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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

**If you have sold or transferred** all your shares in Anton Oilfield Services Group, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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安東油田服務集團

**Anton Oilfield Services Group**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code : 3337)**

**DISCLOSEABLE TRANSACTION**

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## DEFINITIONS

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*In this circular, the following expressions shall have the following meanings, unless the context otherwise requires:*

“Acquisition”	the acquisition of the Sale Shares by the Company from the Vendors in accordance with the terms of the Share Transfer Agreement
“Anton Oil”	安東石油技術(集團)有限公司 (Anton Oilfield Services (Group) Limited), an indirect wholly owned subsidiary of the Company established in the PRC
“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of directors of the Company
“Business Day”	a day on which banks are open for business in the PRC
“Company”	Anton Oilfield Services Group, a company incorporated in the Cayman Islands, the securities of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“First Vendor”	馮永勝先生 (Mr. Feng Yongsheng)
“Global Offering”	the global offering of the Company conducted in December 2007
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Latest Practicable Date”	11 September 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained therein
“Liwei Petroleum Technology”	勝利油田利威石油技術有限公司 (Shengli Oilfield Liwei Petroleum Technology Company Limited), a limited liability company incorporated in the PRC which is owned as to 89% by the Second Vendor and engages in the business of oilfield services
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

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## DEFINITIONS

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“Newco”	a new limited liability company to be established and tentatively to be named 山東普瑞思德石油技術有限公司 (Shandong Precede Petroleum Technology Company Limited) pursuant to the Reorganization
“Oldcos”	Qingdao Precede Technology and Liwei Petroleum Technology
“PRC”	the People’s Republic of China
“Qingdao Precede Technology”	青島普瑞思德科技有限公司 (Qingdao Precede Technology Company Limited), a limited liability company incorporated in the PRC which is owned as to 90% by the First Vendor and as to 10% by the Second Vendor and engages in the business of oilfield services
“Reorganization”	the reorganization to be undertaken by the parties in accordance with the terms of the Share Transfer Agreement to reorganize the oilfield services assets and businesses of Liwei Petroleum Technology and Qingdao Precede Technology
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Shares”	a 70% in the registered capital of Newco to be transferred by the Vendors to Anton Oil in accordance with the terms of the Share Transfer Agreement
“Second Vendor”	李聰解女士 (Ms. Li Congjie), who is the wife of the First Vendor
“SFO”	Securities and Futures Ordinance (Cap.571 of the Laws of Hong Kong)
“Shareholder(s)”	holder(s) of Shares
“Share Transfer Agreement”	the agreement dated 22 August 2008, entered into between the Vendors and the Company in respect of the Acquisition
“Shares”	ordinary shares of HK\$0.10 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendors”	the First Vendor and the Second Vendor
“%”	per cent.

For illustration purposes, amounts in RMB in this circular have been translated into HK\$ at RMB1 = HK\$1.137.

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LETTER FROM THE BOARD

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安東油田服務集團

**Anton Oilfield Services Group**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code : 3337)**

*Executive Directors:*

Mr. Luo Lin  
Mr. Ma Jian  
Mr. Pan Weiguo

*Registered Office:*

PO Box 309 GT, Uglund House  
South Church Street  
George Town, Grand Cayman  
Cayman Islands

*Independent non-executive Directors:*

Mr. Zhang Yongyi  
Mr. Zhu Xiaoping  
Mr. Wang Mingcai

*Principal place of business in Hong Kong:*

Unit 2109, Cosco Tower  
183 Queen's Road Central  
Hong Kong

17 September 2008

*To the Shareholders*

Dear Sir or Madam,

**DISCLOSEABLE TRANSACTION**

**INTRODUCTION**

On 22 August 2008, Anton Oil, a wholly owned subsidiary of the Company, the Vendors and Oldcos entered into the Share Transfer Agreement pursuant to which Anton Oil agreed to acquire the oilfield services business controlled by the Vendors.

The Acquisition constitutes a discloseable transaction for the Company under Rule 14.06 of the Listing Rules.

The purpose of this circular is to provide the Shareholders with the information on the Share Transfer Agreement and further information about the Company.

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## LETTER FROM THE BOARD

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### THE SHARE PURCHASE AGREEMENT

#### Date of the agreement

22 August 2008

#### Parties to the agreement

(1) The First Vendor;

The Second Vendor;

Qingdao Precede Technology; and

Liwei Petroleum Technology

The First Vendor and the Second Vendor are two individuals, who collectively control each of Qingdao Precede Technology and Liwei Petroleum Technology, which are principally engaged in the provision of oilfield services in the PRC. Prior to the date of the Share Transfer Agreement, the Group had no direct business relationships with the Vendors but had, in its ordinary and usual course of business, minor business transactions with Oldcos, which were providing oilfield services in the Shengli Oilfield (勝利油田), the Jidong Oilfield (冀東油田) and the Nanyang Oilfield (南陽油田) in China. The Company came into contact with the Vendors through its business association with Oldcos and there is no previous transaction between Oldcos, the Vendors and any members of the Group that need to be aggregated with the Acquisition in accordance with Rule 14.22 of the Listing Rules.

(2) Anton Oil, a wholly owned subsidiary of the Company

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, each of the Vendors, Qingdao Precede Technology and Liwei Petroleum Technology is an independent third party not connected with the Company or any of connected person.

#### The Acquisition

In accordance with the terms of the Share Transfer Agreement, the parties will undergo the Reorganization pursuant to which Newco will be established and each of Oldcos will inject their respective oilfield services businesses, which are primarily related to sand control and production enhancement services, including all related assets and personnel, to Newco whereupon the Vendors will transfer the Sale Shares, representing 70% of the registered capital of Newco, to Anton Oil. The oilfield services businesses represent the sole business of each of the Oldcos and the Reorganization was put in place to simplify the business structure of the oilfield services businesses under Oldcos by combining the two businesses of Qingdao Precede Technology and Liwei Petroleum Technology under a single

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## LETTER FROM THE BOARD

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entity of Newco. The Reorganization also serves to minimize the potential risks that may be associated with the Acquisition by segregating any debts and liabilities of Oldcos from the Group. Details of the Reorganization are as follows:

- (a) Promptly after the execution of the Share Transfer Agreement, Oldcos will jointly establish Newco in Dongying City, Shandong Province of the PRC. The respective shareholding of Oldcos in the registered capital of Newco will be determined by the value of assets to be injected by each of Qingdao Precede Technology and Liwei Petroleum Technology into Newco. Oldcos will inject their respective oilfield services assets as shown in their respective balance sheet on the valuation date, less the accounts receivable accrued before the valuation date, to Newco. The parties have further agreed that all debts and liabilities related to the oilfield services businesses prior to the transfer to Newco shall be borne by Oldcos. The total book value of the assets to be injected into Newco as determined by the unaudited accounts of Oldcos in accordance with the accounting standard of the PRC at the end of 2007 is approximately RMB32,817,000, which primarily include the land use rights, properties, equipment, inventories and cash on hand of Oldcos and will be subject to valuation by a qualified independent valuer in accordance with their market value as at 31 August 2008. The valuation to be conducted by the independent valuer will be based on comparing similar land and properties in the neighbouring areas for land and properties of Oldcos and replacement costs for equipment and other assets of Oldcos.
- (b) Promptly after the establishment of Newco, Oldcos will transfer their interests in Newco to the First Vendor and the Second Vendor. After completion of such transfers, Newco will be held as to 70% by the First Vendor and as to 30% by the Second Vendor.
- (c) Promptly after the completion of the changes to the registration particulars of Newco pursuant to the transfers described in paragraph (b) above, the First Vendor will transfer a 40% interest in the registered capital in Newco to Anton Oil, and the Second Vendor will transfer a 30% interest in the registered capital in Newco to Anton Oil. After completion of the transfers described in this paragraph, Newco will be held as to 30% by the First Vendor and as to 70% by Anton Oil. The Second Vendor will have no interest in Newco after completion of the transfers described in this paragraph.
- (d) At the same time of the transfer of the Sale Shares to Anton Oil, Anton Oil will also unilaterally inject RMB50 million cash into Newco and increase its registered capital. The fund required for the increase will be funded from the proceeds of the Global Offering. After completion of the transfer of the Sale Shares and the capital increase, the registered capital of Newco will be held as to 25% by the First Vendor and as to 75% by Anton Oil.

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## LETTER FROM THE BOARD

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### Consideration

The aggregate consideration for the acquisition of the Sale Shares is RMB160,000,000 and was determined after arm's length negotiation between the parties with reference to the unaudited after-tax profits of Oldcos in 2007, the book value of the oilfield services assets based on the unaudited accounts of Oldcos for the year ended 31 December 2007, and taking into consideration the market valuation of companies in similar industry in the PRC and the anticipated operational capacities of Newco and the compliment and growth and development potential that the added services of the oilfield services businesses of Oldcos could bring to the services of the Group.

The consideration for the Acquisition will be funded from the proceeds of the Global Offering and is consistent with the intended usage of such proceeds as disclosed in the prospectus of the Company dated 3 December 2007. The consideration is payable in the following manner:

- a 1st payment of RMB16,000,000 is payable within 10 Business Days of the signing of the Share Transfer Agreement;
- a 2nd payment of RMB112,000,000 is payable upon satisfaction of the 1st completion conditions set out below;
- a 3rd payment of RMB16,000,000 is payable one year from the establishment of Newco or at an earlier date upon satisfaction of the 2nd completion conditions set out below; and
- a final payment of RMB16,000,000 is payable upon satisfaction of the 3rd completion conditions set out below.

If Anton Oil fails to pay the consideration in accordance with the above schedule when they become due, Anton Oil shall pay a penalty equivalent to a daily interest of 0.03% on the overdue amount to the Vendors.

As at the Latest Practicable Date, the 1st payment has already been paid.

### Conditions

Completion of the Acquisition is conditional upon the fulfillment of the 1st completion conditions set out below. The 2nd completion conditions are conditions to regulate the timing for the 3rd payment and the 3rd completion conditions are conditions to regulate payment of the final payment. Both the 2nd completion conditions and the 3rd completion conditions do not affect completion of the Acquisition.

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## LETTER FROM THE BOARD

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### *1st Completion Conditions*

- (1) The parties having:
  - (a) established Newco and the transfer by Oldcos of their interests in Newco to the Vendors have obtained the approval from each of their respective shareholders;
  - (b) obtained approval from Newco's shareholders on the transfer of the Sale Shares to Anton Oil;
  - (c) obtained the approval from the board of each of Anton Oil and the Company, and if necessary, the approval of the shareholders of the Company; and
  - (d) obtained all necessary government approvals and completed the necessary registration procedures in relation to the transactions contemplated under the Share Transfer Agreement;
- (2) The Company being satisfied with the results of the due diligence on the oilfield services assets of Oldcos to be injected into Newco;
- (3) There has been no breach of any of the representations or warranties by the Vendors;
- (4) Oldcos have already contributed their oilfield services assets to Newco;
- (5) Newco having entered into an agency agreement with each of Oldcos to transfer all existing contracts of Oldcos to Newco or subcontract such businesses to Newco at the same prices. Before Newco obtaining the relevant qualifications as an independent supplier of materials and providers of technical services to the Shengli Oilfield, the Jidong Oilfield and the Nanyang Oilfield, Oldcos will serve as an agent for Newco to sign contracts with these customers and subcontract such businesses at the same prices to Newco without any commission;
- (6) All employees of Oldcos related to oilfield services entering into employment contracts with term of three years or more with Newco and each of such employees has entered into a confidentiality agreement with Newco; and
- (7) The Vendors having entered into, among others, the transfer agreement to transfer the Sale Shares to Anton Oil, having revised the articles of association of Newco to reflect Anton Oil's interest in Newco, and having completed the necessary registration of the transfer of the Sale Shares to Anton Oil with the relevant PRC authorities.

As at the Latest Practicable Date, condition 1(c) has been fulfilled.

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## LETTER FROM THE BOARD

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### *2nd Completion Conditions*

- (1) The conditions under the 1st completion conditions above have been fulfilled or waived. The Company has the sole discretion on whether to waive any of the 1st completion conditions and the Company currently has no intention to waive any of such conditions;
- (2) Newco has obtained (a) the relevant qualifications to act as an independent supplier of materials to the Shengli Oilfield, the Jidong Oilfield and the Nanyang Oilfield, and (b) the relevant qualifications to provide oilfield technical services independently to the Shengli Oilfield, the Jidong Oilfield and the Nanyang Oilfield;
- (3) There has been no breach of any of the representation or warranties by the Vendors; and
- (4) There has been no material breach by the Vendors of any of the provisions of the Share Transfer Agreement, the articles of association of Newco and related agreements in relation to the transaction contemplated under the Share Transfer Agreement.

### *3rd Completion Conditions*

- (1) Completion of the assignment of the land use rights and property ownership certificates of the properties in relation to the oilfield services assets to Newco.

### **Completion**

Conditional upon the satisfaction of the 1st completion conditions, the parties expect to complete the transfer of the Sale Shares to Anton Oil within 90 days from the execution of the Share Transfer Agreement, or upon agreement of the parties, to such later date as may be otherwise determined. If the transfer cannot be completed for reason of default by the Vendors, Anton Oil has the right to terminate the Share Transfer Agreement. In such an event, the Vendors shall refund all payments made by Anton Oil prior to the termination without interest and indemnify Anton Oil for all losses incurred.

### **Option**

Pursuant to the terms of the Share Transfer Agreement, the First Vendor has also granted to Anton Oil an exclusive option, exercisable at the discretion of Anton Oil within 1 year from 1 January 2011, to purchase the entire remaining equity interest of the First Vendor in Newco. Anton Oil is not required to pay the First Vendor a premium for the grant of the option. Upon the exercise of the option, the purchase price for the remaining equity interest of the First Vendor in Newco shall be based on 8 times of the audited after-tax profit based on IFRS for the previous year immediately prior to the exercise of the option attributable to the option interest in Newco but not less than RMB70 million. The purchase price under the option was determined by the parties after arm's length negotiations with reference to the current market valuations of companies in similar industry in the PRC and the aggregate of the consideration of the Acquisition and the capital increase of Newco. The Company will make a separate announcement and comply with the relevant requirements of

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## LETTER FROM THE BOARD

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Chapter 14 of the Listing Rules upon the exercise or termination of the option. As at the Latest Practicable Date, the Company has not form a view on whether or not to exercise the option.

### **Qingdao Precede Technology and Liwei Petroleum Technology**

Qingdao Precede Technology and Liwei Petroleum Technology are oilfield services operators primarily providing sand control and production enhancement services to the Shengli Oilfield, the Jidong Oilfield and the Nanyang Oilfield. Based on the respective unaudited management account of Qingdao Precede Technology and Liwei Petroleum Technology, after certain adjustments according to IFRS, the combined profits before and after tax of the oilfield service businesses to be acquired from Qingdao Precede Technology and Liwei Petroleum Technology are as follows:

	<b>For the year ended 31 December 2006 (Unaudited) RMB'000</b>	<b>For the year ended 31 December 2007 (Unaudited) RMB'000</b>
Profits before tax	22,095	27,555
Profits after tax	14,804	18,462

The combined unaudited total asset and net asset of the oilfield service related businesses of Qingdao Precede Technology and Liwei Petroleum Technology as at 31 December 2007 were approximately RMB 80,501,000 and RMB 42,404,000, respectively.

### **Financial effects of the Acquisition**

After completion of the Acquisition, Newco will become a 75% indirectly owned subsidiary of the Company and its financial results will be consolidated into the accounts of the Group.

It is not expected that the Acquisition will have any effect on the Group's net assets position upon completion of the Acquisition. Upon completion of the Acquisition, both the total assets and liabilities of the Group will be increased. The total assets of the Group will be increased by the amount equivalent to the total of the total assets of Newco and the goodwill resulting from the Acquisition, while the cash balance of the Group will be reduced by the amount of consideration already paid pursuant to the Share Purchase Agreement. The Group's total liabilities will be increased by the amount of consideration payable pursuant to the Share Purchase Agreement upon completion.

As of 30 June, 2008, the Group has a total of approximately RMB673.9 million in cash, term deposits and short-term investments. The Group believes that the payment of consideration pursuant to the Share Purchase Agreement will not have any significant impact on the Group's operations and the acquisition will not have any significant impact on the group's total assets and liabilities. The Directors expect that the Acquisition would enhance the earnings of the Group.

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## LETTER FROM THE BOARD

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### **Reasons for the transaction**

The Group is principally engaged in the provision of high-end oilfield services and products in the areas of well services, drilling services, production services and field services. The business to be acquired, primarily involving the provision of sand control and production enhancement technological services in the PRC, is in one of the core business areas of the Group. The Directors consider the acquisition can compliment and enhance the oilfield services being provided by the Group. Hence, the Directors consider the acquisition a good strategic fit and can help further enhance the Group's service capability and market position in the PRC.

The Directors (including the independent non-executive Directors) consider that the Share Transfer Agreement has been made on normal commercial terms and that such terms are fair and reasonable so far as the Company and the Shareholders are concerned and that the entering into of the Share Transfer Agreement is in the interest of the Company and the Shareholders as a whole.

### **GENERAL**

The transactions contemplated under the Share Transfer Agreement constitute a discloseable transaction for the Company under Rule 14.06 of the Listing Rules.

Your attention is also drawn to the additional information regarding the Group as set out in the appendix to this circular.

By Order of the Board  
**Anton Oilfield Services Group**  
**Luo Lin**  
*Chairman*

## 1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

## 2. DISCLOSURE OF INTERESTS

### (a) Directors' interests and short position

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to Section 352 of the SFO, to be entered in the register of the Company referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

#### (i) Long positions in shares and underlying shares of the Company

Name of Director	Capacity in which interests are held	Interests in Shares	Total interests as to % to the issued share capital of the Company	Note(s)
Luo Lin	Founder of a discretionary trust	689,146,150	32.93%	1
Ma Jian	Founder of a discretionary trust	87,850,550	4.20%	2
Pan Weiguo	Beneficiary in a trust	10,612,080	0.51%	3

*Notes:*

- Luo Lin and his family members are the beneficiaries of the Loles Trust, which is indirectly interested in Pro Development Holdings Corp., which in turn is interested in 689,146,150 Shares.
- Ma Jian and his family members are the beneficiaries of the Brewster Trust, which is indirectly interested in 60.4% of Anton Management Development Holdings Corp., which is interested in 87,850,550 Shares. Ma Jian is deemed to be interested in the 87,850,550 Shares held by Anton Management Development Holdings Corp. by virtue of the SFO.

3. Pan Weiguo is one of the beneficiaries of the Anton Harmony Trust, his vested interest is 10,612,080 Shares.

(ii) *Long positions in underlying shares of associated corporations of the Company*

<b>Name of Director</b>	<b>Name of associated corporation</b>	<b>Approximate % of shareholding</b>	<b>Notes</b>
Luo Lin	Pro Development Holdings Corp.	100%	1
Ma Jian	Anton Management Development Holdings Corp.	60.4%	2

*Notes:*

1. Luo Lin and his family members are the beneficiaries of the Loles Trust, which is indirectly interested in Pro Development Holdings Corp., which in turn is interested in 689,146,150 Shares.
2. Ma Jian and his family members are the beneficiaries of the Brewster Trust, which is indirectly interested in 60.4% of Anton Management Development Holdings Corp., which is interested in 87,850,550 Shares. Ma Jian is deemed to be interested in the 87,850,550 Shares held by Anton Management Development Holdings Corp. by virtue of the SFO.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and the chief executive of the Company had any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO), which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

Save as disclosed in this circular, none of the Directors or proposed Director is a director or employee of a company which has an interest in the shares and underlying shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

**(b) Directors' service contracts**

As at the Latest Practicable Date, each of the executive Directors has entered into a service contract with the Company for a term of 3 years commencing from the listing date (i.e. 14 December 2007), which may be terminated by not less than 3 months' notice in writing served by either party on the other.

Saved as disclosed above, none of the Directors has any existing or proposed service contracts with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

**(c) Directors' interests in competing businesses**

As at the Latest Practicable Date, none of the Directors or the chief executive of the Company and their respective associates had any interest in a business which competes or may compete with the business of the Group.

**3. SUBSTANTIAL SHAREHOLDERS**

- (a) As at the Latest Practicable Date, according to the register kept by the Company pursuant to Section 336 of the SFO, the following persons and companies (other than the Directors or chief executive of the Company) had, or were deemed or taken to have interests or short positions in the Shares or underlying shares of the Company, which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO:

*Long positions in the shares of the Company*

<b>Name of Shareholder</b>	<b>Capacity in which interests are held</b>	<b>Interests in Shares</b>	<b>Total interests as to % to the issued share capital of the Company</b>	<i>Note(s)</i>
Avalon Assets Limited	Interest of a controlled corporation	689,146,150	32.93%	<i>1</i>
Pro Development Holdings Corp.	Beneficial owner	689,146,150	32.93%	
China Renaissance Capital Investment, L.P.	Interest of a controlled corporation	375,000,000	17.92%	<i>2 and 3</i>
China Harvest Fund, L.P.	Interest of a controlled corporation	375,000,000	17.92%	<i>3</i>
ErDOS Holding Company Limited	Beneficial owner	375,000,000	17.92%	
Seletar Limited	Interest of a controlled corporation	221,241,825	10.57%	<i>4 and 5</i>
Serangoon Limited	Interest of a controlled corporation	221,241,825	10.57%	<i>4 and 5</i>
Elyon Limited	Interest of a controlled corporation	210,629,745	10.06%	<i>5</i>
Elyon Limited	Beneficial owner	10,612,080	0.51%	<i>5A</i>
Forever Mark Group Limited	Beneficial owner	210,629,745	10.06%	

Name of Shareholder	Capacity in which interests are held	Interests in Shares	Total interests as to % to the issued share capital of the Company	Note(s)
Eric Xun Li	Interest of a controlled corporation	146,644,740	7.01%	6, 7, 8, 9 and 10
Yijing Zhu Li	Interest of spouse	146,644,740	7.01%	6, 7, 8, 9 and 10
EXL Holdings LLC	Interest of a controlled corporation	146,644,740	7.01%	8, 9 and 10
Chengwei Ventures Evergreen Management, LLC	Interest of a controlled corporation	146,644,740	7.01%	9 and 10
Chengwei Ventures Evergreen Fund, LP	Interest of a controlled corporation	146,644,740	7.01%	10
Chengwei Anton Holdings Inc.	Beneficial owner	146,644,740	7.01%	

## Notes:

1. Avalon Assets Limited holds 100% issued share capital in Pro Development Holdings Corp. and therefore, Avalon Assets Limited is deemed or taken to be interested in 689,146,150 Shares which are beneficially owned by Pro Development Holdings Corp.. Avalon Assets Limited is in turn held by Credit Suisse Trust Limited (“Credit Suisse Trust”) acting as trustee of the Loles Trust. The Loles Trust is an irrevocable discretionary trust set up by Luo Lin as settlor and Credit Suisse Trust as trustee on 16 November 2007. The beneficiaries under the Loles Trust are Luo Lin and his family members.
2. China Renaissance Capital Investment, L.P. is the general partner of China Harvest Fund, L.P. and therefore, China Renaissance Capital Investment, L.P. is deemed or taken to be interested in the 375,000,000 Shares which are beneficially owned by Erdos Holding Company Limited for the purposes of the SFO.
3. China Harvest Fund, L.P. holds approximately 97.83% issued share capital in Erdos Holding Company Limited and therefore, China Harvest Fund, L.P. is deemed or taken to be interested in the 375,000,000 Shares which are beneficially owned by Erdos Holding Company Limited for the purposes of the SFO.
4. Each of Seletar Limited and Serangoon Limited holds 50% issued share capital in Elyon Limited and therefore each of Seletar Limited and Serangoon Limited is deemed or taken to be interested in 221,241,825 Shares which are beneficially owned by Forever Mark Group Limited.
5. Elyon Limited holds the entire issued share capital in Forever Mark Group Limited. and therefore Elyon Limited is deemed or taken to be interested in 210,629,745 Shares which are beneficially owned by Forever Mark Group Limited.
- 5A. Elyon Limited holds such shares for Anton Harmony Trust, a trust in which Mr. Pan Weiguo, an executive Director is a beneficiary. Mr. Pan’s vested interest under the trust in the Company is 10,612,080 Shares.

6. Eric Xun Li holds over one third of the voting rights of EXL Holdings LLC and therefore, Eric Xun Li is deemed or taken to be interested in the 146,644,740 Shares which are beneficially owned by Chengwei Anton Holdings Inc. for the purposes of the SFO.
  7. Yijing Zhu Li is Eric Xun Li's spouse and is deemed or taken to be interested, for the purposes of the SFO, 146,644,740 Shares which are beneficially owned by Chengwei Anton Holdings Inc.
  8. EXL Holdings LLC holds over one third of the voting rights of Chengwei Ventures Evergreen Management, LLC and therefore, EXL Holdings LLC is deemed or taken to be interested in the 146,644,740 Shares which are beneficially owned by Chengwei Anton Holdings Inc. for the purposes of the SFO.
  9. Chengwei Ventures Evergreen Management, LLC is the general partner of Chengwei Ventures Evergreen Fund, LP and therefore, Chengwei Ventures Evergreen Management, LLC is deemed or taken to be interested in the 146,644,740 Shares which are beneficially owned by Chengwei Anton Holdings Inc. for the purposes of the SFO.
  10. Chengwei Ventures Evergreen Fund, LP holds approximately 83.7% issued share capital in Chengwei Anton Holdings Inc. and therefore, Chengwei Ventures Evergreen Fund, LP is deemed or taken to be interested in the 146,644,740 Shares which are beneficially owned by Chengwei Anton Holdings Inc. for the purposes of the SFO.
- (b) As at the Latest Practicable Date, so far as is known to the Directors, the following persons and companies (other than the Director or chief executive of the Company) were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

Name of shareholder	Name of company	Approximate percentage shareholding
王世宏 (Wang Shihong)	Xiguan Antong	49%

Save as disclosed above, the Directors and chief executive of the Company were not aware of any person who has an interest or short position in the shares, or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

#### 4. INTEREST IN ASSETS

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in the promotion of, or in any assets which have been, within the two years immediately preceding the date of this circular, acquired or disposed of by or leased to any member of the Group.

**5. LITIGATION**

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or claim of material importance and, so far as the Directors were aware, no litigation or claims of material importance were pending or threatened by or against any member of the Group.

**6. GENERAL**

- (a) The company secretary of the Company is Ngai Wai Fung. Mr. Ngai is a fellow of the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators in the United Kingdom and a member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants.
- (b) The qualified accountant of the Company is Liu Yu. Ms. Liu is a professional accountant, a member of the American Institute of Certified Public Accountants, an associate of the National Institute of Accountants and an associate of the Institute of Financial Accountants.
- (c) The registered office of the Company is at PO Box 309 GT, Uglan House, South Church Street, George Town, Grand Cayman, Cayman Islands and the principal place of business of the Company in Hong Kong is at Unit 2109, Cosco Tower, 183 Queen's Road Central, Hong Kong.
- (d) The principal share registrar and transfer office of the Company in the Cayman Islands is Butterfield Fund Services (Cayman) Limited, Butterfield House, 68 Fort Street, P.O. Box 75, George Town, Grand Cayman KY 1-1107, Cayman Islands. The branch share registrar and transfer office of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (e) The English text of this circular will prevail over the Chinese text.