
HISTORY, DEVELOPMENT AND REORGANIZATION

OVERVIEW

Our Company was incorporated in the Cayman Islands under the Cayman Islands Company Law on May 29, 2012 in preparation for the [●] and is the holding company of our Group. Our Company was incorporated as part of our Reorganization, the details of which are set out in “Our corporate development — Reorganization” in this section below.

Over the past years, our shareholding has changed, as a result of which, immediately following the completion of our Reorganization, our Company is owned (i) as to approximately 78.91% by Mr. Lee, Mr. Ho and Mr. YT Cheung collectively through Cui Fa; (ii) as to approximately 8.54% by Mr. WK Cheung through Ample Favour; (iii) as to approximately 6.35% by Mr. YP Cheung through Victor Leap; (iv) as to approximately 6.00% by Mr. Lock, our chief executive officer, through Macca Investment; and (v) as to approximately 0.20% by Mr. Chau, an employee of our Group. Details of our shareholding structure are set out in “— Our corporate development” in this section below.

Immediately following the completion of the [●] and the [●], Mr. Lee, Mr. Ho, Mr. YT Cheung, Mr. WK Cheung, and Mr. YP Cheung (collectively, the “Core Shareholders”) will together, through Cui Fa, Ample Favour and Victor Leap, control approximately 70.35% of the voting rights in our Company (without taking into account any Shares which may be allotted and issued upon any exercise of the [●] and the options which have been or may be granted under the [●] Share Option Scheme and the Share Option Scheme). Hence, each of Mr. Lee, Mr. Ho, Mr. YT Cheung, Mr. WK Cheung, Mr. YP Cheung, Cui Fa, Ample Favour and Victor Leap will be a Controlling Shareholder.

OUR BUSINESS DEVELOPMENT

Our history and origin

Our “Tsui Wah (翠華)” brand has a history of over four decades and has evolved into the leading *Cha Chaan Teng* (茶餐廳) chain operator in Hong Kong, based on revenue and number of seats in 2011, according to Frost & Sullivan. Our restaurants network comprises our primary  “Tsui Wah (翠華)” brand and two extensions of it, namely “Tsui Wah EATery” and “Tsui Wah Concept (翠華 Concept)”. Over the course of our operating history, we believe we have continuously adopted innovative business strategies and adapted to changing preferences of our customers, setting industry standards and enhancing the *Cha Chaan Teng* (茶餐廳) culture in Hong Kong.


The origins of our “Tsui Wah (翠華)” brand date back to 1967 when the first Tsui Wah restaurant was opened in Mong Kok by an Independent Third Party. The “Tsui Wah (翠華)” brand was subsequently expanded in the 1970s by adding three more Tsui Wah restaurants in To Kwa Wan, San Po Kong and Tuen Mun, operating a small-scaled *Cha Chaan Teng* (茶餐廳) chain in Hong Kong which marked the genesis of our modern Tsui Wah restaurants. However, the Tsui Wah restaurants in Mong Kok and To Kwa Wan had closed down subsequently in 1971, prior to the acquisition of the first Tsui Wah restaurant in San Po Kong by our Core Shareholders in 1989.

The operations of our Group began in 1989 when our Core Shareholders founded our Group by acquiring the Tsui Wah restaurant in San Po Kong. Our Core Shareholders had been co-workers at this restaurant prior to 1989 and, through their extensive working relationship, developed close personal and business ties with each other. In 1989, the original owner of the Tsui Wah restaurant in San Po Kong decided to exit the “*Cha Chaan Teng* (茶餐廳)” business in Hong Kong to migrate to a foreign country, and offered our Core Shareholders to acquire and invest in the restaurant. Our Core Shareholders have since become the leaders of our Group

HISTORY, DEVELOPMENT AND REORGANIZATION

and were appointed as our executive Directors following the incorporation of our Company. In 1991, our business further developed with the acquisition of another Tsui Wah restaurant in Tuen Mun. Following such acquisition, all restaurants operating under the “Tsui Wah (翠華)” brand at that time had been acquired by our Core Shareholders and consolidated into our Group.


Our business expanded in the 1990s when we opened additional Tsui Wah restaurants in Central, Causeway Bay, Jordan and Tsuen Wan, which are all located in densely populated districts in Hong Kong with high concentration of pedestrian flow. The premier locations of these restaurants allowed us to maximize revenue and strengthen our brand image. Our first Tsui Wah restaurant in Central, the primary business district in Hong Kong, opened in December 1998 near Lan Kwai Fong and remains as one of the most iconic Tsui Wah restaurants of our Group.

We previously adopted a multi-brand strategy in the 1990s and 2000s. During that time, some of our restaurants operated under secondary brands, namely “Hop Fat (合發)” and “Hong Kong Style Café (港式餐廳)”, mainly to distinguish these restaurants from our Tsui Wah restaurants which were located nearby. From 2008 to 2010, these restaurants were gradually consolidated into our primary  “Tsui Wah (翠華)” brand as it gained wider public recognition.

In 2010 and 2011, respectively, we diversified our business model by opening a self-service eatery at the Hong Kong International Airport under the name of “Tsui Wah EATery”, as well as a café-styled restaurant named “Tsui Wah Concept (翠華 Concept)” in Mong Kok, serving mainly our signature dishes and popular items as set meals. These two sub-brands diversify from our main operations of Tsui Wah restaurants, while maintaining certain elements of our core  “Tsui Wah (翠華)” brand to capture our established customer base and brand value.

We have also collaborated with business partners to expand our restaurant network. We established a presence within the premises of MCL Tseung Kwan O Cinema and Galaxy Macau in 2008 and 2011, respectively through joint venture operations with the owners of these premises. These cooperation arrangements allowed us to develop long-term business relationships with renowned enterprises in the Greater China region and to penetrate into key markets that we previously did not serve.


In terms of geographical expansion, we began to gain wide recognition in the PRC in around 2005, as evidenced by PRC Consumer’s Most Favorable Hong Kong Brands — Gold Award (全國消費者最喜愛《香港名牌》— 金獎品牌) by the China Enterprise Reputation and Credibility Association (Overseas) Limited (中華海外企業信譽協會) in 2005 (and subsequently each year until 2009), awarded to us even prior to our physical presence in the PRC. Building on such brand recognition in the PRC and our success in Hong Kong, our first Tsui Wah restaurant in the PRC opened in 2009 in Shanghai, followed by two additional restaurants in Shanghai and Wuhan in the PRC. In March 2012, we were named the 2011–2012 Consumers’ Most Satisfied Chinese Restaurant (2011–2012年度最佳消費者滿意中國餐飲名店) and 2011–2012 Top-10 Famous Catering Chain Brand (2011–2012 年度中國十大馳名餐飲連鎖品牌) by the Organizing Committee of Annual Meeting of China Hotel Industry (中國飯店業年會組織委員會). Our current business strategies envisage progressive expansion into the PRC, which is a key strategic market for our future development.


Under the leadership of our Core Shareholders, our restaurants have expanded from one restaurant in San Po Kong in 1989 into a chain operation of 26⁽¹⁾ restaurants as at the Latest Practicable Date, covering Hong Kong, the PRC and Macau, operating under one of the most iconic restaurant brands in the Greater China region —  “Tsui Wah (翠華)”.

⁽¹⁾ Includes one restaurant in Hong Kong and one restaurant in Macau owned by our Jointly-Controlled Entities

HISTORY, DEVELOPMENT AND REORGANIZATION

Business milestones

The key events of the development of our  翠華餐廳 “Tsui Wah (翠華)” brand are as follows:

- 1967 Opening of the first restaurant under the  翠華餐廳 “Tsui Wah (翠華)” brand in Mong Kok, in Hong Kong
- October 1989 Acquisition of the San Po Kong Tsui Wah restaurant in Hong Kong by our Core Shareholders, which became the first restaurant operated by our Group. The San Po Kong Tsui Wah restaurant was subsequently renovated to improve our brand image
- December 1998 Opening of the Central Tsui Wah restaurant (中環翠華餐廳) in Hong Kong
- 2005 Awarded with the PRC Consumer’s Most Favorable Hong Kong Brands — Gold Award (全國消費者最喜愛《香港名牌》— 金獎品牌) by the China Enterprise Reputation and Credibility Association (Overseas) Limited (中華海外企業信譽協會)
- April 2009 Opening of the first Tsui Wah restaurant in Shanghai, the PRC, which marked the beginning of our Group’s expansion into the PRC
- June 2009 Awarded with the 2008–2009 China Catering Brand International Tourist’s Choice (2008–2009年度國際遊客最喜愛的中國餐飲品牌) award by the Organizing Committee of Annual Meeting of China Hotel Industry (中國飯店業年會組織委員會)
- July 2009 Recognized as a Quality Restaurant by the Hong Kong Tourism Board
- July 2010 Opening of the Tsui Wah Group Centre (翠華集團中心) as our corporate headquarters
- September 2010 Opening of the first “Tsui Wah EATery” outlet at the Hong Kong International Airport, which marked the diversification of our  翠華餐廳 “Tsui Wah (翠華)” brand
- September 2010 Opening of our second Tsui Wah restaurant in Shanghai, the PRC
- May 2011 Opening of the Galaxy Macau Tsui Wah restaurant (澳門銀河翠華餐廳), which marked our expansion into Macau
- December 2011 Opening of the first “Tsui Wah Concept (翠華 Concept)” restaurant in Mong Kok, Hong Kong) as another extension of our  翠華餐廳 “Tsui Wah (翠華)” brand
- March 2012 Awarded the 2011–2012 Consumers’ Most Satisfied Chinese Restaurant (2011–2012年度最佳消費者滿意中國餐飲名店) and 2011–2012 Best Top-10 Famous Catering Chain Brand (2011–2012 年度中國十大馳名餐飲連鎖品牌) awards by the Organizing Committee of Annual Meeting of China Hotel Industry (中國飯店業年會組織委員會)
- May 2012 Opening of the first Tsui Wah restaurant in Wuhan, the PRC

We opened one, five, four⁽¹⁾ and three new restaurants, respectively, in each of the years ended March 31, 2010, 2011 and 2012 and the three months ended June 30, 2012, respectively.

⁽¹⁾ includes one restaurant in Macau owned by a Jointly-Controlled Entity.

HISTORY, DEVELOPMENT AND REORGANIZATION

OUR GROUP COMPANIES

As at the Latest Practicable Date, our Group comprised our Company and 41 subsidiaries (including our Jointly-Controlled Entities) established in Hong Kong, the PRC, Macau, and the BVI:

Subsidiaries engaged in our restaurant operations in Hong Kong

Name of subsidiary	Principal business activities	Date and place of incorporation	Interest attributable to our Group	Authorized share capital	Issued share capital
Euro Success	operation of Tsuen Wan Hop Fat (合發) restaurant which ceased business in November 2010	January 6, 2006 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$1,225 divided into 1,225 shares of HK\$1 each
Green Wave	operation of Tuen Mun Tsui Wah restaurant	January 6, 2006 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$10,000 divided into 10,000 shares of HK\$1 each
TW Restaurant Holding	operation of Yau Ma Tei Tsui Wah restaurant	August 12, 1993 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$9,400 divided into 9,400 shares of HK\$1 each
Win Idea	operation of San Po Kong Tsui Wah restaurant	July 25, 1989 (Hong Kong)	Approximately 99.24% (note 1)	HK\$1,400,000 divided into 1,400,000 shares of HK\$1 each	HK\$1,400,000 divided into 1,400,000 shares of HK\$1 each
Senfield	operation of Central Tsui Wah restaurant (Wellington Street)	March 16, 1998 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$10,000 divided into 10,000 shares of HK\$1 each
Billioncom	operation of Causeway Bay (Jaffe Road) Tsui Wah restaurant	September 7, 1998 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$100 divided into 100 shares of HK\$1 each
Kenglory	operation of Causeway Bay (Cannon Street) Tsui Wah restaurant	December 5, 1996 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$9,000 divided into 9,000 shares of HK\$1 each
Sky Oasis	operation of Tsim Sha Tsui Tsui Wah restaurant and Pak Hoi Street Tsui Wah restaurant	December 10, 2004 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$8 divided into 8 shares of HK\$1 each
Happy Oasis	operation of Tsuen Wan (Shiu Wo Street) Tsui Wah restaurant	October 6, 2004 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$10,000 divided into 10,000 shares of HK\$1 each
Royal Gold	operation of Aberdeen Tsui Wah restaurant	February 1, 2007 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$8 divided into 8 shares of HK\$1 each
Dragonsea	operation of our central kitchen supplying ingredients and processed food to our restaurants	December 12, 2005 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$10 divided into 10 shares of HK\$1 each
Common Way	operation of Wanchai Tsui Wah restaurant	April 7, 2010 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$10 divided into 10 shares of HK\$1 each

HISTORY, DEVELOPMENT AND REORGANIZATION

<u>Name of subsidiary</u>	<u>Principal business activities</u>	<u>Date and place of incorporation</u>	<u>Interest attributable to our Group</u>	<u>Authorized share capital</u>	<u>Issued share capital</u>
Ever Million Rich	operation of “Tsui Wah Concept (翠華 Concept)” restaurant	April 7, 2010 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$10 divided into 10 shares of HK\$1 each
Flying Gold	operation of restaurant to be opened in the future	June 16, 2011 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$10 divided into 10 shares of HK\$1 each
Golden York	operation of Mong Kok Tsui Wah restaurant	August 3, 2009 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$10 divided into 10 shares of HK\$1 each
Happy Billions	operation of Hong Kong airport Tsui Wah restaurant	July 18, 2011 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$10 divided into 10 shares of HK\$1 each
Pioneer Ray	operation of Peak Road Tsui Wah restaurant	November 23, 2009 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$10 divided into 10 shares of HK\$1 each
Richberg	operation of Hung To Road Tsui Wah restaurant and Supreme Catering	August 8, 2007 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$10 divided into 10 shares of HK\$1 each
Special Wise	operation of To Kwa Wan Tsui Wah restaurant	April 23, 2010 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$10 divided into 10 shares of HK\$1 each
Summer Rich	operation of restaurant to be opened in the future	June 14, 2011 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$10 divided into 10 shares of HK\$1 each
TW Catering	operation of Des Voeux Road Tsui Wah restaurant	October 21, 1998 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$10 divided into 10 shares of HK\$1 each
China Sure	operation of Tsuen Wan (Chung On Street) Tsui Wah restaurant and “Tsui Wah EATery” restaurant	January 14, 2009 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$10 divided into 10 shares of HK\$1 each
Green Luck	operation of restaurant to be opened in the future	April 1, 2012 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$10,000 divided into 10,000 shares of HK\$1 each
Green Treasure	operation of Tsui Wah Delivery (operation to be commenced)	June 26, 2012 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$10,000 divided into 10,000 shares of HK\$1 each
New Top Star	operation of restaurant to be opened in the future	April 11, 2012 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$10,000 divided into 10,000 shares of HK\$1 each
New Power Zone	operation of restaurant to be opened in the future	April 11, 2012 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$10,000 divided into 10,000 shares of HK\$1 each

Note:

- (1) Win Idea is held as to approximately 99.23% by Kang Wang, our wholly-owned subsidiary, and as to approximately 0.77% by the estate of Mr. Lee Sair Lit (李社烈(deceased)), father of Mr. Lee.

HISTORY, DEVELOPMENT AND REORGANIZATION

Subsidiaries principally engaged in our restaurant operations in the PRC

<u>Name of subsidiary</u>	<u>Principal business activities</u>	<u>Date and place of incorporation</u>	<u>Interest attributable to our Group</u>	<u>Authorized share capital</u>	<u>Issued share capital</u>
TW Catering Management . . .	holding company of Shanghai Cai Hua and Shanghai Cui Sheng	December 29, 2006 (Hong Kong)	100%	HK\$1,200,000 divided into 1,200,000 shares of HK\$1 each	HK\$1,200,000 divided into 1,200,000 shares of HK\$1 each
<u>Name of subsidiary</u>	<u>Principal business activities</u>	<u>Date and place of Incorporation</u>	<u>Interest attributable to our Group</u>	<u>Nature</u>	<u>Registered capital</u>
Shanghai Cai Hua	operation of Shanghai Fumin Road Tsui Wah restaurant and Shanghai Xujiahui Road Tsui Wah restaurant	April 27, 2009 (PRC)	100%	Wholly-foreign owned enterprise	HK\$20.6 million
Shanghai Cui Sheng	operation of Shanghai South Xizang Road Tsui Wah restaurant	September 8, 2010 (PRC)	100%	Wholly-foreign owned enterprise	HK\$4.3 million
Wuhan Cai Hua	operation of Wuhan Han Road Tsui Wah restaurant	April 25, 2012 (PRC)	100%	Limited liability company	RMB2 million

Subsidiaries principally engaged in the general management of our Group

<u>Name of subsidiary</u>	<u>Principal business activities</u>	<u>Date and place of incorporation</u>	<u>Interest attributable to our Group</u>	<u>Authorized share capital</u>	<u>Issued share capital</u>
Famous China	registered owner of trademarks	March 5, 2003 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$10 divided into 10 shares of HK\$1 each
Popular Green	investment holding of Pak Tat, a Jointly-Controlled Entity	December 17, 2009 (BVI)	100%	US\$50,000 divided into 50,000 shares of US\$1 each	US\$50,000 divided into 50,000 shares of US\$1 each
TW Patent.	registered owner of trademarks	February 3, 2010 (BVI)	100%	US\$50,000 divided into 50,000 shares of US\$1 each	US\$8 divided into 8 shares of US\$1 each
TW Efford	general management of our Group	March 20, 1998 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$10 divided into 10 shares of HK\$1 each
Joyhale.	investment holding of Famous Star, a Jointly-Controlled Entity	July 3, 2008 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$10,000 divided into 10,000 shares of HK\$1 each
Champion Richstar	owner of motor vehicles	June 14, 2012 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$10,000 divided into 10,000 shares of HK\$1 each
Longwin Corporate	employment management of Tsui Wah Delivery	June 8, 2012 (Hong Kong)	100%	HK\$10,000 divided into 10,000 shares of HK\$1 each	HK\$10,000 divided into 10,000 shares of HK\$1 each

HISTORY, DEVELOPMENT AND REORGANIZATION

During the period consisting of the three years ended March 31, 2012 and the three months ended June 30, 2012, all of our subsidiaries were controlled by our Core Shareholders through the Acting in Concert Confirmation and there were no significant changes in the beneficial shareholding of our subsidiaries.

Our Jointly-Controlled Entities

Set out below are our Jointly-Controlled Entities, in which we own a majority shareholding but have no unilateral control over their economic activities. These companies are considered as Jointly-Controlled Entities in the Accountants' Report set out in Appendix I to this document but are otherwise considered as subsidiaries under the [●] and are included as such in this document, unless stated otherwise.

Famous Star

Famous Star, a Jointly-Controlled Entity, was incorporated in Hong Kong with limited liability on October 15, 2008 with an authorized share capital of HK\$10,000 divided into 10,000 shares of HK\$1 each. The issued share capital of Famous Star, which is HK\$10,000 divided into 10,000 shares of HK\$1 each, is owned as to 80% by Joyhale, our indirectly wholly-owned subsidiary, and as to 20% by our joint venture partner.

Famous Star is principally engaged in the operation of Tseung Kwan O Tsui Wah restaurant (將軍澳翠華餐廳). Famous Star was established pursuant to the Famous Star JV Agreement, which contains the following salient terms:

(i) Duration of the agreement

- The term of the Famous Star JV Agreement is four and a half years, commencing from January 1, 2009 and ending on July 31, 2013.

(ii) Profit sharing ratio

- Profit will be shared between Joyhale and our joint venture partner according to their respective portion of equity interests in Famous Star. By way of reference, as at the date of this document, Famous Star is owned as to 80% by Joyhale and 20% by our joint venture partner.

(iii) Rights and obligations for both Joyhale and our joint venture partner

- All the expenses and revenue of the operations and management of the Tseung Kwan O Tsui Wah restaurant (將軍澳翠華餐廳) shall be paid and apportioned according to their respective portion of equity interests in Famous Star. By way of reference, as at the date of this document, Famous Star is owned as to 80% by Joyhale and 20% by our joint venture partner.
- Matters regarding public relations shall be determined jointly by Joyhale and our joint venture partner.
- Any expenses of Famous Star exceeding its respective percentage of the operations budget shall be discussed and agreed upon jointly by Joyhale and our joint venture partner.

HISTORY, DEVELOPMENT AND REORGANIZATION

(iv) Rights and obligations for Joyhale

- Joyhale shall be responsible for matters regarding daily operations, management, procurement, staff recruitment, accounts and licenses of the Tseung Kwan O Tsui Wah restaurant (將軍澳翠華餐廳).
- Joyhale shall submit all receipts and invoices for any expenses incurred in a month to our joint venture partner for approval and subsequently, issue a cheque to be drawn from Famous Star's account.
- Joyhale shall submit to our joint venture partner a daily revenue table on daily basis and a monthly revenue table on the seventh day of each month for the preceding month. Any cash received shall be deposited into Famous Star's bank account on a daily basis.

(v) Rights and obligations for our joint venture partner

- All matters regarding designs and renovations of the Tseung Kwan O Tsui Wah restaurant (將軍澳翠華餐廳) shall be approved by our joint venture partner.

There is no clause governing termination and nomination of directors in the Famous Star JV Agreement.

Pak Tat

Pak Tat, a Jointly-Controlled Entity, was incorporated in Macau with limited liability on October 30, 2008 with a registered capital of MOP25,000. Pak Tat is held as to 70% by Popular Green, our indirectly wholly-owned subsidiary, and as to 30% by our joint venture partner.

Pak Tat is principally engaged in the operation of Galaxy Macau Tsui Wah restaurant (澳門銀河翠華餐廳). Pak Tat was established pursuant to the Pak Tat JV Agreement, which contains the following salient terms:

(i) Duration of the agreement

- There is no specified term in the Pak Tat JV Agreement, which is subject to the termination clauses referred to in (vi) below.

(ii) Profit sharing ratio/ distribution of dividends

- Popular Green and our joint venture partner shall procure Pak Tat to apply or distribute its net profit (after provision for tax to be paid or accrued due in any financial year) by way of dividends pro-rata to their respective portion of equity interests in Pak Tat. By way of reference, as at the date of this document, Pak Tat is owned as to 70% by Popular Green and 30% by our joint venture partner.

(iii) Corporate governance

- The board of directors of Pak Tat shall at all times during the term of the Pak Tat JV Agreement comprise two directors nominated by Popular Green and two directors nominated by our joint venture partner.

HISTORY, DEVELOPMENT AND REORGANIZATION

(iv) Rights and obligations of our joint venture partner

- Our joint venture partner shall use its best endeavours to assist Popular Green and/or Pak Tat in applying for the work permits/visas in Macau for the overseas key personnel of the Galaxy Macau Tsui Wah restaurant (澳門銀河翠華餐廳).

(v) Rights and obligations of Popular Green

- Popular Green shall provide the key personnel as may be required by Pak Tat for the restaurant operations on a secondment basis or on such other basis, at the reasonable costs of Pak Tat.
- Popular Green shall provide Pak Tat with necessary know-how, secret formulae and processes so to ensure that the (a) quality of food and drinks; (b) services and operations, of the Galaxy Macau Tsui Wah restaurant are substantially the same as other Tsui Wah restaurants operated by Popular Green (and/or its affiliates) in Hong Kong; and waive all of Popular Green's or such affiliates' rights (legal or otherwise), claims or causes of action against any of Pak Tat, its directors, officers, employees and agents in respect of the use of or otherwise dealings with such know-how, secret formulae and processes in the operations of the restaurant provided that such right to use shall cease upon termination or early termination of the Pak Tat JV Agreement.

(vi) Termination

- In the event of default of either party to the Pak Tat JV Agreement, the non-defaulting party shall be entitled at any time thereafter to serve a notice of termination on the defaulting party.
- In the event of the occurrence of a deadlock, our joint venture partner shall be entitled at any time thereafter to serve a notice of termination on Popular Green. Upon the issuance of the notice of termination, our joint venture partner shall be entitled to purchase all (but not some only) of the equity interests and shareholder's loans beneficially owned by Popular Green in Pak Tat by giving the buyout notice.

Our Directors confirm that there was, and they currently expect that there will be, no connected transactions between our Group (including our Jointly-Controlled Entity(ies)) and (a) our respective joint venture partners and their respective associates; and (b) the directors of our Jointly-Controlled Entity(ies) and their respective associates.

HISTORY, DEVELOPMENT AND REORGANIZATION

OUR CORPORATE DEVELOPMENT

Overview

Prior to November 2011, our Group was a group of [●] entities directly owned by our Core Shareholders, namely Mr. Lee, Mr. Ho, Mr. YT Cheung, Mr. WK Cheung, and Mr. YP Cheung and/or entities controlled by them, without a single holding company. In preparation for the [●], we undertook a series of restructuring steps beginning in November 2011 for the purpose of transferring assets and businesses from our Core Shareholders to our Company and streamlining our shareholding structure. These restructuring steps comprised the following steps:

- (1) the Kang Wang/Cui Xin Restructuring, whereby Kang Wang became the holding company of our subsidiaries principally engaged in our restaurant operations in Hong Kong and the general management of our Group and Cui Xin became the holding company of our subsidiaries principally engaged in our restaurant operations in the PRC;
- (2) certain shareholding adjustments, whereby certain non-controlling interests in some of our subsidiaries were acquired from Independent Third Parties by Kang Wang; and
- (3) the Reorganization, whereby our Company was incorporated and became the holding company of our Group.

As a result of these restructuring steps, our subsidiaries were consolidated into the following two principal subsidiaries, which are directly wholly-owned by our Company:

- (a) Kang Wang — all of the subsidiaries held directly or indirectly by Kang Wang are involved in our restaurant operations in Hong Kong and Macau, as well as the general management of our Group; and
- (b) Cui Xin — all of the subsidiaries directly or indirectly held by Cui Xin are engaged in our restaurant operations in the PRC.

Kang Wang was incorporated in the BVI with limited liability on July 12, 2011 with an authorized share capital of HK\$2,000,000 divided into 2,000,000 shares of HK\$1 each. Its entire issued share capital, which is held as to 100% by our Company, comprises HK\$1,000,000 divided into 1,000,000 shares of HK\$1 each. On October 17, 2011, Kang Wang acquired the majority interests in certain subsidiaries of our Group in order to streamline and consolidate our Controlling Shareholders' interests in these subsidiaries in preparation for the Kang Wang/Cui Xin Restructuring:

- (i) on October 17, 2011, TW Restaurant Holding allotted and issued 7,210 shares to Kang Wang at par value, representing approximately 76.70% of the entire issued share capital of TW Restaurant Holding at that time;
- (ii) on October 17, 2011, Kenglory allotted and issued 7,775 shares to Kang Wang at par value, representing approximately 86.39% of the entire issued share capital of Kenglory at that time;
- (iii) on October 17, 2011, Happy Oasis allotted and issued 9,400 shares to Kang Wang at par value, representing 94% of the entire issued share capital of Happy Oasis at that time;

HISTORY, DEVELOPMENT AND REORGANIZATION

- (iv) on October 17, 2011, Green Wave allotted and issued 7,808 shares to Kang Wang at par value, representing approximately 78.08% of the entire issued share capital of Green Wave at that time;
- (v) on October 17, 2011, Senfield allotted and issued 8,500 shares to Kang Wang at par value, representing 85% of the entire issued share capital of Senfield at that time; and
- (vi) on October 17, 2011, Win Idea allotted and issued 685,714 shares to Kang Wang at par value, representing approximately 48.98% of the entire issued share capital of Win Idea at that time.

Cui Xin was incorporated in the BVI with limited liability on September 28, 2011 with an authorized share capital of HK\$2,000,000 divided into 2,000,000 shares of HK\$1 each. Its entire issued share capital, which is held as to 100% by our Company, comprises HK\$1,000,000 divided into 1,000,000 shares of HK\$1 each. During the period consisting of the three years ended March 31, 2012 and the three months ended June 30, 2012, both Kang Wang and Cui Xin were wholly-owned by our Controlling Shareholders (and also by Macca Investment since December 1, 2011) and there were no significant changes in the shareholding of Kang Wang and Cui Xin.

Prior to the implementation of the Kang Wang/Cui Xin Restructuring, certain subsidiaries of our Group, namely Senfield, Happy Oasis, TW Restaurant Holding, Win Idea, Kenglory and Green Wave were held by a number of minority shareholders, some of whom are present or former employees of our Group. During their service in our Group, these minority shareholders have developed close personal and business ties with our Core Shareholders. As a means to recognize their personal relationships, our Core Shareholders have, throughout our corporate history, decided to have these minority shareholders participate in the equity interests of the relevant subsidiaries.

All minority interests owned by these minority shareholders have been acquired by Kang Wang and/or our Core Shareholders in March, May and June 2012 (save for approximately 0.77% of the shareholding of Win Idea, which is held by the estate of Mr. LEE Sair Lit, deceased father of Mr. Lee), in preparation for the [●]. Our Directors are of the opinion that it is in the interests of our Group establish a streamlined and transparent corporate and shareholding structure for the benefits of [●] and public Shareholders.

Acting in Concert Confirmation

Over the course of our business history, our Core Shareholders were either legal owner of the shares in each of our subsidiaries (excluding our Jointly-Controlled Entities) comprising our Group, or shared the operating results in these subsidiaries as business beneficiaries. Each of the Core Shareholders has, in exercising and implementing the management and operation of these subsidiaries, been acting in concert with each other. Because we were a group of [●] entities in the past, these arrangements were not formalized in writing and each of our Core Shareholders was content with these arrangements based on their close and long-term business and personal relationship, as well as the trust and confidence they have in each other. Our Core Shareholders have confirmed that (i) the acting in concert arrangements with respect to each Relevant Subsidiary (as defined below) had become effective upon any Core Shareholder(s) becoming the registered shareholder of each such Relevant Subsidiary; and (ii) the business stake of each Core Shareholder in each such Relevant Subsidiary was pro-rata to their respective shareholding in Kang Wang immediately prior to the implementation of our Reorganization. Kang Wang was owned as to approximately 38.11%, 29.54%, 11.43%, 8.56%

HISTORY, DEVELOPMENT AND REORGANIZATION

and 6.36%, respectively, by Mr. Lee, Mr. Ho, Mr. YT Cheung (through their respective interests in Cui Fa), Mr. WK Cheung (through his 100% interests in Ample Favour) and Mr. YP Cheung (through his 100% interests in Victor Leap).

On November 5, 2012, in preparation for the [●], our Core Shareholders executed the Acting in Concert Confirmation, whereby they confirmed the existence of their acting in concert arrangements in the past, as well as their intention to continue to act in the above manner upon the [●] to consolidate their control of our Group until the Acting in Concert Confirmation is terminated by the Core Shareholders in writing. The Acting in Concert Confirmation covers our Company and a total of 36 subsidiaries (the "Relevant Subsidiaries" and each a "Relevant Subsidiary"), including Happy Billions, Green Wave, Euro Success, TW Restaurant Holding, Win Idea, Senfield, Billioncom, Kenglory, Sky Oasis, Happy Oasis, Royal Gold, Dragonsea, TW Catering Management, Joyhale, TW Efford, Common Way, Ever Million Rich, Flying Gold, Golden York, Pioneer Ray, Richberg, Special Wise, Summer Rich, TW Catering, China Sure, Famous China, Popular Green, TW Patent, Kang Wang, Cui Xin, Joy Express (for the period up to September 30, 2009) Champion Richstar, Green Luck, Green Treasure, Longwin Corporate, New Top Star and New Power Zone. The Acting in Concert Confirmation contains the following salient terms:

According to the Acting in Concert Confirmation, with respect to the businesses of the Relevant Subsidiaries, each of our Core Shareholders confirm to each other that, for the entire duration when all of them were/are contemporaneously either the legal owners of shares and/or the business beneficiaries in each of the Relevant Subsidiaries and, after the incorporation of our Company:

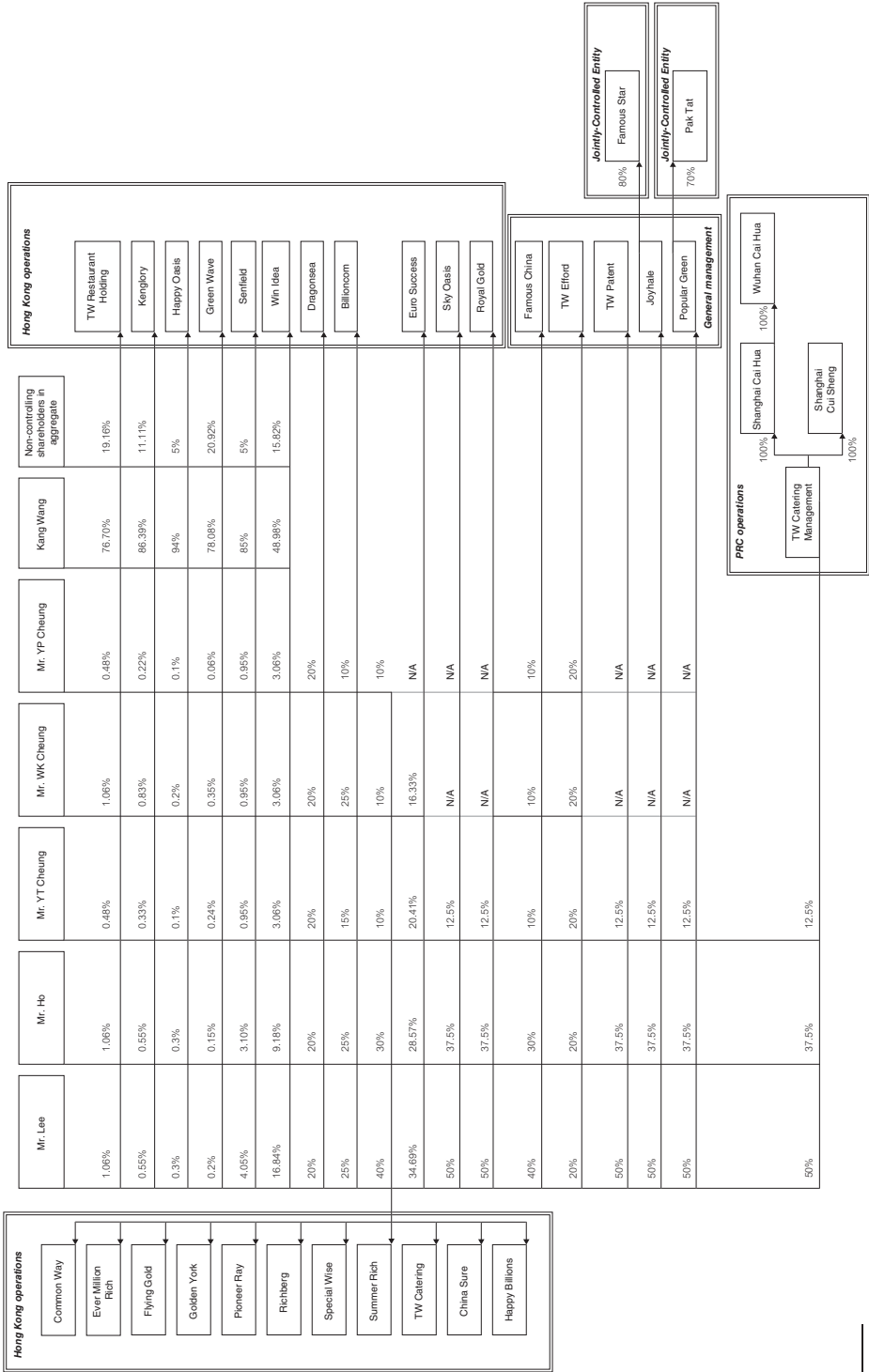
- (a) they had agreed to, and shall continue to, consult each other and reach unanimous consensus among themselves on such matters being the subject matters of any shareholders' resolution prior to putting forward such resolution to be passed at any shareholders' meeting of our Company and the Relevant Subsidiaries (as the case may be) and have historically voted on such resolutions in the same way;
- (b) they have been enjoying, and shall continue to enjoy, the economic benefits generated from all Relevant Subsidiaries from the businesses and projects of our Group, which include but shall not be limited to, dividends declared or to be declared (if any), from the businesses and projects of our Group;
- (c) where there was or is any suitable business opportunity or project for our Group, they have been engaging in, and shall continue to engage in, discussions as to whether they should participate and, if so, in whose name amongst themselves they should participate and the extent of participation in terms of investment and management; and
- (d) they have centralized, and shall continue to centralize, the ultimate control and right to make final decisions with respect to their interests in the businesses and projects of our Group.

Hence, pursuant to the Acting in Concert Confirmation, Mr. Lee, Mr. Ho, Mr. YT Cheung, Mr. WK Cheung, Mr. YP Cheung, Cui Fa, Ample Favour and Victor Leap will together be entitled to exercise and control approximately 70.35% of our entire issued share capital upon the completion of the [●] and [●] (without taking into account any Shares which may be allotted and issued upon any exercise of the [●] and the options which have been or may be granted under the [●] Share Option Scheme and the Share Option Scheme).

HISTORY, DEVELOPMENT AND REORGANIZATION

Kang Wang/Cui Xin Restructuring

Prior to the implementation of Kang Wang/Cui Xin Restructuring, the structure (as at October 31, 2011) of our Group was as follows:



Note:
(1) All non-controlling shareholders of our subsidiaries are Independent Third Parties to our Group and our Controlling Shareholders.

HISTORY, DEVELOPMENT AND REORGANIZATION

Set out below are the steps involved in the Kang Wang/Cui Xin Restructuring, which, because all of our Group's businesses were directly or indirectly held by our Controlling Shareholders, were akin to intra-group transfers:

- (i) **Happy Billions:** On February 6, 2012 and February 7, 2012, (a) Mr. Lee transferred his four shares in Happy Billions to Kang Wang at an aggregate consideration of HK\$4; (b) Mr. Ho transferred his three shares in Happy Billions to Kang Wang at an aggregate consideration of HK\$3; and (c) Mr. YT Cheung, Mr. YP Cheung and Mr. WK Cheung transferred their respective one share in Happy Billions to Kang Wang at a consideration of HK\$1 respectively.
- (ii) **Green Wave:** On February 6, 2012, (a) Mr. WK Cheung transferred his 35 shares in Green Wave to Kang Wang at an aggregate consideration of HK\$35; (b) Mr. YT Cheung transferred his 24 shares in Green Wave to Kang Wang at an aggregate consideration of HK\$24; (c) Mr. Ho transferred his 15 shares in Green Wave to Kang Wang at a consideration of HK\$15; (d) Mr. Lee transferred his 20 shares in Green Wave to Kang Wang at a consideration of HK\$20; and (e) Mr. YP Cheung transferred his 6 shares in Green Wave to Kang Wang at a consideration of HK\$6.
- (iii) **Euro Success:** On February 6, 2012, (a) Mr. Lee transferred his 425 shares in Euro Success to Kang Wang at an aggregate consideration of HK\$425; (b) Mr. Ho transferred his 350 shares in Euro Success to Kang Wang at an aggregate consideration of HK\$350; (c) Mr. YT Cheung transferred his 250 shares in Euro Success to Kang Wang at a consideration of HK\$250; and (d) Mr. WK Cheung transferred his 200 shares in Euro Success to Kang Wang at a consideration of HK\$200.
- (iv) **TW Restaurant Holding:** On February 6, 2012, (a) Mr. Lee transferred his 100 shares in TW Restaurant Holding to Kang Wang at an aggregate consideration of HK\$100; (b) Mr. Ho transferred his 100 shares in TW Restaurant Holding to Kang Wang at an aggregate consideration of HK\$100; (c) Mr. YT Cheung transferred his 45 shares in TW Restaurant Holding to Kang Wang at a consideration of HK\$45; (d) Mr. WK Cheung transferred his 100 shares in TW Restaurant Holding to Kang Wang at a consideration of HK\$100; and (e) Mr. YP Cheung transferred his 45 shares in TW Restaurant Holding to Kang Wang at a consideration of HK\$45.
- (v) **Win Idea:** On February 6, 2012, (a) Mr. Lee transferred his 235,715 shares in Win Idea to Kang Wang at an aggregate consideration of HK\$235,715; (b) Mr. Ho transferred his 128,572 shares in Win Idea to Kang Wang at an aggregate consideration of HK\$128,572; (c) Mr. YT Cheung transferred his 42,857 shares in Win Idea to Kang Wang at an aggregate consideration of HK\$42,857; and (d) Mr. WK Cheung transferred his 42,857 shares in Win Idea to Kang Wang at an aggregate consideration of HK\$42,857. On February 7, 2012, Mr. YP Cheung transferred his 42,857 shares in Win Idea to Kang Wang at an aggregate consideration of HK\$42,857.
- (vi) **Senfield:** On February 6, 2012, (a) Mr. Lee transferred his 405 shares in Senfield to Kang Wang at an aggregate consideration of HK\$405; (b) Mr. Ho transferred his 310 shares in Senfield to Kang Wang at an aggregate consideration of HK\$310; (c) Mr. WK Cheung transferred his 95 shares in Senfield to Kang Wang at an aggregate consideration of HK\$95; (d) Mr. YP Cheung transferred his 95 shares in Senfield to Kang Wang at an aggregate consideration of HK\$95; and (e) Mr. YT Cheung transferred his 95 shares in Senfield to Kang Wang at an aggregate consideration of HK\$95.

HISTORY, DEVELOPMENT AND REORGANIZATION

- (vii) **Billioncom:** On February 6, 2012, (a) Mr. Lee transferred his 25 shares in Billioncom to Kang Wang at an aggregate consideration of HK\$25; (c) Mr. Ho transferred his 25 shares in Billioncom to Kang Wang at an aggregate consideration of HK\$25; (c) Mr. WK Cheung transferred his 25 shares in Billioncom to Kang Wang at an aggregate consideration of HK\$25; (d) Mr. YP Cheung transferred his ten shares in Billioncom to Kang Wang at an aggregate consideration of HK\$10; and (e) Mr. YT Cheung transferred his 15 shares in Billioncom to Kang Wang at an aggregate consideration of HK\$15.
- (viii) **Kenglory:** On February 6, 2012, (a) Mr. Lee transferred his 50 shares in Kenglory to Kang Wang at an aggregate consideration of HK\$50; (b) Mr. Ho transferred his 50 shares in Kenglory to Kang Wang at an aggregate consideration of HK\$50; (c) Mr. YP Cheung transferred his 20 shares in Kenglory to Kang Wang at an aggregate consideration of HK\$20; (d) Mr. WK Cheung transferred his 75 shares in Kenglory to Kang Wang at an aggregate consideration of HK\$75; and (e) Mr. YT Cheung transferred his 30 shares in Kenglory to Kang Wang at an aggregate consideration of HK\$30.
- (ix) **Sky Oasis:** On February 6, 2012, Mr. Lee transferred his four shares in Sky Oasis to Kang Wang at an aggregate consideration of HK\$4; Mr. Ho transferred his three shares in Sky Oasis to Kang Wang at an aggregate consideration of HK\$3; and Mr. YT Cheung transferred his one share in Sky Oasis to Kang Wang at a consideration of HK\$1.
- (x) **Happy Oasis:** On February 6, 2012, Mr. Lee and Mr. Ho transferred their respective 30 shares in Happy Oasis to Kang Wang at an aggregate consideration of HK\$30 respectively; Mr. YP Cheung and Mr. YT Cheung transferred their respective ten shares in Happy Oasis to Kang Wang at an aggregate consideration of HK\$10 respectively; and Mr. WK Cheung transferred his 20 shares in Happy Oasis to Kang Wang at an aggregate consideration of HK\$20.
- (xi) **Royal Gold:** On February 6, 2012, (a) Mr. Lee transferred his four shares in Royal Gold to Kang Wang at an aggregate consideration of HK\$4; (b) Mr. Ho transferred his three shares in Royal Gold to Kang Wang at an aggregate consideration of HK\$3; and (c) Mr. YT Cheung transferred his one share in Royal Gold to Kang Wang at a consideration of HK\$1.
- (xii) **Dragonsea:** On February 6, 2012, Mr. Lee, Mr. Ho, Mr. YP Cheung, Mr. YT Cheung and Mr. WK Cheung transferred their respective two shares in Dragonsea to Kang Wang at an aggregate consideration of HK\$2 each.
- (xiii) **Joyhale:** On February 6, 2012, (a) Mr. Lee transferred his 5,000 shares in Joyhale to Kang Wang at an aggregate consideration of HK\$5,000; (b) Mr. Ho transferred his 3,750 shares in Joyhale to Kang Wang at an aggregate consideration of HK\$3,750; and (c) Mr. YT Cheung transferred his 1,250 shares in Joyhale to Kang Wang at an aggregate consideration of HK\$1,250.
- (xiv) **TW Efford:** On February 6, 2012, Mr. Lee transferred his two shares in TW Efford to Kang Wang at an aggregate consideration of HK\$2; Mr. Ho transferred his two shares in TW Efford to Kang Wang at an aggregate consideration of HK\$2; Mr. YP Cheung transferred his two shares in TW Efford to Kang Wang at an aggregate consideration of HK\$2; Mr. WK Cheung transferred his two shares in TW Efford to Kang Wang at an aggregate consideration of HK\$2; and Mr. YT Cheung transferred his 2 shares in TW Efford to Kang Wang at a consideration of HK\$2.

HISTORY, DEVELOPMENT AND REORGANIZATION

- (xv) **Common Way:** On February 6, 2012, (a) Mr. Lee transferred his four shares in Common Way to Kang Wang at an aggregate consideration of HK\$4; (b) Mr. Ho transferred his three shares in Common Way to Kang Wang at an aggregate consideration of HK\$3; (c) Mr. YP Cheung transferred his one share in Common Way to Kang Wang at a consideration of HK\$1; (d) Mr. YT Cheung transferred his one share in Common Way to Kang Wang at a consideration of HK\$1; and (e) Mr. WK Cheung transferred his one share in Common Way to Kang Wang at a consideration of HK\$1.
- (xvi) **Ever Million Rich:** On February 6, 2012, (a) Mr. Lee transferred his four shares in Ever Million Rich to Kang Wang at an aggregate consideration of HK\$4; (b) Mr. Ho transferred his three shares in Ever Million Rich to Kang Wang at an aggregate consideration of HK\$3; (c) Mr. YP Cheung transferred his one share in Ever Million Rich to Kang Wang at a consideration of HK\$1; (d) Mr. YT Cheung transferred his one share in Ever Million Rich to Kang Wang at a consideration of HK\$1; and (e) Mr. WK Cheung transferred his one share in Ever Million Rich to Kang Wang at a consideration of HK\$1.
- (xvii) **Flying Gold:** On February 6, 2012, (a) Mr. Lee transferred his four shares in Flying Gold to Kang Wang at an aggregate consideration of HK\$4; (b) Mr. Ho transferred his three shares in Flying Gold to Kang Wang at an aggregate consideration of HK\$3; (c) Mr. YP Cheung transferred his one share in Flying Gold to Kang Wang at a consideration of HK\$1; (d) Mr. YT Cheung transferred his one share in Flying Gold to Kang Wang at a consideration of HK\$1; and (e) Mr. WK Cheung transferred his one share in Flying Gold to Kang Wang at a consideration of HK\$1.
- (xviii) **Golden York:** On February 6, 2012, (a) Mr. Lee transferred his four shares in Golden York to Kang Wang at an aggregate consideration of HK\$4; (b) Mr. Ho transferred his three shares in Golden York to Kang Wang at an aggregate consideration of HK\$3; (c) Mr. YP Cheung transferred his one share in Golden York to Kang Wang at a consideration of HK\$1; (d) Mr. YT Cheung transferred his one share in Golden York to Kang Wang at a consideration of HK\$1; and (e) Mr. WK Cheung transferred his one share in Golden York to Kang Wang at a consideration of HK\$1.
- (xix) **Pioneer Ray:** On February 6, 2012, (a) Mr. Lee transferred his four shares in Pioneer Ray to Kang Wang at an aggregate consideration of HK\$4; (b) Mr. Ho transferred his three shares in Pioneer Ray to Kang Wang at an aggregate consideration of HK\$3; (c) Mr. YP Cheung transferred his one share in Pioneer Ray to Kang Wang at a consideration of HK\$1; (d) Mr. YT Cheung transferred his one share in Pioneer Ray to Kang Wang at a consideration of HK\$1; and (e) Mr. WK Cheung transferred his one share in Pioneer Ray to Kang Wang at a consideration of HK\$1.
- (xx) **Richberg:** On February 6, 2012, (a) Mr. Lee transferred his four shares in Richberg to Kang Wang at an aggregate consideration of HK\$4; (b) Mr. Ho transferred his three shares in Richberg to Kang Wang at an aggregate consideration of HK\$3; (c) Mr. YP Cheung transferred his one share in Richberg to Kang Wang at a consideration of HK\$1; (d) Mr. YT Cheung transferred his one share in Richberg to Kang Wang at a consideration of HK\$1; and (e) Mr. WK Cheung transferred his one share in Richberg to Kang Wang at a consideration of HK\$1.
- (xxi) **Special Wise:** On February 6, 2012, (a) Mr. Lee transferred his four shares in Special Wise to Kang Wang at an aggregate consideration of HK\$4; (b) Mr. Ho transferred his three shares in Special Wise to Kang Wang at an aggregate consideration of HK\$3; (c) Mr. YP Cheung transferred his one share in Special Wise to Kang Wang at a

HISTORY, DEVELOPMENT AND REORGANIZATION

consideration of HK\$1; (d) Mr. YT Cheung transferred his one share in Special Wise to Kang Wang at a consideration of HK\$1; and (e) Mr. WK Cheung transferred his one share in Special Wise to Kang Wang at a consideration of HK\$1.

(xxii) **Summer Rich:** On February 6, 2012, (a) Mr. Lee transferred his four shares in Summer Rich to Kang Wang at an aggregate consideration of HK\$4; (b) Mr. Ho transferred his three shares in Summer Rich to Kang Wang at an aggregate consideration of HK\$3; (c) Mr. YP Cheung transferred his one share in Summer Rich to Kang Wang at a consideration of HK\$1; (d) Mr. YT Cheung transferred his one share in Summer Rich to Kang Wang at a consideration of HK\$1; and (e) Mr. WK Cheung transferred his one share in Summer Rich to Kang Wang at a consideration of HK\$1.

(xxiii) **TW Catering:** On February 6, 2012, Mr. Lee transferred his four shares in TW Catering to Kang Wang at an aggregate consideration of HK\$4, Mr. YP Cheung transferred his one share in TW Catering to Kang Wang at an aggregate consideration of HK\$1, Mr. WK Cheung transferred his one share in TW Catering to Kang Wang at a consideration of HK\$1, Mr. Ho transferred his three shares in TW Catering to Kang Wang at an aggregate consideration of HK\$3 and Mr. YT Cheung transferred his one Share in TW Catering to Kang Wang at a consideration of HK\$1.

(xxiv) **TW Patent:** On November 1, 2011, (a) Mr. Lee transferred his four shares in TW Patent to Kang Wang at an aggregate consideration of US\$4; (b) Mr. Ho transferred his three shares in TW Patent to Kang Wang at an aggregate consideration of US\$3; and (c) Mr. YT Cheung transferred his one share in TW Patent to Kang Wang at a consideration of US\$1.

(xxv) **China Sure:** On November 1, 2012, (a) Mr. Lee transferred his four shares in China Sure to Kang Wang at an aggregate consideration of HK\$4; (b) Mr. Ho transferred his three shares in China Sure to Kang Wang at an aggregate consideration of HK\$3; (c) Mr. YP Cheung transferred his one share in China Sure to Kang Wang at a consideration of HK\$1; (d) Mr. YT Cheung transferred his one share in China Sure to Kang Wang at a consideration of HK\$1; and (e) Mr. WK Cheung transferred his one share in China Sure to Kang Wang at a consideration of HK\$1.

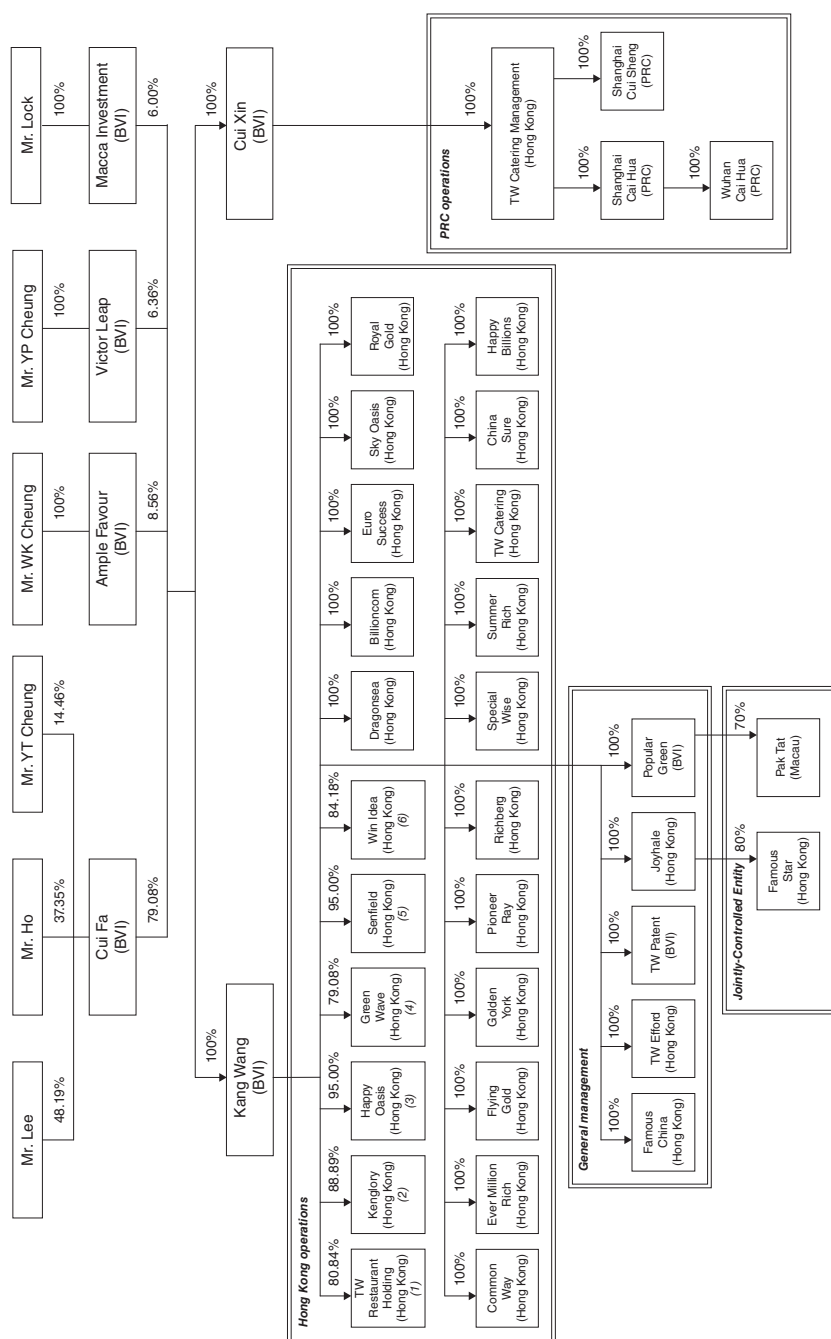
(xxvi) **Popular Green:** On November 1, 2011, (a) Mr. Lee transferred his 25,000 shares in Popular Green to Kang Wang at an aggregate consideration of US\$25,000; (b) Mr. Ho transferred his 18,750 shares in Popular Green to Kang Wang at an aggregate consideration of US\$18,750; and (c) Mr. YT Cheung transferred his 6,250 shares in Popular Green to Kang Wang at an aggregate consideration of US\$6,250.

(xxvii) **Famous China:** On February 6, 2012, (a) Mr. Lee transferred his four shares in Famous China to Kang Wang at an aggregate consideration of HK\$4; (b) Mr. Ho transferred his three shares in Famous China to Kang Wang at a consideration of HK\$3; (c) Mr. YP Cheung transferred his one share in Famous China to Kang Wang at a consideration of HK\$1; (d) Mr. YT Cheung transferred his one share in Famous China to Kang Wang at a consideration of HK\$1; and (e) Mr. WK Cheung transferred his one share in Famous China to Kang Wang at a consideration of HK\$1.

(xxviii) **TW Catering Management:** On February 13, 2012, (i) Mr. Lee transferred his 600,000 shares in TW Catering Management to Cui Xin in consideration for shares in Cui Xin; (ii) Mr. Ho transferred his 450,000 shares in TW Catering Management to Cui Xin in consideration for shares in Cui Xin; and (iii) Mr. YT Cheung transferred his 150,000 shares in TW Catering Management to Cui Xin in consideration for shares in Cui Xin.

HISTORY, DEVELOPMENT AND REORGANIZATION

Set forth below is the corporate structure of our Group immediately following the completion of the Kang Wang/Cui Xin Restructuring (as at February 14, 2012):



Notes:

- Notes:
- (1) TW Restaurant Holding was held as to approximately 80.84% by Kang Wang and as to approximately 5.32%, 5.32%, 2.13%, 2.13% and 4.26%, respectively, by Mr. WONG Tai Shang* (黃大生), Mr. GE Wai Keung* (葛偉強), Mr. CHEUNG Yuen Hing* (張源慶), Ms. LEUNG Lai Ching* (梁麗清) and Mr. TSANG Kin Hung (曾建雄), each being an Independent Third Party.
- (2) Kengriory was held as to approximately 88.89% by Kang Wang and as to approximately 8.89% and 2.22%, respectively, by Mr. TSANG Kin Hung (曾建雄) and Mr. WONG Sin Mau (王善謀), each being an Independent Third Party.
- (3) Happy Oasis was held as to 95.00% by Kang Wang and as to 5.00% by Mr. Chau, an employee of our Group and an Independent Third Party.
- (4) Green Wave was held as to approximately 79.08% by Kang Wang and as to approximately 0.71%, 1%, 5%, 5%, 0.71%, 1%, 2% and 5.50% by Mr. CHEUNG Woon Kei* (張煥基), Ms. WONG Mei May (王美眉), Mr. CHEUNG Yuen Hing* (張源慶), Mr. WONG Sin Mau (王善謀), Mr. Li Man (李晚), Ms. CHAN Choi Lin* (陳彩蓮), Mr. LEUNG Kam Kwong* (梁錦光) and Mr. Chau, each being an Independent Third Party.
- (5) Senfield was held as to 95.00% by Kang Wang and 5.00% is held by Mr. CHOY Chi Wai* (蔡志偉), an Independent Third Party.
- (6) Win Idea was held as to approximately 84.18% by Kang Wang and as to approximately 7.14%, 7.14%, 7.14%, 0.77% and 0.77%, respectively, by Mr. Li Man (李晚), Mr. CHEUNG Woon Kee (張煥基), each being an Independent Third Party, Mr. Li Yuen Shuen (李遠宣) brother of Mr. Lee and the estate of Mr. Lee Sair Lit (李杜烈), deceased father of Mr. Lee.

HISTORY, DEVELOPMENT AND REORGANIZATION

In order to streamline our shareholding structure, our Group underwent the following shareholding adjustments following the completion of the Kang Wang/Cui Xin Restructuring but prior to the Reorganization:

- (i) **Kenglory:** On March 19, 2012, Mr. TSANG Kin Hung (曾建雄) transferred his 800 shares in Kenglory to Kang Wang for an aggregate consideration of HK\$1,200,000 and Mr. WONG Sin Mau (王善謀) transferred his 200 shares in Kenglory to Kang Wang for an aggregate consideration of HK\$300,000. The consideration amounts were calculated with reference to a certain multiple of the initial investment amount after arm's length negotiations and were settled by way of cash.

Following completion of the transfers, Kenglory became a wholly-owned subsidiary of Kang Wang.

- (ii) **Win Idea:** On March 13, 2012, (i) Mr. LI Yuen Shuen (李遠宣) transferred his 10,714 shares in Win Idea to Kang Wang for an aggregate consideration of HK\$10,714; (ii) Mr. LI Man (李晚) transferred his 100,000 shares in Win Idea to Kang Wang for an aggregate consideration of HK\$400,000 and (iii) Mr. CHEUNG Woon Kee (張煥基) transferred his 100,000 shares in Win Idea to Kang Wang for an aggregate consideration of HK\$400,000. The consideration amounts were calculated with reference to a certain multiple of the initial investment amount (except for Mr. LI Yuen Shuen, brother of Mr. Lee, consideration of which was the initial investment amount rather than a multiple of the initial investment amount) after arm's length negotiations and were settled by way of cash.

Following the completion of the transfers, Win Idea was held as to 99.23% by Kang Wang and as to 0.77% by the estate of Mr. LEE Sair Lit (李社烈).

- (iii) **TW Restaurant Holding:** On March 13, 2012, (i) Mr. WONG Tai Shang* (黃大生) transferred his 500 shares in TW Restaurant Holding to Kang Wang for an aggregate consideration of HK\$1,500,000; (ii) Mr. GE Wai Keung* (葛偉強) transferred his 500 shares in TW Restaurant Holding to Kang Wang for an aggregate consideration of HK\$1,500,000; (iii) Mr. CHEUNG Yuen Hing* (張源慶) transferred his 200 shares in TW Restaurant Holding to Kang Wang for an aggregate consideration of HK\$600,000; (iv) Ms. LEUNG Lai Ching* (梁麗清) transferred her 200 shares in TW Restaurant Holding to Kang Wang for an aggregate consideration of HK\$600,000; and (v) Mr. TSANG Kin Hung (曾建雄) transferred his 400 shares in TW Restaurant Holding to Kang Wang for an aggregate consideration of HK\$1,200,000. The consideration amounts were calculated with reference to a certain multiple of the initial investment amount after arm's length negotiations and were settled by way of cash.

Following the completion of the transfers, TW Restaurant Holding became a wholly-owned subsidiary of Kang Wang.

- (iv) **Green Wave:** On March 13, 2012, (i) Mr. CHEUNG Woon Kei* (張煥基) transferred his 71 shares in Green Wave to Kang Wang for an aggregate consideration of HK\$30,000; (ii) Ms. WONG Mei May (王美眉) transferred her 100 shares in Green Wave to Kang Wang for an aggregate consideration of HK\$40,000; (iii) Mr. CHEUNG Yuen Hing* (張源慶) transferred his 500 shares in Green Wave to Kang Wang for an aggregate consideration of HK\$200,000; (iv) Mr. WONG Sin Mau (王善謀) transferred his 500 shares in Green Wave to Kang Wang for an aggregate consideration of HK\$200,000; (v) Mr. LI Man (李晚) transferred his 71 shares in Green Wave to Kang Wang for an aggregate consideration of HK\$30,000; (vi) Ms. CHAN Choi Lin* (陳彩蓮) transferred her 100 shares in Green Wave to Kang Wang for an aggregate

HISTORY, DEVELOPMENT AND REORGANIZATION

consideration of HK\$40,000; and (vii) Mr. LEUNG Kam Kwong* (梁錦光) transferred his 200 shares in Green Wave to Kang Wang for an aggregate consideration of HK\$80,000. The consideration amounts were calculated with reference to a certain multiple of the initial investment amount after arm's length negotiations and were settled by way of cash.

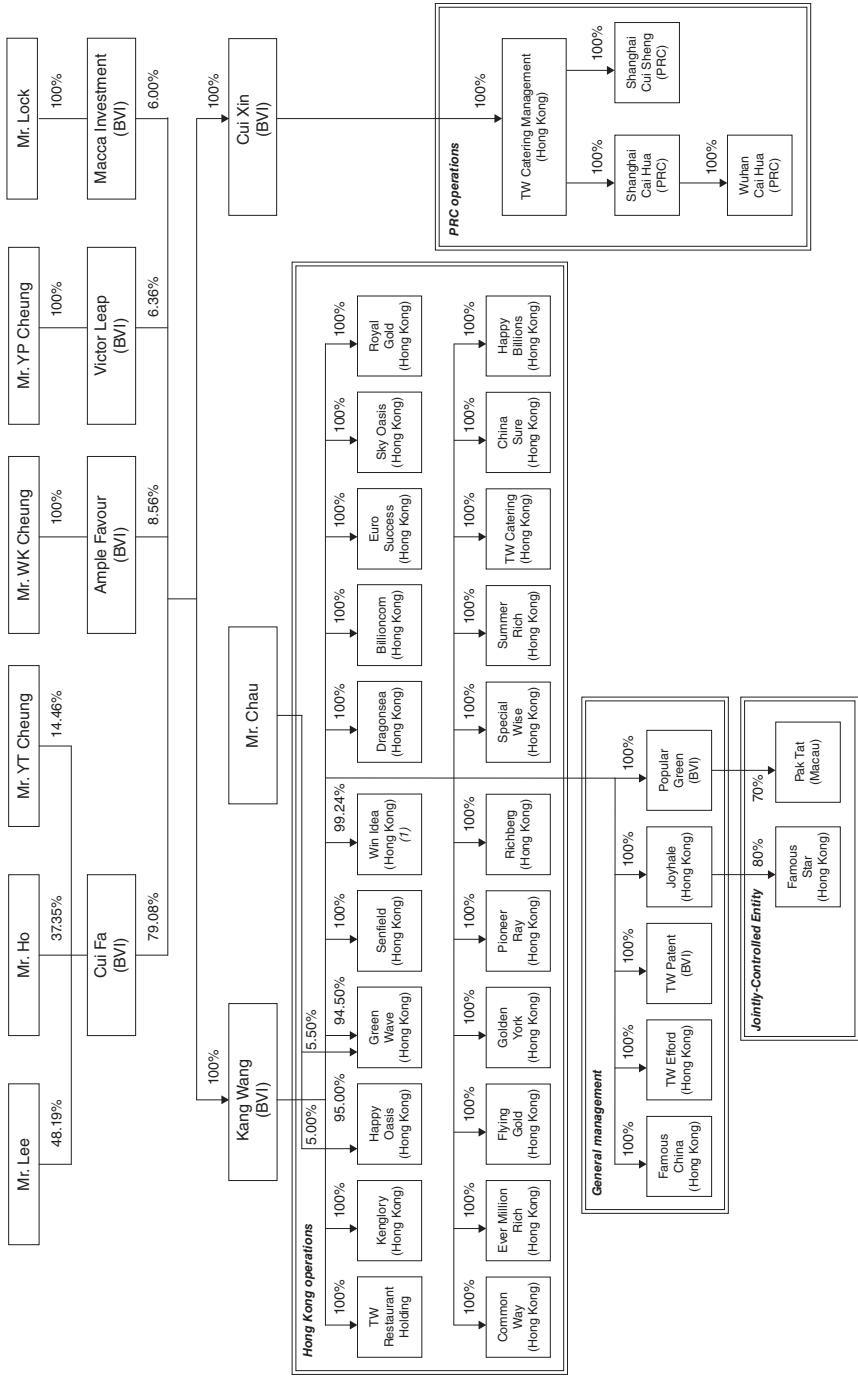
Following the completion of the transfers, Green Wave was held as to 94.50% by Kang Wang, and as to 5.50% by Mr. Chau.

- (v) **Senfield:** On May 17, 2012, Mr. CHOY Chi Wai* (蔡志偉) transferred his 500 shares in Senfield to Kang Wang for an aggregate consideration of HK\$5,000,000. Following the completion of such transfer, Senfield became a wholly-owned subsidiary of Kang Wang. Such consideration was calculated with reference to a certain multiple of the initial investment amount after arm's length negotiation and was settled by way of cash.

HISTORY, DEVELOPMENT AND REORGANIZATION

Reorganization

Set out below is the shareholding and corporate structure of our Group immediately prior to the implementation of our Reorganization (as at May 28, 2012):



(1) Win Idea was held as to approximately 99.23% by Kang Wang and as to approximately 0.77% by the estate of Mr. LEE Sair Lit (李社烈), deceased father of Mr. Lee.

HISTORY, DEVELOPMENT AND REORGANIZATION

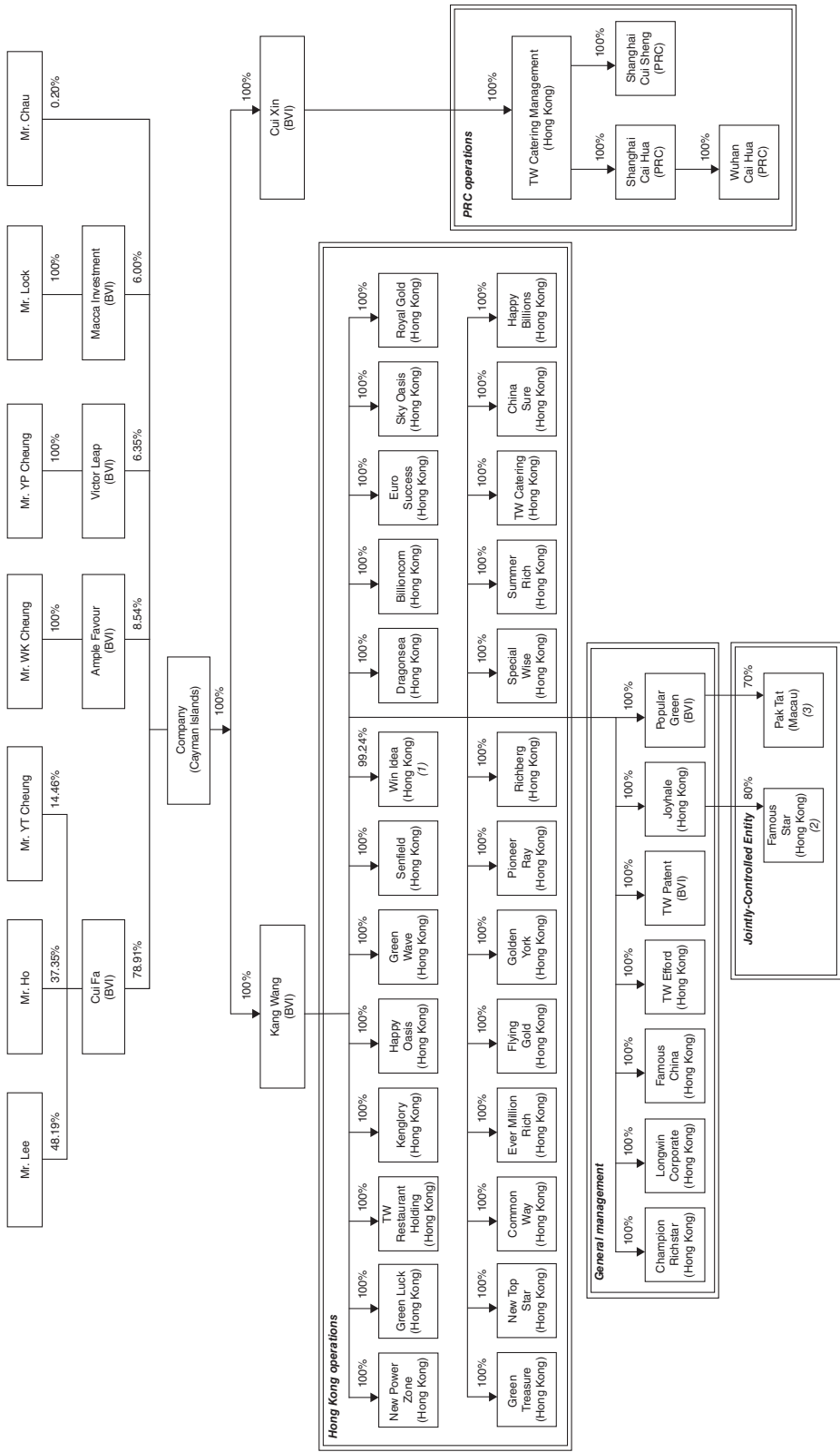
The Reorganization, the purpose of which is to consolidate all of our subsidiaries into our Company in preparation for the [●], involved the following steps:

- (i) On May 29, 2012, our Company was incorporated with limited liability in the Cayman Islands with an authorized share capital of HK\$100,000,000 divided into 10,000,000,000 Shares of HK\$0.01 each. On the same day, one Share was allotted, issued and credited as fully paid to our Company's initial subscriber, and was subsequently transferred to Cui Fa.
- (ii) On June 21, 2012, each of Cui Xin, Cui Fa, Ample Favour, Victor Leap, Mr. Chau and Kang Wang entered into the Restructuring Agreement to implement part of our Reorganization, pursuant to which:
 - (a) on June 21, 2012, Kang Wang acquired 550 shares in Green Wave and 500 shares in Happy Oasis from Mr. Chau, in consideration for which Kang Wang, Cui Fa, Ample Favour, Victor Leap transferred 3,439 shares in Kang Wang, 372 shares in Kang Wang and 277 shares in Kang Wang, respectively to Mr. Chau. The transfer of the shares in Kang Wang by Cui Fa, Ample Favour and Victor Leap to Mr. Chau took the form of a shareholder's contribution towards Kang Wang without any consideration directly or indirectly from Kang Wang, including but not limited to, any adjustment to its then existing shareholding in Kang Wang; and
 - (b) on June 29, 2012, Cui Fa, Ample Favour, Victor Leap, Macca Investment and Mr. Chau subscribed for 157,818,399 Shares, 17,081,600 Shares, 12,691,200 Shares, 12,000,000 Shares and 408,800 Shares, respectively, at par for cash.
- (iii) On June 30, 2012, each of Kang Wang, Cui Xin and our Company entered into the Sale and Purchase Agreement to implement part of our Reorganization, pursuant to which:
 - (a) on June 30, 2012, our Company acquired 787,372, 85,222, 63,318, 60,000 and 4,088 shares in Kang Wang, representing its entire issued share capital, respectively, from Cui Fa, Ample Favour, Victor Leap, Macca Investment and Mr. Chau for cash at par; and
 - (b) on June 30, 2012, our Company acquired 790,811, 85,594, 63,595 and 60,000 shares in Cui Xin, representing its entire issued share capital, respectively, from Cui Fa, Ample Favour, Victor Leap and Macca Investment for cash at par.

Following the completion of the above steps, our Company was held as to approximately 78.91%, 8.54%, 6.35%, 6.00% and 0.20%, respectively, by Cui Fa, Ample Favour, Victor Leap, Macca Investment and Mr. Chau, and our Company became the holding company of members of our Group.

HISTORY, DEVELOPMENT AND REORGANIZATION

Our Reorganization was completed on June 30. The following chart illustrates our shareholding and corporate structure immediately following the completion of the Reorganization, but prior to the [●]:



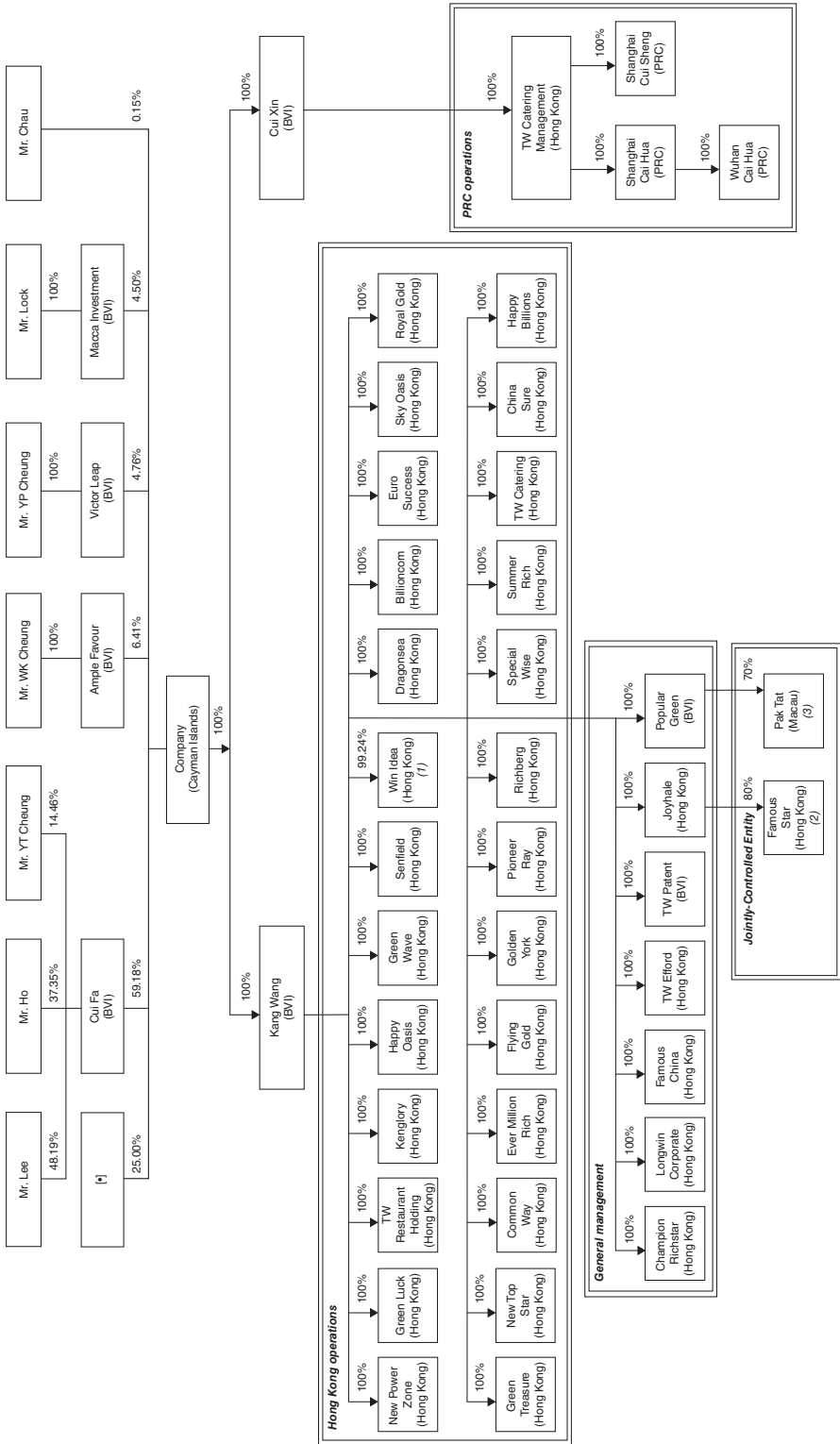
Notes:

- (1) Win Idea was held as to approximately 99.23% by Kang Wang and as to approximately 0.77% by the estate of Mr. LEE Sair Lit (李社烈), deceased father of Mr. Lee.
- (2) Famous Star is a Jointly-Controlled Entity, which is held as to 20% by our joint venture partner.
- (3) Pak Tat is a Jointly-Controlled Entity, which is held as to 30% by our joint venture partner.

HISTORY, DEVELOPMENT AND REORGANIZATION

OUR CORPORATE STRUCTURE

The following chart sets out the shareholding and corporate structure of our Group upon completion of the [●] and the [●] (without taking into account any Shares which may be allotted and issued upon any exercise of the [●] and the options which have been or may be granted under the [●] Share Option Scheme and Share Option Scheme):



Notes:

- (1) Win Idea is held as to approximately 99.23% by Kang Wang and as to approximately 0.77% by the estate of Mr. LEE Sair Lit (李社烈), deceased father of Mr. Lee.
- (2) Famous Star is a Jointly-Controlled Entity, which is held as to 20% by our joint venture partner, Multiplex Cinema Limited.
- (3) Pak Tat is a Jointly-Controlled Entity, which is held as to 30% by our joint venture partner, Boomview Enterprises Limited.