

SUBSTANTIAL SHAREHOLDER, INITIAL MANAGEMENT SHAREHOLDER AND SIGNIFICANT SHAREHOLDERS

SUBSTANTIAL SHAREHOLDER

So far as the Directors are aware, immediately after the completion of the Placing and the Capitalisation Issue (assuming the Over-allotment Option is not exercised), the only person directly or indirectly holding interest in 10 per cent. or more of the Shares for the purposes of the SDI Ordinance will be as follows:

Name	Number of Shares	Approximate percentage of holding	Approximate cost of investment (RMB)	Approximate cost of investment per Share (RMB)
Mr. Lin <i>(note)</i>	232,203,780	68.80%	46,000,000	0.20

Note:

Mr. Lin is also the Controlling Shareholder for the purpose of the GEM Listing Rules.

INITIAL MANAGEMENT SHAREHOLDER

Name	No of Shares after the Capitalisation Issue and before the Placing	Approximate percentage of holding before the Placing	Approximate percentage of holding after the Placing
Mr. Lin <i>(note)</i>	232,203,780	86.00%	68.80%

Immediately after the completion of the Placing and the Capitalisation Issue (assuming the Over-allotment Option is not exercised), Mr. Lin is interested in an aggregate of 231,203,780 Shares and will be entitled to exercise or control the exercise of or interested in approximately 68.80 per cent. of the issued share capital of the Company.

Note:

Mr. Lin is the Controlling Shareholder and Initial Management Shareholder for the purpose of the GEM Listing Rules. He is subject to the moratorium period as set out in Rule 13.16 of the GEM Listing Rules.

Mr. Lin has undertaken to the Company, the Sponsors and the Stock Exchange that, save as provided in Rule 13.17 of the GEM Listing Rules, he will not sell, transfer or otherwise dispose of (or enter into any agreement to sell, transfer or otherwise dispose of) or permit the registered holder to sell, transfer or otherwise dispose of (or enter into any agreement to sell, transfer or otherwise dispose of) any of his direct or indirect interests in any of the Shares held by him as at the Listing Date (the "Relevant Securities") during: (i) a period of six months commencing from the Listing Date (the "First Relevant Lock Up Period"); and (ii) the second six months commencing from the expiry of the First Relevant Lock Up Period if immediately following such sale, transfer or disposal, Mr. Lin would cease to control, directly or indirectly, less than 35 per cent. of the issued share capital of the Company.

SUBSTANTIAL SHAREHOLDER, INITIAL MANAGEMENT SHAREHOLDER AND SIGNIFICANT SHAREHOLDERS

Mr. Lin shall place in escrow, with an escrow agent acceptable to the Stock Exchange, his Relevant Securities during the First Relevant Lock Up Period and, to the extent appropriate, during the second six months commencing from the expiry of the First Relevant Lock Up Period on terms acceptable to the Stock Exchange.

Under Rule 17.43 of the GEM Listing Rules, the Company shall publish an announcement on being informed of, or on otherwise becoming aware of, any matter referred to in the undertakings mentioned above concerning the pledging or charging of any interests in the Relevant Securities by Mr. Lin. In these circumstances, the information to be announced will include the number and class of securities being pledged or charged, the purpose for which the pledge or charge is made, and in the event that the pledgee or chargee has disposed of or intends to dispose of any securities, details of the same, including the number of securities affected or to be affected.

SIGNIFICANT SHAREHOLDERS

So far as the Directors are aware, immediately after the completion of the Placing and the Capitalisation Issue (assuming the Over-allotment Option is not exercised), the persons directly or indirectly holding interest in 5 per cent. or more of the Shares, apart from the Initial Management Shareholder referred to above, will be as follows:

Name	Number of Shares	Approximate percentage of holding	Approximate cost of investment (HK\$)	Cost of investment per Share (HK\$)
Ms. Kwok Kin Kwok <i>(note)</i>	18,898,110	5.60%	15,960,000	0.84
Ms. Pok Lo Ha <i>(note)</i>	18,898,110	5.60%	15,960,000	0.84

Note:

Ms. Kwok Kin Kwok is a Hong Kong permanent resident and is engaged in various investment activities in the PRC including agriculture, hotel management and information technology. Ms. Kwok is an independent third party not connected with the Company, the Directors, its chief executive, management shareholders, substantial shareholders and any of their respective associates, and her holding of the equity interests in the Company is for investment purposes.

Ms. Pok Lo Ha is a Hong Kong permanent resident and is engaged in various trading and investment activities in the PRC. Ms. Pok is an independent third party not connected with the Company, the Directors, its chief executive, management shareholders, substantial shareholders and any of their respective associates, and her holding of the equity interests in the Company is for investment purposes.

Both Ms. Kwok Kin Kwok and Ms. Pok Lo Ha are Significant Shareholders for the purpose of the GEM Listing Rules. Each of Ms. Kwok and Ms. Pok is subject to the moratorium period as set out in Rule 13.18 of the GEM Listing Rules.

SUBSTANTIAL SHAREHOLDER, INITIAL MANAGEMENT SHAREHOLDER AND SIGNIFICANT SHAREHOLDERS

Each of the Significant Shareholders has severally undertaken to the Company, the Sponsors and the Stock Exchange that, (i) she will place in escrow, with an escrow agent acceptable to the Stock Exchange, the Shares held by her (excluding any Shares subscribed or purchased pursuant to the Placing) as at the Listing Date (the "Other Relevant Securities") for a period of six months from the Listing Date on terms acceptable to the Stock Exchange; and (ii) she will not, save as provided in Rule 13.19 of the GEM Listing Rules, sell, transfer or otherwise dispose of (or enter into any agreement to sell, transfer or otherwise dispose of) or permit the registered holder to sell, transfer or otherwise dispose of (or enter into any agreement to sell, transfer or otherwise dispose of) any of the direct or indirect interests held by her (excluding any Shares subscribed or purchased pursuant to the Placing) as at the Listing Date for a period of six months from the Listing Date.

Under Rule 17.43 of the GEM Listing Rules, the Company shall publish an announcement on being informed of, or on otherwise becoming aware of, any matter referred to in the undertakings mentioned above concerning the pledging or charging of any interests in the Relevant Securities by Ms. Kwok Kin Kwok or Ms. Pok Lo Ha. In these circumstances, the information to be announced will include the number and class of securities being pledged or charged, the purpose for which the pledge or charge is made, and in the event that the pledgee or chargee has disposed of or intends to dispose of any securities, details of the same, including the number of securities affected or to be affected.