

SUBSTANTIAL SHAREHOLDERS

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So far as the Directors are aware, immediately following completion of the Share Offer and the Capitalisation Issue and without taking account of any Shares which may fall to be issued upon the exercise of options which may be granted under the Share Option Scheme or any Shares which may be allotted and issued or repurchased by our Group pursuant to the general mandates granted to the Directors, the following entities/ persons will have an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or will be, directly or indirectly, interested in 10% or more of the voting power at any general meeting of any member of our Group once the Shares are listed:

Name of Shareholder	Number of Shares	Approximate percentage of shareholding interest in our Company
SY International	228,750,000	75%
Lanling Electrical (<i>Note 1</i>)	228,750,000	75%
Tai Ah International Limited (<i>Note 1</i>)	228,750,000	75%
Mr. Zhou (<i>Note 2</i>)	228,750,000	75%
Ms. Wu Tong (<i>Note 2</i>)	228,750,000	75%
Mr. Tsang (<i>Note 3</i>)	228,750,000	75%
Ms. Lou Bing (<i>Note 3</i>)	228,750,000	75%

Notes:

1. SY International is owned as to 50% and 50% by Lanling Electrical and Tai Ah International respectively. Therefore, both of Lanling Electrical and Tai Ah International will be deemed to be interested in the 228,750,000 Shares held by SY International under Part XV of the SFO.
2. As Lanling Electrical is wholly owned by Mr. Zhou, Mr. Zhou will be deemed to be interested in the 228,750,000 Shares held by SY International under Part XV of the SFO. Ms. Wu Tong, being Mr. Zhou's spouse, will be deemed to be interested in the 228,750,000 Shares held by SY International under Part XV of the SFO.
3. As Tai Ah International is 75% owned by Mr. Tsang, Mr. Tsang will be deemed to be interested in the 228,750,000 Shares held by SY International under Part XV of the SFO. Ms. Lou Bing, being Mr. Tsang's spouse, will be deemed to be interested in the 228,750,000 Shares held by SY International under Part XV of the SFO.

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RESTRICTIONS ON DISPOSAL OF SHARES UNDER THE LISTING RULES

Each of the Covenantors has undertaken to the Stock Exchange and our Company that:

- (a) he or it shall not, and shall procure that none of his or its associates, nominees or trustees holding in trust for him or it shall, during a period commencing on the date of this prospectus and ending on the date which is six months from the Listing Date (the “**First Six-Month Period**”), sell, transfer or otherwise dispose of, nor enter into any agreement to sell, transfer or otherwise dispose of (including without limitation, the creation of any options, rights, interests or encumbrances in respect of), any of the Shares beneficially owned by him or it as disclosed in this prospectus (or any other shares or securities of our Company arising or deriving therefrom), or any interest therein, owned by him or it or any of his or its associates or any company controlled by him or it directly or indirectly immediately after completion of the Share Offer and the Capitalisation Issue (the “**Relevant Securities**”), or sell, transfer or otherwise dispose of or permit to be sold, transferred or disposed of (including without limitation, the creation of any options, rights, interests or other encumbrances in respect of), any interest in any shares in any company controlled by him or it which is, directly or indirectly, the beneficial owner of any of the Relevant Securities, provided that the foregoing restriction shall not apply to any Shares which he or it or any of his or its associates or any company controlled by him or it may acquire or become interested in following the Listing Date and provided always that any such acquisition would not result in any breach of Rule 8.08 of the Listing Rules;

- (b) he or it shall not, and shall procure that none of his or its associates, nominees or trustees holding in trust for him or it shall, during the six-month period commencing on the date immediately following the expiry of the First Six-Month Period (the “**Second Six-Month Period**”), sell, transfer or otherwise dispose of, nor enter into any agreement to sell, transfer or otherwise dispose of (including without limitation, the creation of any options, rights, interests or encumbrances in respect of), any of the Relevant Securities, or sell, transfer or otherwise dispose of or permit to be sold, transferred, or disposed of (including without limitation, the creation of any options, rights, interests or encumbrances in respect of), any interest in any shares in any company controlled by him or it which is, directly or indirectly, the beneficial owner of any of the Relevant Securities if, immediately following such sale, transfer or disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, he or it either individually or taken together with all of their respective associates would cease to be a controlling shareholder (as defined in the Listing Rules) of our Company, provided that the foregoing restriction shall not apply to any Shares which he or it or any of his or its associates or any company controlled by him or it may acquire or become interested in following the Listing Date and provided always that any such acquisition would not result in any breach of Rule 8.08 of the Listing Rules; and

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- (c) in respect of any such sale, transfer or disposal of the Relevant Securities within the Second Six-Month Period contemplated in (b) above, he or it shall take all reasonable steps to ensure that any such sale, transfer or disposal will not create a disorderly or false market for the Shares after such sale, transfer or disposal; and he or it shall, and shall procure that his or its associates shall, comply with all restrictions and requirements under the Listing Rules (or any replacement thereof or amendment thereto) on the sale, transfer or disposal by him or it or by the registered holder of any Shares or other securities of our Company.

Nothing in (a) and (b) above shall prevent the Covenantors from charging or pledging any direct or indirect interest in the Relevant Securities or in any share in any company controlled by him or it which is the beneficial owner of the Relevant Securities in favour of an authorised institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) for a bona fide commercial loan during the First Six-Month Period and the Second Six-Month Period but each of the Covenantors has undertaken to and covenanted with the Stock Exchange and our Company that within the First Six-Month Period and the Second Six-Month Period, he or it shall (a) if and when he or it or his or its nominee or trustee holding in trust for him or it charges, pledges or otherwise creates encumbrances over any securities or interests in the securities of our Company beneficially owned or controlled by him or it, whether directly or indirectly in favour of such authorised institution, immediately inform our Company of such pledges, charges or encumbrances together with details of such pledges, charges or encumbrances including the number and class of securities subject to the pledges, charges or encumbrances; and (b) upon receiving any indications, either verbal or written, from the pledgee, chargee or encumbrancer that any of the pledged, charged or encumbered securities or interests in the securities of our Company will be disposed of, immediately inform our Company.