We have entered into certain transactions with parties who are our Connected Persons, and these transactions will continue following the Listing Date, thereby constituting continuing connected transactions of the Group under the Listing Rules.

NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

Upon the completion of the Global Offering, the following transactions will be regarded as continuing connected transactions subject to the reporting, announcement and annual review requirements under Rule 14A.34 of the Listing Rules.

Property lease agreements

(i) Lease Agreements between the Group and Shenzhen Fusheng

Background

During the Track Record Period, Shenzhen Fusheng, a company wholly-owned by the Cheng Brothers and Ms. Wong Pik Hung (王碧紅), leased properties to four of the wholly-owned subsidiaries of the Group for use as office premises in Shenzhen. The details of the terms of the lease agreements for the leased properties are as follows:

Location	Connected Person	Subsidiary of the Company involved	Date of signing	Term	Approximate floor area *(in square metres)*	Monthly rental *(RMB)* *(Note 2)*
Rooms 1501-2, 1505-07, Block A, Galaxy Century Building, Caitian Road, Futian District, Shenzhen	Shenzhen Fusheng	CCW Home Tex (Shenzhen)	20 October 2010 (terminated on 21 April 2011)	5 years *(Note 1)*	364.52	43,742.40 (equivalent to HK$53,737.59)
Room 1501, Block A, Galaxy Century Building, Caitian Road, Futian District, Shenzhen	Shenzhen Fusheng	CCW Home Tex (Shenzhen)	21 April 2011	5 years *(Note 1)*	112.16	13,459.20 (equivalent to HK$16,534.64)

Location	Connected Person	Subsidiary of the Company involved	Date of signing	Term	Approximate floor area *(in square metres)*	Monthly rental *(RMB)* *(Note 2)*
Room 1502, Block A, Galaxy Century Building, Caitian Road, Futian District, Shenzhen	Shenzhen Fusheng	Casablanca (Shenzhen)	21 April 2011	4 years and 11 months *(Note 1)*	63.09	7,570.80 (equivalent to HK$9,300.74)
Room 1505, Block A, Galaxy Century Building, Caitian Road, Futian District, Shenzhen	Shenzhen Fusheng	Casablanca E-commerce	15 July 2011	5 years *(Note 1)*	63.09	7,570.80 (equivalent to HK$9,300.74)
Rooms 1508-13, 1515-19, Block A, Galaxy Century Building, Caitian Road, Futian District, Shenzhen	Shenzhen Fusheng	Forcetech (Shenzhen)	20 October 2010	5 years	865.84	103,900.80 (equivalent to HK$127,642.26)

Notes:

1. CCW Home Tex (Shenzhen), as tenant, entered into a lease agreement with Shenzhen Fusheng, as landlord, on 20 October 2010 for the lease of Rooms 1501-2, 1505-07, Block A, Galaxy Century Building, Caitian Road, Futian District, Shenzhen for a term of 5 years (the "Rooms 1501-2, 1505-07 Lease Agreement"). CCW Home Tex (Shenzhen) then terminated the Rooms 1501-2, 1505-07 Lease Agreement on 21 April 2011 and entered into a new lease agreement with Shenzhen Fusheng on 21 April 2011 for the lease of Room 1501, Block A, Galaxy Century Building, Caitian Road, Futian District, Shenzhen. This enabled (i) Casablanca (Shenzhen) to enter into a lease agreement with Shenzhen Fusheng on 21 April 2011 for the lease of Room 1502, Block A, Galaxy Century Building, Caitian Road, Futian District, Shenzhen as office premise for its business operations; and (ii) Casablanca E-commerce to enter into a lease agreement with Shenzhen Fusheng on 15 July 2011 for the lease of Room 1505, Block A, Galaxy Century Building, Caitian Road, Futian District, Shenzhen as office premise for its business operations. CCW Home Tex (Shenzhen) did not extend the lease arrangements with Shenzhen Fusheng in respect of Rooms 1506-07, Block A, Galaxy Century Building, Caitian Road, Futian District, Shenzhen ("Rooms 1506-07") and no lease arrangements were entered into between the Group and Shenzhen Fusheng in respect of Rooms 1506-07 following termination of the Rooms 1501-2, 1505-07 Lease Agreement on 21 April 2011. On 21 April 2012, Casablanca (Shenzhen), as tenant, entered into a lease agreement with Shenzhen Fusheng for the lease of Rooms 1506-07, together with Room 1502 Block A, Galaxy Century Building, Caitian Road, Futian District, Shenzhen. For further details on this lease arrangement, please refer to the below paragraph headed "Future lease arrangements" in this section of this Prospectus headed "Non-exempt Continuing Connected Transactions – Property lease agreements – (i) Lease Agreements between the Group and Shenzhen Fusheng."

2. Monthly rental amounts denominated in RMB have been converted into HK dollars at the exchange rate of HK$1.00 = RMB0.8140 for illustrative purposes only. Such conversions shall not be construed as representations that amounts in RMB were or could have been or could be converted into HK dollars at such rates or any other exchange rates on such date or any other date.

It is anticipated that the total rent payable by the Group to Shenzhen Fusheng for each of the financial years ending 31 December 2012, 2013 and 2014 will be approximately RMB2.2 million, RMB2.5 million and RMB2.5 million (equivalent to approximately HK$2.8 million, HK$3.1 million and HK$3.1 million), respectively. The rent was determined by the parties through arm's length negotiations by reference to the market rate for similar premises in the vicinity of each premise.

Relationship

Shenzhen Fusheng is directly owned by the Cheng Brothers and Ms. Wong Pik Hung (王碧紅), who are each an executive Director and a substantial shareholder of the Company. Shenzhen Fusheng is therefore an associate of the Cheng Brothers and Ms. Wong Pik Hung (王碧紅) and a Connected Person of the Company under Rule 14A.11(4) of the Listing Rules.

Historical Transaction Amounts

For the years ended 31 December 2010 and 2011 and the six months ended 30 June 2012, the aggregate amounts of rent paid by the Group to Shenzhen Fusheng for the leasing of the properties listed above amounted to approximately RMB0.4 million, RMB1.7 million and RMB1.0 million (equivalent to approximately HK$0.4 million, HK$2.0 million and HK$1.2 million), respectively. The fluctuation in the aggregate amounts of rent paid by the Group to Shenzhen Fusheng for the leasing of the properties listed above for the years ended 31 December 2010 and 2011 was due to the Group having commenced lease arrangements with Shenzhen Fusheng on 20 October 2010 and the abovementioned aggregate amount of rent paid by the Group to Shenzhen Fusheng for the year ended 31 December 2010 had been presented as a pro-rated full year amount paid by the Group during that particular year. The total aggregate amount of rent paid by the Group to Shenzhen Fusheng for the year ended 31 December 2011, on the other hand, took into account the full year effect of the total aggregate amount of rent paid by the Group to Shenzhen Fusheng in 2011.

Future lease arrangements

In anticipation of the Global Offering, Shenzhen Fusheng, as landlord, entered into lease agreements with each of CCW Home Tex (Shenzhen), Casablanca (Shenzhen), Casablanca E-commerce and Forcetech (Shenzhen), as tenants, in April 2012, for the lease of each respective property listed below for use as office premises in Shenzhen (collectively known as the "Shenzhen Lease Agreements"). The parties have re-negotiated a monthly rental for each leased property through arm's length negotiations. Our Directors and the independent property valuer and consultant, Jones Lang LaSalle Corporate Appraisal and Advisory Limited, have confirmed that the re-negotiated monthly rents for each leased property reflect market rates for properties of a similar status in similar locations as at the Latest Practicable Date. The details of the terms of the lease agreements for the leased properties before the Listing are as follows:

Location	**Connected Person**	**Subsidiary of the Company involved**	**Term**	**Approximate floor area** *(in square metre)*	**Monthly rental** *(RMB)* *(Note)*	**Current usage**
Room 1501, Block A, Galaxy Century Building, Caitian Road, Futian District, Shenzhen	Shenzhen Fusheng	CCW Home Tex (Shenzhen)	27 April 2012 to 31 December 2014	112.16	19,067.20 (equivalent to HK$23,424.08)	Office use
Rooms 1502, 1506 and 1507 Block A, Galaxy Century Building, Caitian Road, Futian District, Shenzhen	Shenzhen Fusheng	Casablanca (Shenzhen)	21 April 2012 to 31 December 2014	189.27	32,175.90 (equivalent to HK$39,528.13)	Office use
Room 1505, Block A, Galaxy Century Building, Caitian Road, Futian District, Shenzhen	Shenzhen Fusheng	Casablanca E-commerce	25 April 2012 to 31 December 2014	63.09	10,725.30 (equivalent to HK$13,176.04)	Office use
Rooms 1508-13, 1515-19, Block A, Galaxy Century Building, Caitian Road, Futian District, Shenzhen	Shenzhen Fusheng	Forcetech (Shenzhen)	27 April 2012 to 31 December 2014	865.84	147,192.80 (equivalent to HK$180,826.54)	Office use

Note: Monthly rental amounts denominated in RMB have been converted into HK dollars at the exchange rate of HK$1.00 = RMB0.8140 for illustrative purposes only. Such conversions shall not be construed as representations that amounts in RMB were or could have been or could be converted into HK dollars at such rates or any other exchange rates on such date or any other date.

The Shenzhen Lease Agreements are renewable at the option of the Group. Should there be any renewal of the terms of the Shenzhen Lease Agreements, we will ensure compliance with all the relevant requirements under Chapter 14A of the Listing Rules.

(ii) Lease Agreements between the Group and Gain Harvest and Wealth Pine

Background

During the Track Record Period, Gain Harvest, a company wholly-owned by the Cheng Brothers and Ms. Wong Pik Hung (王碧紅), and Wealth Pine had leased properties to the Group for use by our Directors as staff quarters in Hong Kong. The rentals were determined by the parties through arm's length negotiations by reference to the market rate for similar premises in the vicinity of each premise. The details of the terms of the lease agreements for the leased properties are as follows:

Location	**Connected Person**	**Subsidiary of the Company involved**	**Date of signing**	**Term**	**Approximate floor area** *(in square metre)*	**Monthly rental** *(HK$)*
No. 29, Kensington Path, The Royal Oaks, 8 Kam Tsin Nam Road, Kwu Tung, Sheung Shui, New Territories, Hong Kong	Gain Harvest	Casablanca International	10 December 2009	9 months	376.07	115,000
		Casablanca Hong Kong	13 September 2010	6 months	376.07	115,000
			31 March 2011	3 years	376.07	115,000
House No. A25 Constellation Cove, Tai Po, New Territories, Hong Kong	Wealth Pine *Note*	Casablanca Hong Kong	26 August 2011	3 years	252.42	88,000

Note: Prior to the Reorganisation, Wealth Pine was a wholly-owned subsidiary of Casablanca International and the monthly rental amounted to HK$88,000 during the year ended 31 December 2011. By a declaration of trust dated 8 October 2010, Leading Asset held the entire shareholding in Wealth Pine on trust for the benefit of Casablanca International. Upon completion of the Reorganisation, the Group no longer holds any interest in Wealth Pine. Wealth Pine is wholly owned by Smart Blossom Limited which is held as to 40%, 35% and 25% by Mr. Cheng Sze Kin (鄭斯堅), Mr. Cheng Sze Tsan (鄭斯燦) and Ms. Wong Pik Hung (王碧紅) respectively. For further information about the Reorganisation, please refer to the section headed "History, Reorganisation and Group Structure" in this Prospectus.

It is anticipated that the total rent payable by the Group to Gain Harvest and Wealth Pine for each of the financial years ending 31 December 2012, 2013 and 2014 will be approximately HK$2.4 million, HK$2.8 million and HK$2.8 million, respectively. Such rent was determined by the parties through arm's length negotiations by reference to the market rate for similar premises in the vicinity of each premise.

We disposed of Wealth Pine upon completion of the Reorganisation as it held a non-core property which is not related to our business. The non-core property was used by our Directors as staff quarters during the Track Record Period. We then leased the property as we provided accommodation to our Directors as staff quarters. The consideration for the disposal of the equity interests in Wealth Pine in the sum of approximately HK$1.6 million was based on the net assets value of Wealth Pine as of 31 March 2012 as determined by the property valuer after revaluation of the property for approximately HK$42.8 million minus total net liabilities of approximately HK$41.3 million.

Relationship

Gain Harvest and Wealth Pine (following the Reorganisation) are ultimately beneficially owned by the Cheng Brothers and Ms. Wong Pik Hung (王碧紅), who are each an executive Director and a substantial shareholder of the Company. Each of Gain Harvest and Wealth Pine (following the Reorganisation) is therefore an associate of the Cheng Brothers and Ms. Wong Pik Hung (王碧紅) and a Connected Person of the Company under Rule 14A.11(4) of the Listing Rules.

Historical transaction amounts

For the years ended 31 December 2010 and 2011 and for the six months ended 30 June 2012, the aggregate amounts of rent paid by the Group to Gain Harvest and Wealth Pine for the leasing of the properties listed above amounted to approximately HK$1.4 million, HK$1.4 million and HK$1.0 million respectively. As detailed in the above paragraph headed "Background" in this section of this Prospectus headed "Non-exempt Continuing Connected Transactions – Property lease agreements – (ii) Lease Agreements between the Group and Gain Harvest and Wealth Pine" and the section headed "History, Reorganisation and Group Structure" in this Prospectus, Wealth Pine was, prior to the Reorganisation, a wholly-owned subsidiary of Casablanca International (with Leading Asset holding the entire shareholding in Wealth Pine on trust for Casablanca International). The lease agreement between Wealth Pine and Casablanca Hong Kong in respect of the lease of House No. A25 Constellation Cove, Tai Po, New Territories, Hong Kong ("House No. A25") was therefore entered into between entities which were both at the time, wholly-owned subsidiaries of the Group. Historical transaction amounts in respect of such leasing arrangement have therefore not been provided for the years ended 31 December 2010 and 2011 and the period prior to the disposal of Wealth Pine through the entering into of the share transfer agreement between Casablanca International, Leading Asset and Smart Blossom Limited on 26 April 2012. For the six months ended 30 June 2012, the aggregate amounts of rent paid by the Group to Wealth Pine for the leasing of House No. A25 amounted to approximately HK$0.3 million.

Future leasing arrangements

In anticipation of the Global Offering, on 30 April 2012, the Company, as tenant, entered into a lease agreement with each of Gain Harvest and Wealth Pine, as landlords, for the lease of each respective property listed below for use by our Directors as staff quarters in Hong Kong (collectively known as the "Hong Kong Lease Agreements"). The parties have re-negotiated a monthly rental for each leased property through arm's length negotiations. Our Directors and the independent property valuer and consultant, Jones Lang LaSalle Corporate Appraisal and Advisory Limited, have confirmed that the re-negotiated monthly rents for each leased property reflect market rates for properties of a similar status in similar locations as at the Latest Practicable Date. The details of the terms of the lease agreements for the leased properties before the Listing are as follows:

Location	Connected Person	Subsidiary of the Company involved	Term	Approximate floor area *(in square metre)*	Monthly rental *(HK$)*	Current usage
No. 29, Kensington Path, The Royal Oaks, 8 Kam Tsin Nam Road, Kwu Tung, Sheung Shui, New Territories, Hong Kong	Gain Harvest	Casablanca Hong Kong	1 May 2012 to 31 December 2014	376.07	140,000	Staff quarters
House No. A25 Constellation Cove, Tai Po, New Territories, Hong Kong	Wealth Pine	Casablanca Hong Kong	1 May 2012 to 31 December 2014	252.42	90,000	Staff quarters

The Hong Kong Lease Agreements are renewable at the option of the Group. Should there be any renewal of the terms of the Hong Kong Lease Agreements, we will ensure compliance with all the relevant requirements under Chapter 14A of the Listing Rules.

Proposed annual caps on future transaction amounts for (i) and (ii)

As the Shenzhen Lease Agreements and Hong Kong Lease Agreements were entered into between subsidiaries of the Group with the Connected Persons or their associates, on an aggregate basis, in accordance with Listing Rule 14A.35(2), it is expected that the maximum aggregate annual amount of rent payable by the Group for each of the financial years ending 31 December 2012, 2013 and 2014 shall not exceed the following proposed caps:

	Proposed annual cap for the years ending 31 December		
	2012	**2013**	**2014**
	(HK$ in million)	*(HK$ in million)*	*(HK$ in million)*
Total amount payable in respect of the Shenzhen Lease Agreements	2.8	3.1	3.1
Total amount payable in respect of the Hong Kong Lease Agreements	2.4	2.8	2.8

In arriving at the above proposed annual caps of rental payable, our Directors have considered (i) the historical rent paid by the Group; (ii) the market rental of the properties in the same area and of similar grade to the premises; and (iii) in respect of the proposed annual caps for the Shenzhen Lease Agreements, the additional lease arrangements entered into between Casablanca (Shenzhen) and Shenzhen Fusheng in respect of Rooms 1506-07.

Our Directors and the independent property valuer and consultant, Jones Lang LaSalle Corporate Appraisal and Advisory Limited, having reviewed the Shenzhen Lease Agreements and the Hong Kong Lease Agreements, conducted market research on the leasing markets in Shenzhen and Hong Kong and collected rental evidence of comparable properties in the locality as well as similar locations in Shenzhen and Hong Kong, have confirmed that (i) their terms and conditions are fair and reasonable to the parties thereto; and (ii) the amounts payable thereunder reflect market rates for properties of a similar status in similar locations as at the Latest Practicable Date.

Connected Distributorship Agreements

Background

During the Track Record Period, the Group entered into distributorship agreements (collectively known as the "Connected Distributorship Agreements") with Mr. Zheng Zhuo Hao, who is a brother-in-law of Mr. Cheng Sze Tsan (鄭斯燦), and Mr. Zheng Kai Tian, Mr. Zheng Kai Ming and Mr. Zheng Kai Shun, all of whom are cousins of the Cheng Brothers (collectively known as the "Connected Distributors"), pursuant to which the Group engaged the Connected Distributors to set up distributor-operated points of sale in the PRC to distribute our products as specified in the Connected Distributorship Agreements for a one year term renewable every year at the discretion of the Group.

Relationship

As the Connected Distributors are all cousins or a brother-in-law of the Cheng Brothers (who are each an executive Director and a substantial shareholder of the Company), each Connected Distributor is therefore an associate of the Cheng Brothers and a Connected Person of the Company under Rule 14A.11(4)(c) of the Listing Rules.

Historical transaction amounts

The Group initially entered into business with Mr. Zheng Kai Ming, one of the Connected Distributors, since October 2010. For the year ended 31 December 2010, Mr. Zheng Kai Ming owned two distributor-operated points of sale in the PRC and the total amount of purchases made by Mr. Zheng Kai Ming from the Group amounted to approximately HK$0.5 million. Starting from February, April and August 2011, we commenced to work with Mr. Zheng Kai Shun, Mr. Zheng Zhou Hao and Mr. Zheng Kai Tian, respectively. The total number of points of sale operated by the Connected Distributors had increased to fourteen and the total amount of purchases made by the Connected Distributors from the Group amounted to approximately HK$6.7 million for the year ended 31 December 2011 and approximately HK$5.8 million for the six months ended 30 June 2012.

Future purchases

In anticipation of the Global Offering, the Group entered into four new distributorship agreements (the "Renewed Connected Distributorship Agreements") with the Connected Distributors on 12 April 2012, pursuant to which the Group will provide operation and management manuals, renovation proposals, staff training and advertisement support in connection with the operation of distributor-operated points of sale and will supply our products to the Connected Distributors for distribution in the distributor-operated points of sale in the PRC as specified in the Renewed Connected Distributorship Agreements for a term of 3 years, which commenced from 1 January 2012 to 31 December 2014. Either party to the Renewed Connected Distributorship Agreements may, during the first two years of such term, notify the other party in writing to terminate such Renewed Connected Distributorship Agreements within 31 to 60 days prior to the end of each such year.

Prices for our products are supplied by the Group to the Connected Distributors in accordance with the terms of the Renewed Connected Distributorship Agreements, which are determined with reference to the ex-works price prevalent in the PRC at the time of supply of our products to the Connected Distributors and such pricing policy applies equally to all other distributors of our products.

As the Renewed Connected Distributorship Agreements were entered into between the Group with parties connected or otherwise associated with one another, on an aggregate basis, it is expected that the maximum amounts of purchases (excluding all applicable tax) payable by the Connected Distributors to the Group under the Renewed Connected Distributorship Agreements for each of the financial years ending 31 December 2012, 2013 and 2014 will not exceed HK$10.2 million, HK$10.9 million and HK$12.3 million, respectively. Such estimates are in consideration of (i) the full-year effect in 2012 arising from the fourteen points of sale operated by the Connected Distributors located in the PRC which were newly opened in 2011 (with six new points of sale opened during the first quarter of 2011, two during the second quarter of 2011, one during the third quarter of 2011 and two during the fourth quarter of 2011) and the three points of sale operated by the Connected Distributors located in the PRC which were newly opened in 2012 (with one new point of sale opened during the first quarter of 2012 and two new points of sale opened during the second quarter of 2012); (ii) the historical purchases made by the Connected Distributors for the year ended 31 December 2011 and six months ended 30 June 2012; and (iii) the anticipated demands that may be derived from the possible future business growth of the Connected Distributors.

The Group has been engaging the Connected Distributors since late 2010. As with our independent distributors, we believe that we can also benefit from their local knowledge and networks that are favourable for the Group and which, together with our business relationships with the independent distributors, can add value to establishing our presence in the local markets.

WAIVER APPLICATION FOR NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

As the applicable percentage ratios under Chapter 14 of the Listing Rules for each of (i) the transactions under the Shenzhen Lease Agreements and the Hong Kong Lease Agreements (as aggregated); and (ii) the transactions under the Renewed Connected Distributorship Agreements as set out above are on an annual basis more than 0.1% but less than 5%, by virtue of Rule 14A.34(1) of the Listing Rules, such transactions constitute continuing connected transactions exempt from independent shareholders' approval requirements but are subject to the reporting, announcement and annual review requirements set out in Chapter 14A of the Listing Rules.

Our Directors have confirmed that the continuing connected transactions set out above (the "Non-Exempt Continuing Connected Transactions") have been entered into in the ordinary and usual course of business of the Group on normal commercial terms, and are fair and reasonable to the Group and in the interests of the Group and the Shareholders as a whole. Our Directors have further confirmed that the proposed annual caps in respect of the Non-Exempt Continuing Connected Transactions are fair and reasonable and are in the interests of the Shareholders.

The Non-Exempt Continuing Connected Transactions are expected to continue on a recurring basis after the Listing, and have been entered into prior to the Listing Date and have been fully disclosed in this Prospectus and potential investors will participate in the Global Offering on the basis of such disclosure, our Directors consider that it would be impractical, and would add unnecessary administrative costs to the Company, to make disclosure of each of such transactions in compliance with the announcement requirement in Rule 14A.47 of the Listing Rules.

Accordingly, the Group has applied for, and has received from, the Stock Exchange, a waiver from strict compliance with the announcement requirement relating to continuing connected transactions set out in Chapter 14A of the Listing Rules for the Non-exempt Continuing Connected Transactions. In addition, according to Rule 14A.42(3) of the Listing Rules, the Group will comply at all times with the applicable provisions under Rules 14A.35(1), 14A.35(2), 14A.35(3) (in respect of compliance with the reporting requirement), 14A.36, 14A.37, 14A.38, 14A.39 and 14A.40 of the Listing Rules in respect of the Non-Exempt Continuing Connected Transactions.

CONFIRMATION FROM THE SOLE SPONSOR

The Sole Sponsor has reviewed the relevant information, documents and historical figures prepared and provided by us in relation to the Non-Exempt Continuing Connected Transactions, has conducted due diligence by discussing with us, our Connected Distributors and our advisors and has obtained the necessary confirmations, representations and information from us and our advisors. On this basis, the Sole Sponsor is of the view that (i) the Non-Exempt Continuing Connected Transactions have been entered into in the ordinary and usual course of our business, on normal commercial terms and are fair and reasonable and in the interests of the Shareholders as a whole; and (ii) the respective proposed annual caps set for the Non-Exempt Continuing Connected Transactions are fair and reasonable and in the interest of the Shareholders as a whole.