Approximate percentage of total issued share capital of the Company
Ivana (<i>Note</i>)	Beneficial owner	52,500,000	37,500,000	14.69%
CLC Finance Limited	Security interest	37,500,000	37,500,000	12.24%
CL Group (Holdings) Limited	Controlled corporation	37,500,000	37,500,000	12.24%
Au Suet Ming, Clarea	Controlled corporation	37,500,000	37,500,000	12.24%

Note: Ivana is wholly owned by Mr. Cheung. Pursuant to the financial arrangement between Ivana and CLC Finance Limited (“CLC”), Ivana has pledged 37,500,000 Shares and Convertible Bonds in the principal amount of HK\$150,000,000 to CLC as securities. CLC is a wholly owned subsidiary of CL Group (Holdings) Limited.

Save as disclosed above, so far as is known to the Directors or chief executives of the Company, the Company had not been notified of any other interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO, or any persons (other than the Directors and chief executives of the Company) who, as at the Latest Practicable Date, was directly and indirectly interested in 5% 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 the Group, or had any options in respect of such capital.

5. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any other material adverse change in the financial or trading position of the Group since 31 December 2013, being the date to which the latest published audited financial statements of the Company were made up.

6. SERVICE CONTRACT

As the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which does not expire or is not terminable by such member of the Group within one year without payment of compensation (other than statutory compensation).

7. LITIGATION

As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, the Group was not engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance is known to the Directors to be pending or threatened by or against any member of the Group.

8. COMPETING INTERESTS

As at the Latest Practicable Date, so far as the Directors were aware, none of the Directors or their respective associates had any interest in any business which competes or may compete, either directly or indirectly, with the business of the Group or has or may have any other conflicts of interest with the Group pursuant to the GEM Listing Rules.

9. DIRECTORS' INTEREST IN CONTRACTS AND ASSETS

As at the Latest Practicable Date, none of the Directors were materially interested in any subsisting contract or arrangement which is significant in relation to the business of the Group. As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which have been, since 31 December 2013, being the date to which the latest published audited accounts of the Group were made up, acquired or disposed of by, or leased to any member of the Group, or were proposed to be acquired or disposed of, or leased to any member of the Group.

10. EXPERT AND CONSENT

The following is the qualification of the expert who have given their opinions and advice which are contained or referred to in this Prospectus:

Name	Qualification
Elite Partners CPA Limited	Certified Public Accountants

As at the Latest Practicable Date, the expert above has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion herein of their respective report and/or letter and/or summary of valuations and/or opinion (as the case may be), and/or the references to its name included in the form and context in which it is respectively included.

As of the Latest Practicable Date, the expert above was not beneficially interested in the share capital of any member of the Group nor did it 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 expert above did not have any direct or indirect interest in any assets which have been 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 since 31 December 2013 (the date to which the latest published audited consolidated financial statements of the Group were made up).

11. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) were entered into by the members of the Group within two years immediately preceding the date of this Prospectus, which are or may be material:

- (a) the sale and purchase contract dated 19 July 2012 entered into between Pt Goldenpapua Materials and Merdeka Resources International Limited relating to the acquisition of tailings at HK\$6 million;
- (b) the sale and purchase agreement (as amended by its supplemental agreements) dated 6 September 2012 and its supplemental agreements entered into between the Company and Hero Win Development Limited in relation to the acquisition of 100% issued share capital in Ever Hero Group Limited at HK\$71 million;
- (c) the sale and purchase agreement dated 2 May 2013 made between End User Technology Limited and Au Kai To, Karel in relation to the acquisition of 100% issued share capital in Quasicom Systems Limited at HK\$8 million;
- (d) the underwriting agreement dated 11 June 2013 entered into between the Company, Cheong Lee Securities Limited as the underwriter and Mr. Cheung Wai Yin, Wilson in relation to the underwriting arrangement in respect of the rights issue on the basis of 2 rights shares for every 5 existing shares held by Shareholders at a commission of approximately HK\$1,070,000;
- (e) the placing agreements dated 6 December 2013 entered into between the Company and CNI Securities Group Limited as placing agent ("CNI") whereby the Company conditionally agreed to place, through CNI, on a best effort basis, a maximum of 195,000,000 placing Shares to not less than 6 independent places at a price of HK\$0.156 per placing Share at a commission of approximately HK\$760,000;

- (f) the placing agreement dated 21 February 2014 entered into between the Company and Orient Securities Limited as placing agent (“**Orient**”) whereby the Company conditionally agreed to place, through Orient, on a best effort basis, a maximum of 77,000,000 placing Shares to not less than 6 independent places at a price of HK\$0.171 per placing Share at a commission of approximately HK\$329,000;
- (g) the shareholders agreement dated 1 April 2014 entered into by the Company and Mian Yang Heng Da Investments Limited (綿陽恒達投資有限公司) in relation to the proposed subscription for the 60% of the enlarged share capital of Mian Yang Heng Da Information Technology Limited (綿陽恒達信息科技有限公司) by the Company at HK\$4,000,000; and
- (h) the Underwriting Agreement.

12. PARTICULARS OF DIRECTORS

(a) Name and address of Directors

Name	Address
<i>Executive Directors</i>	
Mr. Cheung Wai Yin, Wilson	5A, Gardenview Height, 19 Tai Hang Drive, Hong Kong
Mr. Lau Chi Yan, Pierre	8A, Block 1, Tseung Kwan O East Point City, Kowloon, Hong Kong
<i>Non-executive Director</i>	
Mr. Wong Chi Man	Flat K, 2nd Floor, Lever Building, 33 Larch Street, Tai Kok Tsui, Kowloon, Hong Kong
<i>Independent Non-executive Directors</i>	
Ms. Yeung Mo Sheung, Ann	Flat E, 2nd Floor, Tower 4, Greenwood Terrace, Chai Wan, Hong Kong
Mr. Ng Kay Kwok	41D, Block 2, Tierra Verde, Tsing Yi, New Territories, Hong Kong
Mr. Yip Kat Kong, Kenneth	Flat C, 1/F., Tower 6, Noble Hill, 38 Ma Sik Road, Sheung Shui, New Territories, Hong Kong

(b) Profiles of Directors*Executive Directors*

Mr. Cheung Wai Yin, Wilson, aged 43, is currently an executive director, the chairman, chief executive officer, compliance officer, member of the Nomination Committee, member of the Remuneration Committee, authorised representative and agent for service of process in Hong Kong of the Company and as a director of certain relevant subsidiaries of the Company. He is a controlling shareholder of Ivana Investments Limited and also a shareholder of the Company. He is also the Chairman of Dejin Resources Group Company Limited, a company listed in Hong Kong. Mr. Cheung has over 17 years of experience in the field of audit, business development, corporate finance and financial management. Mr. Cheung is a member of the Hong Kong Institute of Certified Public Accountants and Hong Kong Securities and Investment Institute. He holds a Master of Science degree in Financial Engineering from City University of Hong Kong and Bachelor degrees in Arts and Administrative Studies from York University, Canada.

Mr. Lau Chi Yan, Pierre, aged 38, is currently an executive director, the managing director, member of Nomination Committee, member of the Remuneration Committee and as a director of certain relevant subsidiaries of the Company. He is also the executive director of Dejin Resources Group Company Limited, a company listed in Hong Kong. Mr. Lau has over 13 years of experience in the field of information system, operational system and general management. Mr. Lau holds an Executive Master Degree of Business Administration in General Management from University of Hull, the United Kingdom and a Bachelor of Science degree in Computer Science from University of Calgary, Canada. Besides, Mr. Lau is a member of Guangdong Huizhou Committee of the Chinese People's Political Consultative Conference (中國人民政治協商會議廣東省惠州市委員).

Non-executive Director

Mr. Wong Chi Man, aged 32, has served as a non-executive director of Group since August 2012. Mr. Wong is currently the Associate Director of Cheong Lee Securities Limited. Mr. Wong has over 5 years of experience in the field of investment, finance and securities advisory. He holds a Master of Applied Finance degree from Monash University and a Bachelor degree in Commerce from Deakin University, Australia.

Independent Non-executive Directors

Ms. Yeung Mo Sheung, Ann, aged 48, has served as an INED of the Company since October 2012 and is a member of the Nomination Committee, the Remuneration Committee and the Audit Committee. She holds a Bachelor degree of Retail Marketing with honours in the United Kingdom and a Diploma in Marketing from The Chartered Institute of Marketing. She pursued her further study on legal course and has been awarded a Diploma in Legal Practice in the United Kingdom in 1998 and is presently a solicitor of Messrs. Wong & Wong Lawyers, a legal firm in Hong Kong. Ms. Yeung is currently an independent non-executive director and a member of the audit committee of Hao Wen Holdings Limited, a company whose issued shares are listed on the GEM. She is also currently an independent non-executive director, a member of the audit committee, a member of the remuneration committee and a member of the nomination committee of Success Universe Group Limited (formerly known as Macau Success Limited), issued shares of which are listed on the Main Board of the Stock Exchange. Ms. Yeung also is currently an independent non-executive director, a member of the audit committee, the nomination committee and the remuneration committee of Dejin Resources Group Company Limited, a company, issued shares of which are listed on the Main Board of the Stock Exchange.

Mr. Ng Kay Kwok, aged 52, has served as an INED of the Company since July 2013 and is a member of Nomination Committee, the Remuneration Committee and the Audit Committee. He graduated from the Australian National University with a Bachelor's Degree in Economics and obtained a Graduate Diploma in Accounting from Macquarie University. He is a member of CPA Australia and has extensive experience in accounting and financial management. In addition, Mr. Ng was an executive director and the chief executive officer of M Dream Inworld Limited ("**M Dream**"), a company listed on the GEM, from 9 July 2010 to 31 May 2011 and from 29 May 2012 to 24 May 2013, was also the company secretary of M Dream from 1 January 2007 to 31 May 2011. Mr. Ng is currently an independent non-executive director, the chairman of the audit committee, a member of the nomination committee and the remuneration committee of China Fortune Financial Group Limited, a company whose issued shares are listed on the Main Board of the Stock Exchange.

Mr. Yip Kat Kong, Kenneth, aged 51, has served as an INED of the Company since July 2013 and is a member of Nomination Committee, the Remuneration Committee and the Audit Committee. He is the founder and chairman of Great China Capital Group Limited and Greater China Corporation Consultants Limited, both specialize in company restructuring, listing, portfolio investment and merger and acquisition. He has over 30 years of experience in the accounting profession and, coupled with his hands-on experience and expertise in different industries, has been engaged in various growing enterprises including those listed on the Stock Exchange to serve as their strategic and business advisor. Mr. Yip is a member of various business

and commercial organizations and societies in both China and Hong Kong, including, a member of Guangdong Huizhou Committee of the Chinese People's Political Consultative Conference (中國人民政治協商會議廣東省惠州市委員), Executive President of Huizhou Youth Federation of Overseas Chinese (廣東惠州市僑界青年聯合會執行會長), a standing member of Guangdong Federation of Industry & Commerce (廣東省僑聯常務委員), an executive member of Guangdong Federation of Industry & Commerce (廣東省工商業聯合會(總商會)執委), a Director of Guangdong Overseas Friendship Association (廣東海外聯誼會理事) and a member of China Affairs Committee of The Chinese General Chamber of Commerce Hong Kong (香港中華總商會中國內地事務委員).

13. CORPORATE INFORMATION, DIRECTORS AND PARTIES INVOLVED IN THE RIGHTS ISSUE

Registered office	Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands British West Indies
Head office and principal place of business in Hong Kong	Room 1502 Chinachem Century Tower 178 Gloucester Road Wanchai Hong Kong
Company secretary	Mr. Lai Yau Hong, Thomson Mr. Lai is an associate member of the Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries
Compliance officer	Mr. Cheung Wai Yin, Wilson Mr. Cheung is a member of the Hong Kong Institute of Certified Public Accountants and Hong Kong Securities and Investment Institute

Authorised representatives	Mr. Cheung Wai Yin, Wilson 5A Gardenview Height 19 Tai Hang Drive Hong Kong
	Mr. Lai Yau Hong, Thomson Flat B 1st Floor Block 23 Gold Coast Phase 2 Castle Peak Road Tuen Mun New Territories Hong Kong
Principal share registrar and transfer office in the Cayman Islands	Royal Bank of Canada Trust Company (Cayman) Limited 4th Floor, Royal Bank House 24 Shedden Road PO Box 1586 Grand Cayman KY1-1110 Cayman Islands
Branch share registrar and transfer office in Hong Kong	Tricor Tengis Limited Level 22, Hopewell Centre 183 Queen's Road East Hong Kong
Principal bankers	Hang Seng Bank Limited 83 Des Voeux Road Central Hong Kong
	Nanyang Commercial Bank Limited 151 Des Voeux Road, Central Hong Kong
Reporting accountants	Elite Partners CPA Limited Suites 2B – 4A, 20th Floor Tower 5, China Hong Kong City 33 Canton Road Tsim Sha Tsui Kowloon Hong Kong

Legal advisers to the Company in relation to the Rights Issue *As to Hong Kong law*
Michael Li & Co.
19th Floor
Prosperity Tower
39 Queen's Road Central
Central
Hong Kong

As to Cayman Islands law
Conyers Dill & Pearman
2901 One Exchange Square
8 Connaught Place
Central
Hong Kong

Underwriter CNI Securities Group Limited
21st Floor Ka Wah Bank Centre
232 Des Voeux Road Central
Hong Kong

14. EXPENSES

The expenses in connection with the Rights Issue, including underwriting commission, printing, registration, legal and accounting fees, are estimated to be approximately HK\$4.5 million on the basis of 2,451,400,860 Rights Shares allotted and issued and will be payable by the Company.

15. MISCELLANEOUS

- (a) The registered office of the Company is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands, British West Indies and the principal office in Hong Kong is in Room 1502, Chinachem Century Tower, 178 Gloucester Road, Wanchai, Hong Kong.
- (b) The company secretary of the Company is Mr. Lai Yau Hong, Thomson. He has over 20 years of experience in company secretarial duties as well as corporate governance and management fields and has taken up senior management positions in a number of multinational conglomerates and companies listed on the Stock Exchange. He is an associate member of the Institute of Chartered Secretaries and Administrators and The Hong Kong Institute of Chartered Secretaries.
- (c) The company compliance officer is Mr. Cheung Wai Yin, Wilson. He has over 17 years of experience in the field of audit, business development, corporate finance and financial management. Mr. Cheung is a member of the Hong Kong Institute of Certified Public Accountants (HKICPA) and Hong Kong Securities Institute. He holds a Master of Science degree in Financial Engineering from City University of Hong Kong and Bachelor degrees in Arts and Administrative Studies from York University, Canada.

- (d) The branch share registrar of the Company in Hong Kong is Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (e) The English text of this Prospectus shall prevail over the Chinese text.

16. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

A copy of each of the Rights Issue Documents, together with the written consent referred to in the paragraph headed "Expert and Consent" in this Appendix, have been delivered to the Registrar of Companies in Hong Kong for registration as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

17. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the principal office in Hong Kong of the Company at Room 1502, Chinachem Century Tower, 178 Gloucester Road, Wanchai, Hong Kong during normal business hours on any weekday (except Saturdays, Sundays and public holidays), from the date of this Prospectus up to 11 July 2014:

- (a) the memorandum of association and article of association of the Company;
- (b) the audited annual reports of the Company for the three years ended 31 December 2013;
- (c) a copy of each of the material contracts referred to in the paragraph headed "Material Contracts" in this appendix;
- (d) the Underwriting Agreement;
- (e) the circular issued by the Company dated 28 May 2014;
- (f) the written consent from the experts referred to in the section headed "Expert and Consent" in this appendix; and
- (g) a copy of each circular (including this Prospectus) issued pursuant to the requirements set out in Chapter 19 and/or 20 of the GEM Listing Rules which has been issued since 31 December 2013, being the date to which the latest audited consolidated financial statements of the Group were made up.