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## HISTORY, REORGANIZATION AND CORPORATE STRUCTURE

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### OVERVIEW

We are a leading e-commerce company dedicated to serving the electronic manufacturing industry in China. We operate the largest transaction-based e-commerce platform for IC and other electronic components in China, as measured by GMV in 2013, according to Analysys International. Through our e-commerce platform, including a direct sales platform, an online marketplace and a dedicated team of technical consultants and trained sales representatives, we provide our customers with comprehensive online and offline services across pre-sale, sale and post-sale stages.

Our founder, Mr. Kang, has extensive experience in the electronic components industry in China. Our core business is the trading of IC and other electronic components, which has been carried out by the Predecessor Entities since their inception. The Predecessor Entities were previously owned by Viewtran, of which Mr. Kang is a controlling shareholder. With a view to restructuring certain businesses owned by Mr. Kang, we acquired the Predecessor Entities from Viewtran on November 15, 2012.

### Information about Viewtran

Viewtran is listed on the NASDAQ. In 2004, Comtech Group (“**Comtech**”), a company incorporated in the Cayman Islands, which was formed by Mr. Kang in 2002 using his own resources for the sale of electronic components in the PRC, was merged with Trident Rowan Group, Inc. (“**TRG**”), a listed public company incorporated in the United States, in exchange for TRG issuing shares representing approximately 91.2% of the issued share capital of TRG to Comtech’s shareholders.

TRG subsequently changed its name to Comtech Group, Inc. and then to Cogo Group, Inc. (“**Cogo Group**”). On July 25, 2011 the shareholders of Cogo Group approved its merger into its indirect subsidiary, a Cayman Islands incorporated company, resulting in Cogo Group changing its domicile to the Cayman Islands. Cogo Group subsequently changed its name to Viewtran Group, Inc. in November, 2013.

As at the Latest Practicable Date, Mr. Kang held a 37.8% interest in Viewtran.

The companies now comprising our Group have undergone a number of changes since the establishment of Comtech in 2002, details of which are set out below under the section headed “The Reorganization”.

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### MILESTONES

The following is a summary of our Group's key business development milestones:

<u>Date</u>	<u>Event</u>
July 14, 2000 .....	Comtech International (HK), the first operating subsidiary of the Group, was incorporated in Hong Kong to engage in the sale of electronic components and related products
June 2011 .....	Our Predecessor Entities started to provide customers with online services through websites owned by Total Dynamic Limited
February 2012 .....	Our Company was incorporated in the Cayman Islands
November 2012 .....	We acquired the Predecessor Entities from Viewtran
February 2013 .....	We acquired the Total Dynamic Entities with its Cogobuy.com e-commerce platform
July 2013 .....	We started to operate our online marketplace on our e-commerce platform
September 2013.....	We launched Hardeggs WeChat community
November 2013 .....	We acquired the Envision Global Entities
December 2013 .....	We sold our entire interest in Comtech China to Brilliant

### OUR MAJOR SUBSIDIARIES

The principal business activities, date of incorporation and date of commencement of business of each member of our Group that made material contribution to our track record results are shown below:

<u>Name of company</u>	<u>Principal business activities</u>	<u>Date of incorporation and commencement of business</u>
Comtech International ....	Sales of electronics components and related products	July 14, 2000
E&T System .....	Sales of electronic components and related products	June 5, 2003

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Name of company	Principal business activities	Date of incorporation and commencement of business
Broadband Corporation ...	Sales of electronics components and related products	March 23, 2005
Comtech Industrial (SZ) ...	Provision of media communication and collaboration platforms and solutions	May 24, 2005
HKJTT .....	Provision of research and design services	August 23, 2007
Comtech Electronic .....	Development and sales of electronic and automation products, import and export of their supporting parts	May 28, 2008
Comtech Industrial .....	Sales of electronics components and related products	May 4, 2009
Comtech Digital (HK) .....	Sales of electronics components and related products	February 11, 2010
Comtech Digital (SZ) .....	Sales of electronics components and related products	June 22, 2010
Cogobuy E-commerce .....	Development of e-commerce software technology and provision of e-commerce services	July 31, 2012
Shenzhen Cogobuy .....	Holder of the Internet content provider license in the PRC to operate e-commerce business and the cogobuy.com domain name	December 13, 2012
Envision Communication Technology (SZ) .....	Development and sales of electronic communication products	September 11, 2013

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### THE REORGANIZATION

We have implemented the Reorganization as described below. Following completion of the Reorganization, our Company became the holding company of all our subsidiaries. The Reorganization included the principal corporate restructuring steps as set forth below.

#### 1. Incorporation of our Company and wholly-owned subsidiaries

Our Company was incorporated as an exempted company with limited liability in the Cayman Islands on February 1, 2012. Upon its incorporation, the authorised share capital of our Company was US\$50,000 divided into 50,000 Shares of nominal value of US\$1.00 each. The Company issued one share of par value US\$1.00 representing the entire issued share capital of the Company to the initial subscriber of the Company which was transferred to Envision Global, a company wholly-owned by Mr. Kang.

On March 6, 2012, Envision Online was incorporated in Hong Kong with an authorized share capital of HK\$10,000 divided into 10,000 shares of HK\$1.00 each, one share of which was issued to the Company.

On October 25, 2012, Vision Well was incorporated in the BVI with an authorized share capital of US\$50,000 divided into 50,000 shares of US\$1.00 each, one share of which was issued to the Company.

#### 2. Acquisition of our principal operating subsidiaries by our Company from Viewtran

With a view to restructuring certain businesses owned by Mr. Kang, on March 14, 2012, Mr. Kang proposed to the board of directors of Viewtran at its board meeting to acquire approximately 30% of assets of Viewtran. Subsequently, on October 23, 2012, Viewtran entered into the 2012 SPA with our Company pursuant to which Viewtran agreed to sell the following companies (together with their respective subsidiaries) to our Company for a total consideration of US\$78 million (equivalent to approximately HK\$608.4 million):

- Alphaslink Global (together with Comtech Industrial (SZ), its subsidiary at the time of the transaction);
- Comtech HK (together with Comtech International and HKJJT, its subsidiaries at the time of the transaction); and
- Comtech China (together with Comtech Communication (SZ), Comtech Communication (HK) and Comtech Software (SZ), its subsidiaries at the time of the transaction).

(collectively, the “**Predecessor Entities**”)

The consideration was based on the results of an independent appraisal. The transactions contemplated by the 2012 SPA were properly and legally completed and settled on November 15, 2012.

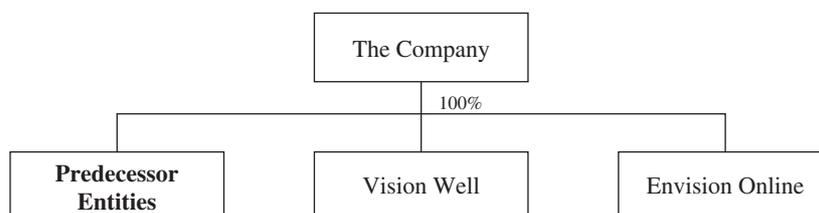
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As at the date of completion, Mr. Kang held a 30.8% interest in Viewtran. Although Mr. Kang was the controlling shareholder of Viewtran (as such term is defined in the Listing Rules), he did not own more than 50% of Viewtran and therefore, he did not have statutory control over Viewtran immediately prior to the acquisition by the Company of the Predecessor Entities. As such, the Predecessor Entities are not taken to be under his common control prior to their acquisition by the Company.

The corporate structure upon completion of the 2012 SPA is set out below:



### 3. Transfer from Ms. Yao to our Company of companies relating to the online platform

Pursuant to a share swap agreement dated February 1, 2013, our Company allotted and issued 99 shares of US\$1.00 each to Envision Global on March 15, 2013, following which Envision Global held 100 shares of US\$1.00 each in our Company. On the same date, Envision Global transferred at a nominal value, 30 shares of US\$1.00 each to Total Dynamic, a company wholly-owned by Ms. Yao. In return for this, Total Dynamic transferred at a nominal value to our Company the entire issued share capital (being 1 share of US\$1.00) of Cogobuy Holding.

Each of these transactions was properly and legally completed and settled on March 15, 2013.

At the time of this transfer, Cogobuy Holding had the following subsidiaries which were also transferred into the Group pursuant to such share swap agreement:

- Cogobuy; and
- Cogobuy E-commerce

(collectively, the “**Total Dynamic Entities**”). For details of the basis for the valuation of the Total Dynamic Entities, see Note 29(b) to the Accountants’ Report on the Financial Information of the Group in Appendix IA to this prospectus.

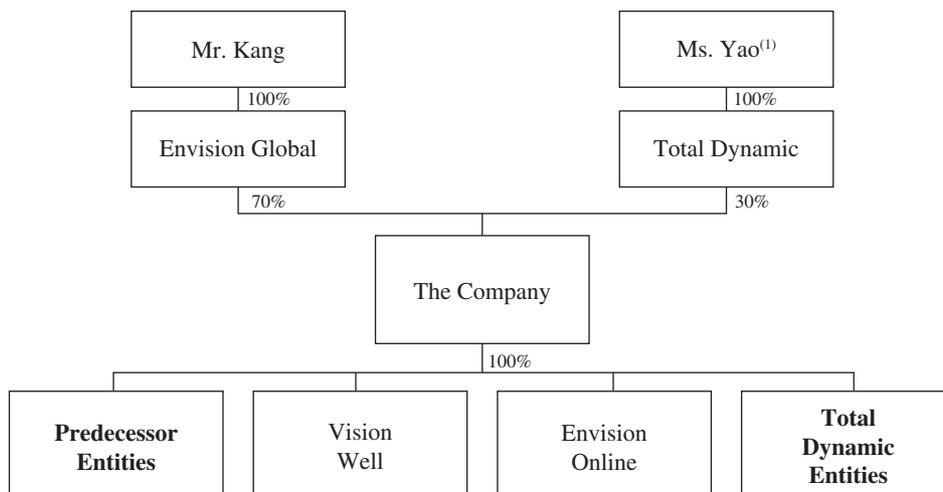
Although Shenzhen Cogobuy, a company wholly-owned by Ms. Yao, was and remains the entity that holds the ICP License for the purposes of the marketplace e-commerce together with the cogobuy.com domain name in the PRC, Ms. Yao agreed to hold her equity interest in Shenzhen Cogobuy, together with all dividends and interest, rights and privileges arising therefrom, on trust for the benefit of Cogobuy Holding by way of a deed dated February 1, 2013 in favor of Cogobuy Holding. As advised by our PRC Legal Advisor, the trust arrangement has been legally terminated and replaced with the proposed VIE arrangement as further described in the section headed “Contractual Arrangements”.

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The corporate structure following completion of acquisition of the Total Dynamic Entities is set out below:



(1) Mr. Kang and Ms. Yao are not related to each other and Ms. Yao is the wife of Mr. Li Feng, one of our members of senior management.

#### 4. Acquisition of certain companies from Envision Global

On November 20, 2013, our Company entered into an agreement with Brilliant, a company wholly-owned by Mr. Kang, through Envision Global, pursuant to which our Company acquired the entire issued share capital of the following companies (together with their respective subsidiaries and businesses) for a total consideration of US\$3 million, which was determined with reference to the fair value of the following companies (including the value of the components sales business, primarily consisting of its order fulfillment component, although the value was minimal according to the assessment by a third-party valuation firm):

- Gold Tech (together with Comtech Digital (HK), its 60% owned subsidiary at the time of the transaction, and Comtech Digital (SZ), its wholly-owned subsidiary at the time of the transaction);
- Mega Smart (together with Comtech Electronic<sup>(1)</sup>, Comtech Industrial<sup>(2)</sup> and E&T System, its subsidiaries at the time of the transaction); and
- Comtech Broadband (together with Broadband Corporation<sup>(3)</sup>, its 70% owned subsidiary at the time of the transaction).

(collectively, the “**Envision Global Entities**”)

This transaction was properly and legally completed and settled on March 20, 2014.

The Envision Global Entities were acquired for the purpose of acquiring certain assets held by these companies and their subsidiaries that complement the Group’s core business, including leases for the Company’s Shanghai and Shenzhen offices, and a lease to the Company’s Hong Kong warehouse and

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logistics support assets. Prior to their acquisition by our Group, the Envision Global Entities had engaged in the businesses of module design and components sales. The module design business was gradually discontinued starting in 2012 and had been entirely discontinued or disposed of by November 2013 when we acquired the Envision Global Entities. By contrast, the components sales business of the Envision Global Entities increased significantly from 2011 to 2013. Please refer to “Appendix IA Accountants’ Report on the Financial Information of the Group — D. Pre-acquisition financial information of Envision Global Entities — (1) Revenue” for further details.

Before we acquired the Envision Global Entities, our Predecessor Entities and the Group referred some component sales orders to the Envision Global Entities for order fulfillment. By the time that the Envision Global Entities were acquired by us, substantially all of their revenue from components sales were generated from orders referred to them by the Group through the cogobuy.com e-commerce platform. Therefore, when we acquired the Envision Global Entities, the core value of the Envision Global Entities’ business lay in their order fulfillment infrastructure which would provide synergy for our online sales of components on our cogobuy.com e-commerce platform. Assets contributed by the Envision Global Entities, such as logistics facilities in Hong Kong and the PRC, have strengthened the order fulfillment infrastructure in our value chain.

After we acquired the Envision Global Entities, we were able to more efficiently reallocate personnel and other resources between our Group and the Envision Global Entities. We have directly utilized more of the Envision Global Entities’ order fulfillment assets, and the Envision Global Entities have been able to benefit from our business scale and rapid growth. As a result of the synergy, and our use of the Envision Global Entities as the contracting entities for an increasing proportion of our business the Envision Global Entities have shown significant increases in revenue and profit from the date of the acquisition.

Under HKFRS 3, Business Combination, the acquisition date in a business combination is the date on which the acquirer obtains control of the acquiree. The acquirer controls an entity when it is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. An investment in a subsidiary is consolidated into the consolidated financial statements of the acquirer from the date that control commences.

Upon the execution of the sales and purchase agreement entered into between Brilliant and the Company dated and effective on November 20, 2013 and the share transfers from Brilliant to the Company on the same date, the Company obtained control of the Envision Global Entities from November 20, 2013 onwards. As a result, the Company obtained the power to direct the operational and financial activities of those entities so as to affect its returns from them. While the consideration was transferred on March 20, 2014, the Company noted that the timing of payment of the consideration was mutually agreed between the Company and Brilliant and it was never the intent of the two parties to delay the effective date of the transaction to the date the consideration was transferred.

As such, the Company concluded that it obtained control over the Envision Global Entities on November 20, 2013 and hence consolidated the results of the Envision Global Entities into the Company’s consolidated financial statements from that date.

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(1) At the time of the transaction, Comtech Electronic was beneficially owned by Comtech Industrial pursuant to a deed of trust entered into between Comtech Industrial and MDC Tech (the then registered owner of Comtech Electronic) dated March 17, 2014, which took effect retrospectively from November 20, 2013.

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- (2) At the time of the transaction, Comtech Industrial was the registered owner of Mega Smart (Shenzhen) Limited (曼誠軟件(深圳)有限公司) (“Mega Smart Shenzhen”). However, pursuant to a deed of trust entered into between Comtech Industrial and MDC Tech dated March 17, 2014, which took effect retrospectively from November 20, 2013, Comtech Industrial was holding the equity interest in Mega Smart Shenzhen for the benefit and on behalf of MDC Tech. Please also refer to note 4 below for further details.
- (3) At the time of the transaction, Broadband Corporation was the registered owner of Comtech Broadband Technology Service (Shenzhen) Company (科博寬帶技術服務(深圳)公司) (“Comtech Broadband Shenzhen”). However, pursuant to a deed of trust entered into between Broadband Corporation and Mega Sky Industrial Limited dated March 17, 2014, which took effect retrospectively from November 20, 2013, Broadband Corporation was holding the equity interest in Comtech Broadband Technology Shenzhen for the benefit and on behalf of Mega Sky Industrial Limited. Please also refer to note 4 below for further details.
- (4) Comtech Industrial was the former shareholder of Mega Smart Shenzhen and Broadband Corporation was the former shareholder of Comtech Broadband Shenzhen. Comtech Industrial and Broadband Corporation transferred the entire equity interest of Mega Smart Shenzhen and Comtech Broadband Shenzhen, respectively, to independent third parties as part of the Reorganization of the Group. The effectiveness and completion of these transfers are subject to approval by the local branch of the MOFCOM and registration with the local administration for industry and commerce. Due to certain procedural requirements, the transfers were delayed by the changes of directors of Comtech Industrial, Broadband Corporation and the transferees. Therefore, Comtech Industrial and Broadband Corporation remained as the registered shareholder of Mega Smart Shenzhen and Comtech Broadband Shenzhen until June 30, 2014 and June 26, 2014, respectively. To ensure that the control over and the economic benefits derived from each of Mega Smart Shenzhen and Comtech Broadband Shenzhen could be enjoyed by the respective third party transferees prior to the completion of the relevant transfers on June 30, 2014 and June 26, 2014 respectively with the local administration for industry and commerce, Comtech Industrial and Broadband Corporation entered into deeds of trust with the respective transferee as a transitional arrangement.

Our PRC Legal Advisor confirms that the deeds of trust are legal and enforceable under relevant PRC law. Accordingly, Mega Smart Shenzhen and Comtech Broadband Shenzhen are not considered subsidiaries of our Company in preparing the financial information of the Group included in the Accountants’ Report on the Financial Information of the Group set out in Appendix IA to this prospectus.

### **5. Disposal of Comtech China to Mr. Kang**

The equity interest in Comtech China was acquired as part of the acquisition of the Predecessor Entities from Viewtran on November 15, 2012 for a total consideration of US\$78 million (equivalent to approximately RMB486.5 million). See the section headed “Relationship with Controlling Shareholders — Information about Viewtran, Envision Global and Brilliant” for further details. Included in the assets and liabilities held by Comtech China that were transferred under this transaction were lease prepayments for the land use right in respect of a parcel of land located in the Shenzhen Special Economic Zone and the related construction in progress.

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In accordance with HKFRS 3, the amounts of lease prepayments and construction in progress were recorded at their fair value of RMB23.0 million and RMB398,000 respectively, based on an independent appraisal, in the consolidated statement of financial position of the Group on the date of acquisition.

As the land use right and related real estate development activities were unrelated to the Group's component and e-commerce business, the land use right and related construction in progress were not intended to be retained by the Company. As such, as an arrangement contemplated as part the acquisition of the Predecessor Entities, the Company entered into an agreement with Envision Global on November 15, 2012 to transfer the risks and rewards associated with the ownership of the land use right and related construction in progress to Envision Global at their fair values, effective on the same date, while preparing for the equity interest transfer of Comtech China.

As a result, the land use right and construction in progress with carrying values of RMB23.0 million and RMB398,000 respectively (which were their fair values recognised at acquisition) were derecognised from the consolidated statement of financial position of the Group on November 16, 2012. The consideration of the sale of the land use right and construction in progress was recognized as an amount due from Envision Global and has been settled by two installments in September 2013 and March 2014, respectively.

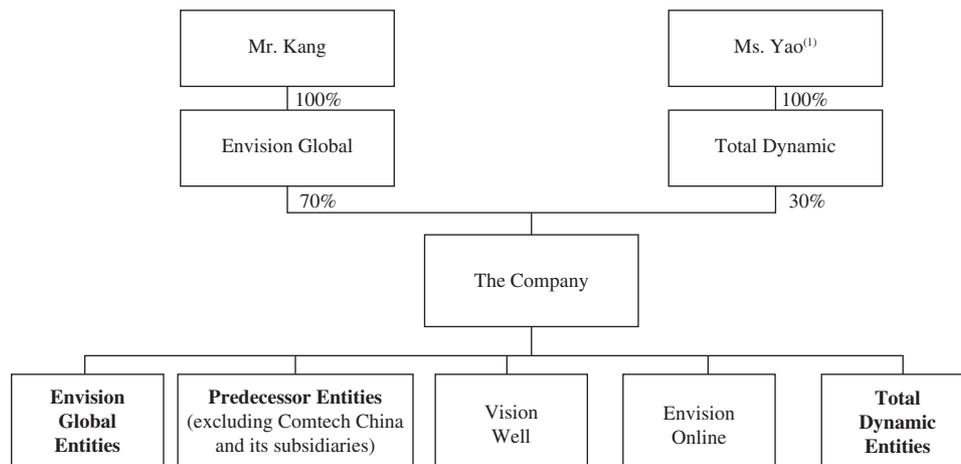
On December 1, 2013, with a view to disposing of the real estate development business that is unrelated to the core business of our Group, the entire equity interest in Comtech China was legally transferred to Envision Global for a consideration of US\$72.9 million (equivalent to RMB444.0 million) which was calculated based on the net asset value of Comtech China. In particular, the property, plant and equipment of Comtech China as at December 1, 2013 did not include the costs of the land use right and construction in progress as they were considered having been transferred to Envision Global on November 15, 2012 pursuant to the agreement as described above.

The consideration for the disposal of Comtech China to Envision Global was payable in the form of US\$92,000 (equivalent to RMB560,000) in cash and a forbearance of Cogobuy Group's payable to Comtech China in the amount of US\$72.8 million (equivalent to RMB443.4 million). The disposal of the equity interest in Comtech China was legally completed and settled on March 6, 2014. Since Comtech China did not have any significant business at the time of disposal, the Directors are of the view that the disposal was not significant to our Company.

While all trading activities of electronic components of our Group and its relationships with customers and suppliers are managed centrally, certain subsidiaries are responsible for purchases of products from external suppliers, and certain subsidiaries handle sales of products to external customers, resulting in a significant amount of intercompany transactions. Prior to the acquisition by the Company on November 15, 2012, Comtech China was engaged in the sales and purchases of electronics components and real estate development. After its acquisition on November 15, 2012 and up to the date of its disposal on December 1, 2013, Comtech China was primarily responsible for acquiring electronics components from third party suppliers and supplying them to other group companies in our Group, which gave rise to amounts due from related parties of RMB462.3 million on Comtech China's books at December 1, 2013. Out of the RMB462.3 million due from related parties at December 1, 2013, RMB443.4 million was receivable from the remaining subsidiaries of Cogobuy Group, representing the amount that was the subject of the forbearance at the time of the acquisition of Comtech China by Envision Global.

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The corporate structure of our Group following completion of the disposal of Comtech China and the acquisition by our Company of the Envision Global Entities is set out below:



- (1) Mr. Kang and Ms. Yao are not related to each other and Ms. Yao is the wife of Mr. Li Feng, one of our members of senior management.

### 6. Contractual Arrangements

On March 13, 2014 our Company entered into the Contractual Arrangements in order to consolidate our control over Shenzhen Cogobuy. Due to applicable PRC laws and regulatory restrictions on foreign ownership in the telecommunications industry and restrictions on foreign investors to conduct value-added telecommunications services in the PRC, our Company will assert management control over the operations of, and enjoy substantially all the economic benefits of, Shenzhen Cogobuy, which in turn holds the ICP License necessary to operate our business, through the Contractual Arrangements.

By way of a deed dated February 1, 2013 entered into between Ms. Yao and Cogobuy Holding, Ms. Yao agreed to hold her equity interest in Shenzhen Cogobuy, together with all dividends and interest, rights and privileges arising therefrom, for the benefit of Cogobuy Holding. The deed was terminated following the adoption of the Contractual Arrangements by the Company. Please refer to the section headed “Contractual Arrangements” for details of the Contractual Arrangements. The entire equity interest in Shenzhen Cogobuy is currently owned by Ms. Yao. Ms. Yao, through her ownership of the entire issued share capital of Total Dynamic, is the holder of 30% of the issued outstanding share capital of the Company.

### PRC REGULATORY REQUIREMENTS

Our PRC Legal Advisor has confirmed that all relevant approvals and permits in relation to the share transfers in respect of the PRC companies in our Group as described above had been obtained and the procedures involved had been carried out in accordance with PRC laws and regulations.

According to the Regulations on Merger with and Acquisition of Domestic Enterprises by Foreign Investors (《關於外國投資者併購境內企業的規定》) (the “M&A Rules”) jointly issued by the MOFCOM, the State-owned Assets Supervision and Administration Commission of the State Council, the SAT, the CSRC, SAIC and the SAFE on August 8, 2006, effective as of September 8, 2006 and amended on June 22, 2009, a foreign investor is required to obtain necessary approvals when it (i) acquires the

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equity of a domestic enterprise so as to convert the domestic enterprise into a foreign-invested enterprise; (ii) subscribes the increased capital of a domestic enterprise so as to convert the domestic enterprise into a foreign-invested enterprise; (iii) establishes a foreign-invested enterprise through which it purchases the assets of a domestic enterprise and operates these assets; or (iv) purchases the assets of a domestic enterprise, and then invests such assets to establish a foreign-invested enterprise. The M&A Rules, among other things, further purport to require that an offshore special vehicle, or a special purpose vehicle, formed for listing purposes and controlled directly or indirectly by PRC companies or individuals, shall obtain the approval of the CSRC prior to the listing and trading of such special purpose vehicle's securities on an overseas stock exchange, especially in the event that the special purpose vehicle acquires shares of or equity interests in the PRC companies in exchange for the shares of offshore companies. Our PRC Legal Advisor has confirmed that the M&A Rules do not apply to the Reorganization of our Group as described above.

### SAFE Registration in the PRC

Under the Circular on Relevant Issues Concerning Foreign Exchange Control on Domestic Residents' Financing and Roundtrip Investment Through Offshore Special Purpose Vehicles (《關於境內居民通過境外特殊目的公司融資及返程投資外匯管理有關問題的通知》(匯發[2005]75號)) (the “**SAFE Circular 75**”), promulgated by the SAFE, registration with the local SAFE branch is required for domestic legal person residents or domestic natural person residents to establish or to control an offshore entity for the purposes of financing that offshore entity with assets or equity interests in an onshore enterprise. For details of the SAFE registration requirement, see the section headed “Regulatory Overview — SAFE Circular 75”.

SAFE Circular 75 does not apply to Mr. Kang as he had obtained his Hong Kong Identity Card and his Hong Kong Special Administrative Region Passport before SAFE Circular 75 came into effect. His oversea investment, reorganization and acquisition against the domestic enterprises do not constitute the oversea financing through domestic equities which is regulated by SAFE Circular 75. Thus Mr. Kang is not required to file with the local SAFE foreign exchange registration relating to fund raising by domestic residents through offshore special purpose vehicles and round-trip investment.

Ms. Yao Yi is a Chinese resident and is required to file foreign exchange registrations of overseas investments with the local SAFE branch under SAFE Circular 75 for her establishment of offshore companies and conducting return investment activities.

Our PRC Legal Advisor, advised us that Ms. Yao has completed her foreign exchange registration of overseas investments with the local SAFE branch as required under the SAFE Circular 75 on May 19, 2014.

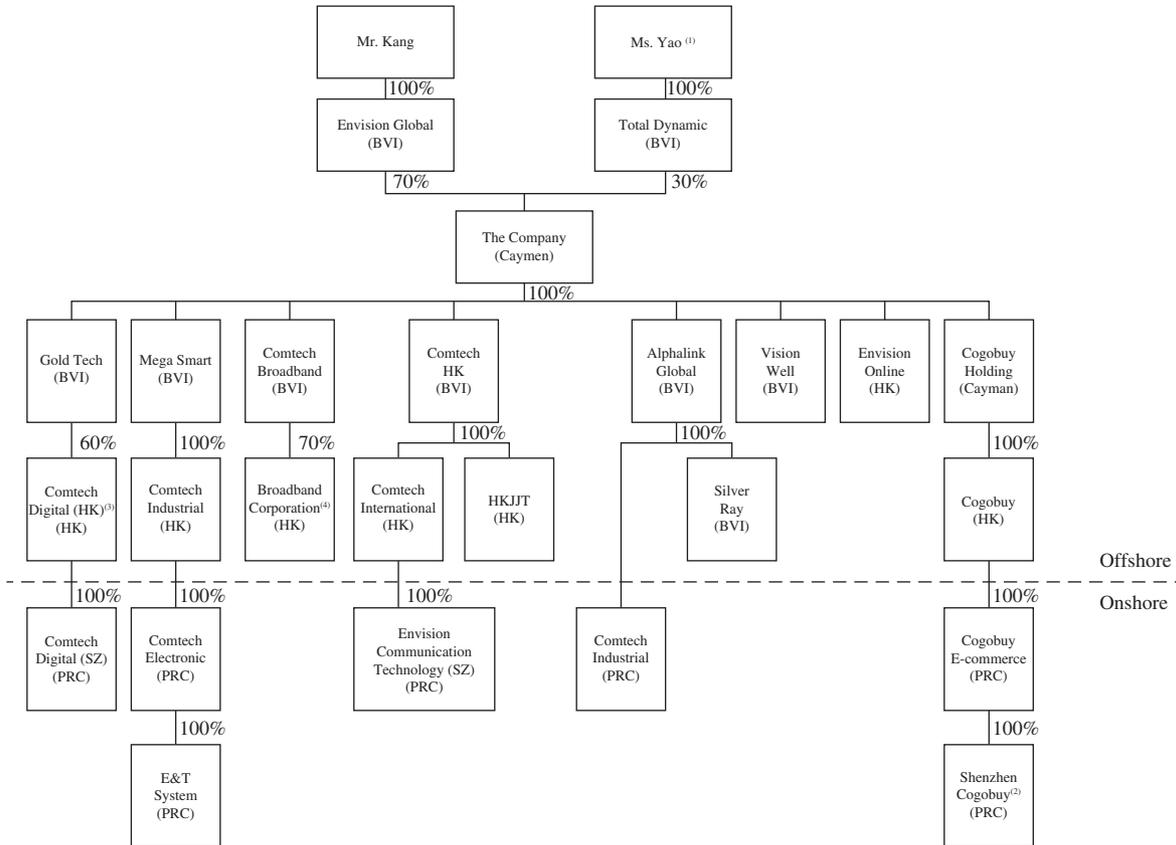
### OUR RSU SCHEME

The RSU Scheme took effect on March 1, 2014 to reward the fidelity of the directors, executive officers, senior managers and employees of our Group and align their interests with those of the Shareholders. Each RSU is a conditional right to receive a Share at the end of the vesting period, subject to vesting conditions provided for under the RSU Scheme. In order to allow release of Shares to beneficiaries upon vesting of each RSU under the RSU Scheme, our Company will allot and issue 30,200,000 Shares to the Scheme Trustee immediately prior to Listing, representing 2.20% of the issued share capital upon completion of the Global Offering (assuming the Over-allotment Option is not exercised). A summary of the principal terms of the RSU Scheme is set out in the section headed “Appendix IV — Statutory and General Information — The RSU Scheme” in this prospectus.

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## OUR STRUCTURE IMMEDIATELY PRIOR TO THE GLOBAL OFFERING

The following diagram sets forth the shareholding structure of our Group immediately prior to the Global Offering:

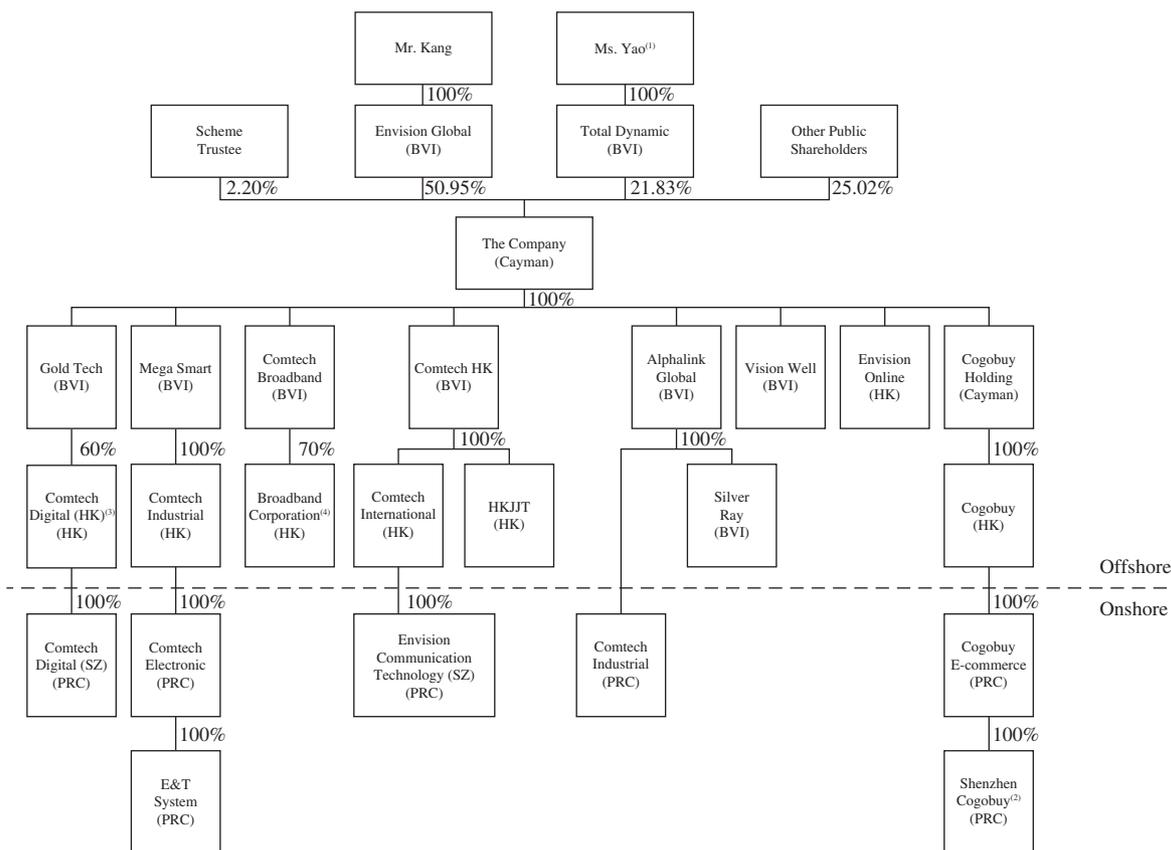


- (1) Mr. Kang and Ms. Yao are not related to each other and Ms. Yao is the wife of Mr. Li Feng, one of our members of senior management.
- (2) Shenzhen Cogobuy is owned by Ms. Yao as to 100% but it is controlled by Cogobuy E-commerce by virtue of the Contractual Arrangements and its results are consolidated into those of the Group for accounting purposes. Please refer to the section headed “Contractual Arrangements” for further details.
- (3) The remaining equity interest is owned by Boost Up Group Limited, an independent third party before it became a 40% minority shareholder in Comtech Digital (HK).
- (4) The remaining equity interest is owned by Broad Wise Holdings Limited, an independent third party before it became a 30% minority shareholder in Broadband Corporation, and which is wholly-owned by Mr. Deng Xiaokun, a director of Broadband Corporation.

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## OUR STRUCTURE IMMEDIATELY FOLLOWING THE GLOBAL OFFERING

The following diagram sets forth the shareholding structure of our Group immediately following completion of, the allotment and issue of Shares to the Scheme Trustee pursuant to the RSU Scheme, the Global Offering (assuming the Over-allotment Option is not exercised):



- (1) Mr. Kang and Ms. Yao are not related to each other and Ms. Yao is the wife of Mr. Li Feng, one of our members senior management.
- (2) Shenzhen Cogobuy is owned by Ms. Yao as to 100% but it is controlled by Cogobuy E-Commerce by virtue of the Contractual Arrangements and its results are consolidated into those of the Group for accounting purposes. Please refer to the section headed "Contractual Arrangements" for further details.
- (3) The remaining equity interest is owned by Boost Up Group Limited, an independent third party before it became a 40% minority shareholder in Comtech Digital (HK).
- (4) The remaining equity interest is owned by Broad Wise Holdings Limited, an independent third party before it became a 30% minority shareholder in Broadband Corporation and which is wholly-owned by Mr. Deng Xiaokun, a director of Broadband Corporation.