

Angy (China) Medical Limited
ARBN 616 476 441

Information Memorandum

This Information Memorandum has been prepared in connection with
Angy (China) Medical Limited's application for admission to the Official
List of the National Stock Exchange of Australia (**NSX**).

No offer of securities is being made pursuant to this
Information Memorandum.

This document is not a prospectus, investment statement, product
disclosure statement or offer information statement.

Important Information

Information Memorandum

This information memorandum (**Information Memorandum**) is prepared by Angy (China) Medical Limited (Hong Kong Company Number 1488021, ARBN 616 476 441) and is dated 13 January 2017.

Compliance Listing

Angy will apply to NSX for admission to the Official List of NSX and quotation of its CDIs on the NSX. The fact that NSX may admit the Company to the Official List is not to be taken in any way as an indication of the merits of the Company. NSX takes no responsibility for the contents of this Information Memorandum, makes no representations as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon any part of the contents of this Information Memorandum.

It is expected that trading of the CDIs on the NSX, if granted, will commence as soon as practical after approval for admission to the Official List of NSX is granted and all applicable conditions (if any) have been satisfied for official quotation.

Not a disclosure document

This document is not a prospectus, nor is it an offer information statement, both of which are disclosure documents under the *Corporations Act 2001* (Cth) which must be lodged with ASIC. Consequently, this Information Memorandum should be regarded as having a lower level of disclosure than a prospectus or an offer information statement. This Information Memorandum will not be lodged with ASIC.

Therefore, ASIC takes no responsibility for the contents of this Information Memorandum.

CDIs

The Company is incorporated in Hong Kong which does not recognise the CHESS system of holding securities or electronic transfer of legal title to shares. To enable companies such as the Company to have their securities cleared and settled electronically through CHESS, depository interests called CHESS Depository Interests (**CDIs**) are issued. CDI holders receive all of the economic benefits of actual ownership of the underlying Shares. CDIs are traded in a manner similar to shares of Australian companies listed on the NSX.

CDIs will be held in uncertificated form and settled/transferred through CHESS. No share certificates will be issued to CDI holders.

Shareholders cannot trade their Shares on NSX without first converting their Shares into CDIs.

Further information regarding CDIs is set out in Section 5.5.

No new capital

This Information Memorandum does not contain an offer for securities in the Company.

Not investment advice

The information in this Information Memorandum is not financial product advice and does not take into account the investment objectives, financial situation or particular needs of individual investors.

No person named in this Information Memorandum, nor any other person, guarantees the performance of the Company or the repayment of capital or any return on investment. If you require any further information, please consult your stockbroker and/or other professional adviser.

Financial information presentation

The Historical Financial information for FY2014, FY2015 and the nine months to 30 September 2016 included in this Information Memorandum has been prepared and presented in accordance with the recognition and measurement principles prescribed in Hong Kong accounting standards, except where otherwise stated.

The Historical Financial Information in this Information Memorandum should be read in conjunction with, and is qualified by reference to, the information contained in Section 6. Section 6 sets out in detail the financial information referred to in this Information Memorandum and the basis of preparation of that information. All financial amounts contained in this Information Memorandum are expressed in Hong Kong dollars unless otherwise stated. Any discrepancies between totals and sums of components in tables contained in this Information Memorandum are due to rounding.

Forward looking statements

This Information Memorandum contains forward-looking statements which are identified by words such as “may”, “could”, “believes”, “estimates”, “expects”, “aims”, “intends” and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, at the date of this Information Memorandum, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the

Company. The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward looking statements contained in this Information Memorandum will actually occur and investors are cautioned not to place undue reliance on these forward looking statements. Forward-looking statements should be read in conjunction with the risk factors set out in Section 7, the assumptions contained in the financial information set out in Section 6 and other information in this Information Memorandum.

Statement of past performance

This Information Memorandum includes information regarding the past performance of the Company and its subsidiaries. Investors should be aware that past performance should not be relied upon as being indicative of future performance.

Specific risks

You should carefully consider the risk factors that will affect the Company. Details of the risk factors of which investors should be aware are described in more detail in Section 7.

Amounts

All financial amounts contained in this Information Memorandum are expressed in Hong Kong currency unless otherwise stated. Any discrepancies between totals and sums and components in tables contained in this Information Memorandum are due to rounding.

As at the date of this Information Memorandum, the Hong Kong dollar to Australian dollar exchange rate is to HK\$6.00:A\$1.00.

Any financial amounts that are not expressed in Hong Kong currency are based on the exchange rates set out in Section 6.

Obtaining a copy of this Information Memorandum

A paper copy of the Information Memorandum is available free of charge to any person in Australia by calling the information line on 1300 651 813 (Within Australia) or +61 3 9415 4090 (Outside Australia) between 9.00am and 5.00pm AEDT from Monday to Friday. This Information Memorandum is also available in electronic form at www.angy.cn.

Defined Terms and Time

Certain terms and abbreviations used in this Information Memorandum have defined meanings which are explained in Section 10 (Glossary). Unless otherwise stated or implied, a reference to a time is a reference to AEDT.

Photographs, maps and diagrams

Photographs used in this Information Memorandum without descriptions are only for illustration. Unless otherwise stated, assets and property portrayed in the photographs in this Information Memorandum are not owned by the Company. The inclusion of photographs supplied by persons or entities other than the Company does not constitute an endorsement or recommendation by those persons or entities.

Maps and diagrams used in this Information Memorandum may not be drawn to scale.

Table of Contents

Table of Contents	4
1. Investment Overview	2
2. Industry Overview	6
3. The Company and Business Overview	18
4. Directors, Management and Corporate Governance.....	32
5. Listing on NSX	40
6. Financial Information	44
7. Key Risks of Investing	45
8. Material Contracts.....	53
9. Additional Information	59
10. Glossary.....	81

Message from the Chairman

Dear Investor,

On behalf of the Board of Directors of Angy (China) Medical Limited (**Angy** or **Company**), I am pleased to present this Information Memorandum and share with you the next step in the Company's growth, an application to list on the National Stock Exchange of Australia (**NSX**). If successful, this will mean that the Company's chess depositary interests (**CDIs**) will be quoted on the NSX and that investors will be able to buy and sell CDIs on the NSX. We will not be raising any capital as part of this process.

Angy was incorporated in Hong Kong in 2010 and it is focused on the Chinese market of a medical technology application and service provider.

Angy's main business is channel distribution for medical equipment and related consumable products, research and development, and providing after-sales support. Angy has entered into supply and distribution arrangements with advanced medical manufacturers based on the United States, Germany, Japan, Britain and Belgium. Angy's products include medical imaging, cardiovascular products and scar healing products. Further information regarding Angy and its products are set out in Section 3.

The Group's business has generated sales in many provinces of China, and Angy has established offices in Hong Kong, Guangzhou, Beijing, Shanghai and Chengdu. Each office is equipped with sales, marketing and after-sales service functions. As a result, Angy has developed sales networks and professional services teams in various areas in China.

The Board and management of the Company have appropriate technical, operational and corporate experience for a company operating in the medical device industry.

Due to the speculative nature of an investment in the Company, you should read and carefully consider the key specific risks associated with the Company in Section 7, and seek professional advice if necessary.

On behalf of the Board of Directors, I look forward to sharing this exciting step in the Company's future with you.

Yours faithfully,

Ao Zhenming
Executive Chairman
Angy (China) Medical Limited

1. Investment Overview

The table below sets out some key questions and answers in relation to the Company and the Group. This section is not intended to provide all information on the Company pursuant to the Information Memorandum. It should be read in conjunction with the remainder of the information contained in this Information Memorandum.

Question	Summary	Further information
Who is issuing this Information Memorandum?	Angy (China) Medical Limited, a company incorporated in Hong Kong (Hong Kong Company Number 1488021) and registered in Australia as a foreign company (ARBN 616 476 441).	Section 3
What does the Company do?	The Group is a supplier of professional medical equipment and provider of associated services in Hong Kong and China, and develops new medical device products. Angy is committed to bringing the best medical technology to the Chinese market by selling third party branded, Angy rebranded and its own developed Angy branded devices.	Section 3
What is the purpose of this Information Memorandum?	The Information Memorandum is issued in connection with the Company's application for a compliance listing of its CDIs on NSX.	Section 5
Why is admission of the Company to the Official List of NSX being sought?	<p>The Company is seeking admission to the Official List of NSX to:</p> <ul style="list-style-type: none"> (a) broaden its shareholder base and provide a liquid market for CDIs in the Company; (b) provide the Company ongoing access to capital markets through a respected stock exchange in a similar time zone to pursue growth opportunities and improve capital management flexibility; (c) advance best practice corporate governance standards and procedures through the constitution of audit, risk, remuneration and nomination committees; (d) set standards of independence to management; and (e) improve transparency to client partners and key stakeholders. 	Section 5.2
What are the key risks of investing in the Company?	<p>The business, assets and operations of the Company are subject to certain risk factors that have the potential to influence operating and financial performance in the future. These risks can have an impact on the Company's business, financial position and the results of its operations.</p> <p>The Board aims to manage these risks by carefully planning its activities and implementing mitigating risk control measures. Some risks are unforeseen and so the extent to which these risks can be effectively managed is somewhat limited.</p> <p>A detailed list of the specific risks to which the Company is exposed and general risks associated with an investment in the Company is set out in Section 7. A summary of the key risks specific to the Company is set out below:</p>	Section 7

Question	Summary	Further information																				
	<div><div>(a)</div>risks impacting the medical device industry;</div> <div><div>(b)</div>medical device research and development;</div> <div><div>(c)</div>manufacturing, marketing and sales;</div> <div><div>(d)</div>reliance on key suppliers;</div> <div><div>(e)</div>sovereign and economic risk in PRC;</div> <div><div>(f)</div>PRC legal system and legal risks;</div> <div><div>(g)</div>regulatory approvals;</div> <div><div>(h)</div>technological developments;</div> <div><div>(i)</div>competition;</div> <div><div>(j)</div>key personnel;</div> <div><div>(k)</div>product liability or other claims;</div> <div><div>(l)</div>ability to affect the Company’s direction; and</div> <div><div>(m)</div>lack of liquidity post listing.</div>																					
What is the financial position of the Company?	<div>Based on the consolidated financial statements of the Group, the Group has the following key financial highlights:</div> <table><tr><td></td><td>FY2014</td><td>FY2015</td><td>9 month to 30 September 2016</td></tr><tr><td>Revenue</td><td>HK\$72,330,053</td><td>HK\$85,701,693</td><td>HK\$58,999,852</td></tr><tr><td>Gross Profit</td><td>HK\$11,924,921</td><td>HK\$28,270,713</td><td>HK\$20,336,516</td></tr><tr><td>(Loss)/Profit before tax</td><td>(HK\$6,626,511)</td><td>HK\$8,255,830</td><td>HK\$5,589,116</td></tr><tr><td>Net (loss)/profit after tax</td><td>(HK\$5,990,613)</td><td>HK\$6,423,425</td><td>HK\$5,016,675</td></tr></table> <div>Comprehensive Historical Financial Information for the periods ended 31 December 2014, 31 December 2015 and 30 September 2016 is set out in Section 6.</div>		FY2014	FY2015	9 month to 30 September 2016	Revenue	HK\$72,330,053	HK\$85,701,693	HK\$58,999,852	Gross Profit	HK\$11,924,921	HK\$28,270,713	HK\$20,336,516	(Loss)/Profit before tax	(HK\$6,626,511)	HK\$8,255,830	HK\$5,589,116	Net (loss)/profit after tax	(HK\$5,990,613)	HK\$6,423,425	HK\$5,016,675	Section 6
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Question	Summary	Further information																														
Who are the directors of the Company?	<ul style="list-style-type: none">• AO ZHENMING, Executive Director• MATTHIAS HOEDL, Independent Non-Executive Director• TAN WEIMIN, Independent Non-Executive Director• CEN WEITING, Company Secretary <p>Information about the background and experience of each Director is set out in Section 4.</p>	Section 4																														
Who are the key operational managers of the Company?	<ul style="list-style-type: none">• Zhong Liang Shen , Head of Information & Technology Department• Yao Lin, Head of Product Department• Peng Jiao Wan, Head of HR Department• Xiao Qi Shan, Head of Business Department• Xu Jian Min, Financial Manager <p>Information about the background and experience of the key management is set out in Section 4.</p>	Section 4																														
Who are the Company's key Shareholders and what will their interests be following Official List?	<p>The Company has the following key shareholders:</p> <table><tr><th>Shareholder</th><th>Shares/CDIs held</th><th>% of total shares</th><th>CDIs held at listing</th><th>CDIs subject to escrow*</th></tr><tr><td>Ao Zhenming</td><td>7,500,000</td><td>75%</td><td>2,400,000</td><td>5,100,000*</td></tr><tr><td>Huang Zhongmin</td><td>1,000,000</td><td>10%</td><td>1,000,000</td><td>Nil</td></tr><tr><td>Brighten Management Limited</td><td>990,000</td><td>9.9%</td><td>990,000</td><td>Nil</td></tr><tr><td>Other shareholders</td><td>510,000</td><td>5.1%</td><td>510,000</td><td>Nil</td></tr><tr><td>Total</td><td>10,000,000</td><td>100%</td><td>4,900,000</td><td>5,100,000</td></tr></table> <p>* Subject to 24 month post listing escrow</p>	Shareholder	Shares/CDIs held	% of total shares	CDIs held at listing	CDIs subject to escrow*	Ao Zhenming	7,500,000	75%	2,400,000	5,100,000*	Huang Zhongmin	1,000,000	10%	1,000,000	Nil	Brighten Management Limited	990,000	9.9%	990,000	Nil	Other shareholders	510,000	5.1%	510,000	Nil	Total	10,000,000	100%	4,900,000	5,100,000	Section 9.7 and Section 9.10
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Brighten Management Limited	990,000	9.9%	990,000	Nil																												
Other shareholders	510,000	5.1%	510,000	Nil																												
Total	10,000,000	100%	4,900,000	5,100,000																												
Will the Company pay dividends?	No dividend will be paid after listing with respects to the financial year ending 31 December 2016. The level of payout ratio is expected to vary between periods depending on factors the Directors may consider, including the Group's earnings, financial position, tax position, financing and capital requirements. The ability to pay dividends depends on a number of factors. The Directors do not provide any assurance of the future level of dividends or the extent to which	Section 9.6																														

Question	Summary	Further information
	they are franked, and there may be periods when dividends are not paid.	
What are CDIs?	<p>The Listing Rules require that the Company operate both an electronic issuer-sponsored Subregister and an electronic Clearing House Electronic Sub-register System (CHESS) subregister.</p> <p>The Company is incorporated in Hong Kong, a jurisdiction whose laws have the effect that CHESS can be used for holding legal title to securities only in certain circumstances. A listing on NSX does not qualify the Company to use CHESS for this purpose. Therefore, to facilitate the use of CHESS, Shareholders will hold their Shares in the form of CDIs, which are a form of beneficial interest in Shares held by a depositary nominee. CDIs give a holder similar, but not identical, rights to a holder of Shares.</p>	Section 5.5
Where will the CDIs be quoted?	An application will be made to NSX for quotation of the Shares.	Corporate directory
Where can I obtain additional advice?	By speaking to your accountant, bank manager, stockbroker, lawyer or other professional adviser.	

2. Industry Overview

2.1 Description of the industry

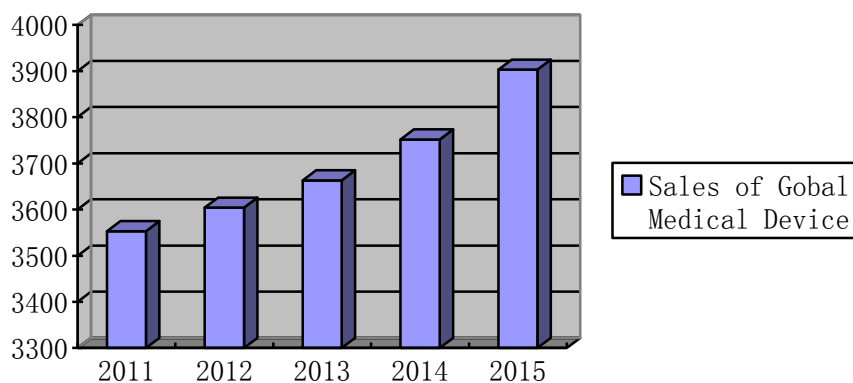
The World Health Organization (**WHO**) defines a medical device as “an article, instrument, apparatus or machine that is used in the prevention, diagnosis or treatment of illness or disease, or for detecting, measuring, restoring, correcting or modifying the structure or function of the body for some health purpose”¹. Medical devices range from simple tongue depressors to complex programmable pacemakers and CT scanners.

Medical devices are used to achieve the following intended objectives:

- (a) diagnosis, prevention, monitoring, treatment or alleviation of disease;
- (b) diagnosis, monitoring, treatment, alleviation of or compensation for an injury or disabled patients;
- (c) investigation, replacement or modification for anatomy or a physiological process;
- (d) control of conception;
- (e) support or maintenance of life; and
- (f) investigation of samples taken from humans to provide information for medical treatment or diagnostic purposes.

In recent years, developing countries provide potential markets for the medical device companies to drive future growth.

Table 1 shows the sales of Global Medical Device from 2010 to 2015 (in US\$100 million)



Source: ASKCI

¹ http://www.who.int/medical_devices/definitions/en/

Table 2 shows the Top 10 Medical device organisations in 2016

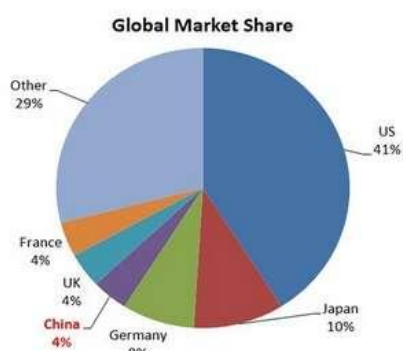
No.	Corporate Name
1	Johnson & Johnson
2	Siemens
3	Medtronic
4	Roche
5	Baxter International Inc
6	GE Healthcare
7	Abbott Laboratories
8	Phillips
9	Stryker
10	Boston Scientific

Source: PROCLINICAL

With expanding horizons, there are an increasing number of jobs in medical devices available within many companies as the demand for research and innovation continues to grow.

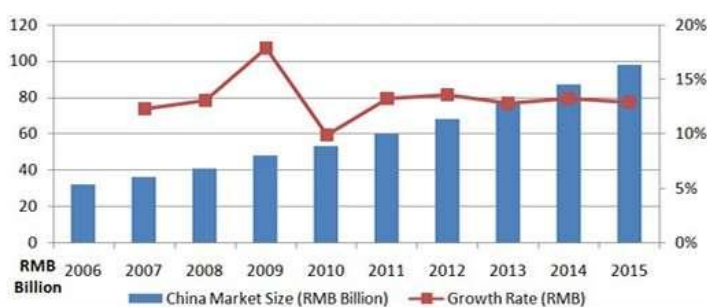
The medical device manufacturing/distribution industry consists of a few big manufacturing companies that dominate the market and a large number of small players. According to Select USA, 80% of medical device companies in the United States employed less than 50 employees.

Chart 1 shows the Global Market Share of sales of medical device products in 2011



Source: NOVOTEK

Table 3 shows the China Market Growth Rate in sales of medical devices from 2006 to 2015.



Source: NOVOTEK

2.2 Description of regulation

(a) Regulatory Bodies, Policies and Regulations, Definitions and Classifications

The China Food and Drug Administration (**CFDA**), previously known as the State Food and Drug Administration (**SFDA**), is the administrative and supervisory authority for medical devices in China. CFDA also oversees the administration of food, drugs and cosmetics.

The CFDA drafts regulations for medical devices, releases standards, classifies medical devices, and inspects the manufacturing, sales and distribution of medical devices in China. In addition, the CFDA also manages the import of medical devices.

There are a number of departments under the CFDA, including the Department of Medical Device Registration and the Department of Medical Device Supervision. Other organisations that are involved in the technical evaluation of medical device standards include the Centre for Medical Device Evaluation and the National Institute of Food and Drug Control.

(b) Policy and Regulations

There are a number of regulations concerning medical devices in China, but the Regulations for the Supervision and Administration of Medical Devices are the only regulations officially endorsed and approved by the State Council.

(c) Definitions & Classifications defined by CFDA

(i) Definition of Medical Devices

Very similar to the WHO definition, medical devices are defined by CFDA as²:

"Any instrument, apparatus, appliance, material, or other article – whether used alone or in combination, including the software necessary for its proper application – that does not achieve its principal action in or on the human body by means of pharmacology, immunology or metabolism, but which may be assisted in its function by such means."

(ii) Classification of Medical Devices

Medical devices are organised into three classes in China – Classes I, II and III – based on the risk level of the device from low to high (determined by the purpose, structural features, whether it comes into direct contact with the body, methods and status of use) . Classifications are used predominantly for risk management, and therefore different classes of medical devices are governed by different rules:

² <http://www.sda.gov.cn/WS01/CL0784/97814.html>

- (A) Class I – have low levels of risk, for which safety and effectiveness can be ensured through routine administration;
- (B) Class II – deemed to be of a medium level of risk, for which further control is required to ensure their safety and effectiveness; and
- (C) Class III – have high levels of risk, where special measures must be taken to enforce strict control and administration regarding safety and effectiveness.

Table 4 and Table 5 illustrate the classification of medical devices renewed by CFDA as at 14 July 2015

Table 4: Determination of Medical Device Classification (Body-contacting device)

Body-contacting device											
	Patterns of use		Temporary use			Short-term use			Long-term use		
			Skin /Orifice (opening s)	Trauma /Tissue	Blood circulation /Central	Skin /Orifice (openin gs)	Trauma /Tissue	Blood circulation / Central	Skin/Orifi ce (opening s)	Traum a /Tissue	Blood circulati on / Central
Non-active device	1	Liquid transportation device	II	II	III	II	II	III	II	III	III
	2	Blood and other body fluids alternation device	—	—	III	—	—	III	—	—	III
	3	Medical dressing	I	II	II	I	II	II	—	III	III
	4	Invasive device	I	II	III	II	II	III	—	—	—
	5	Reusable surgical device	I	I	II	—	—	—	—	—	—
	6	Implantable device	—	—	—	—	—	—	III	III	III
	7	Contraceptive and family planning device (excluding reusable surgical device)	II	II	III	II	III	III	III	III	III
	8	Other non-active devices	I	II	III	II	II	III	II	III	III
Active device	Patterns of use		Minor injury			Moderate injury			Serious injury		
	1	Energy treatment device	II			II			III		
	2	Diagnostic and monitoring device	II			II			III		

	3	Liquid transportation device	II	II	III
	4	Ionizing radiation device	II	II	III
	5	Implantable device	III	III	III
	6	Other active devices	II	II	III

Source: CFDA

Table 5: Determination of Medical Device Classification (Non-body-contacting device)

Non-body-contacting device					
Non-active device	Status of use Patterns of use		little impact	Minor impact	Significant impact
	1	Nursing device	I	II	—
	2	Device for medical device sterilization and cleaning	—	II	III
	3	Other non-active devices	I	II	III
Active device	Status of use Patterns of use		little impact	Minor impact	Significant impact
	1	Clinical laboratory instruments	I	II	III
	2	Stand-alone software	—	II	III
	3	Instruments for medical devices disinfection and sterilization	—	II	III
	4	Other active devices	I	II	III

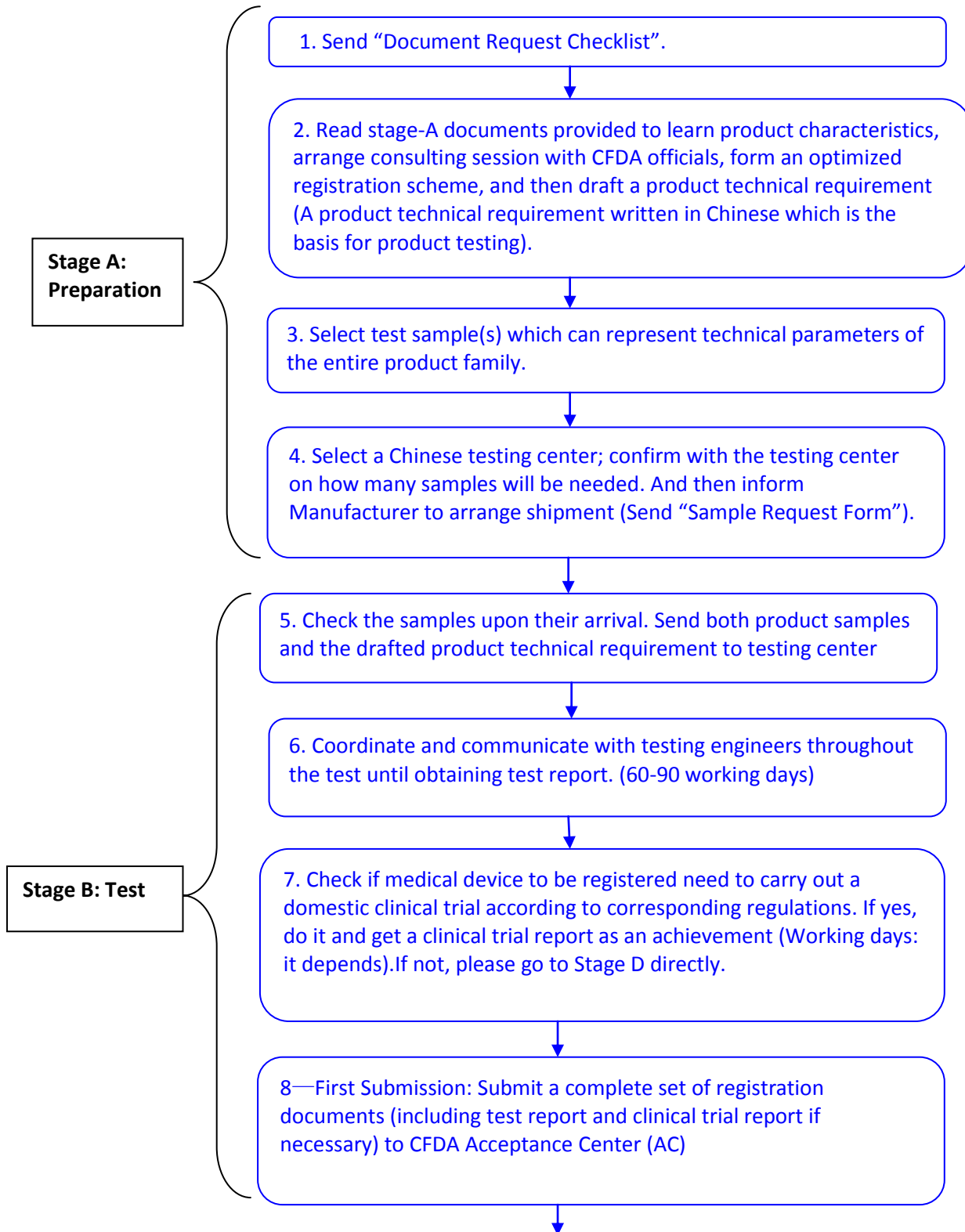
Source: CFDA

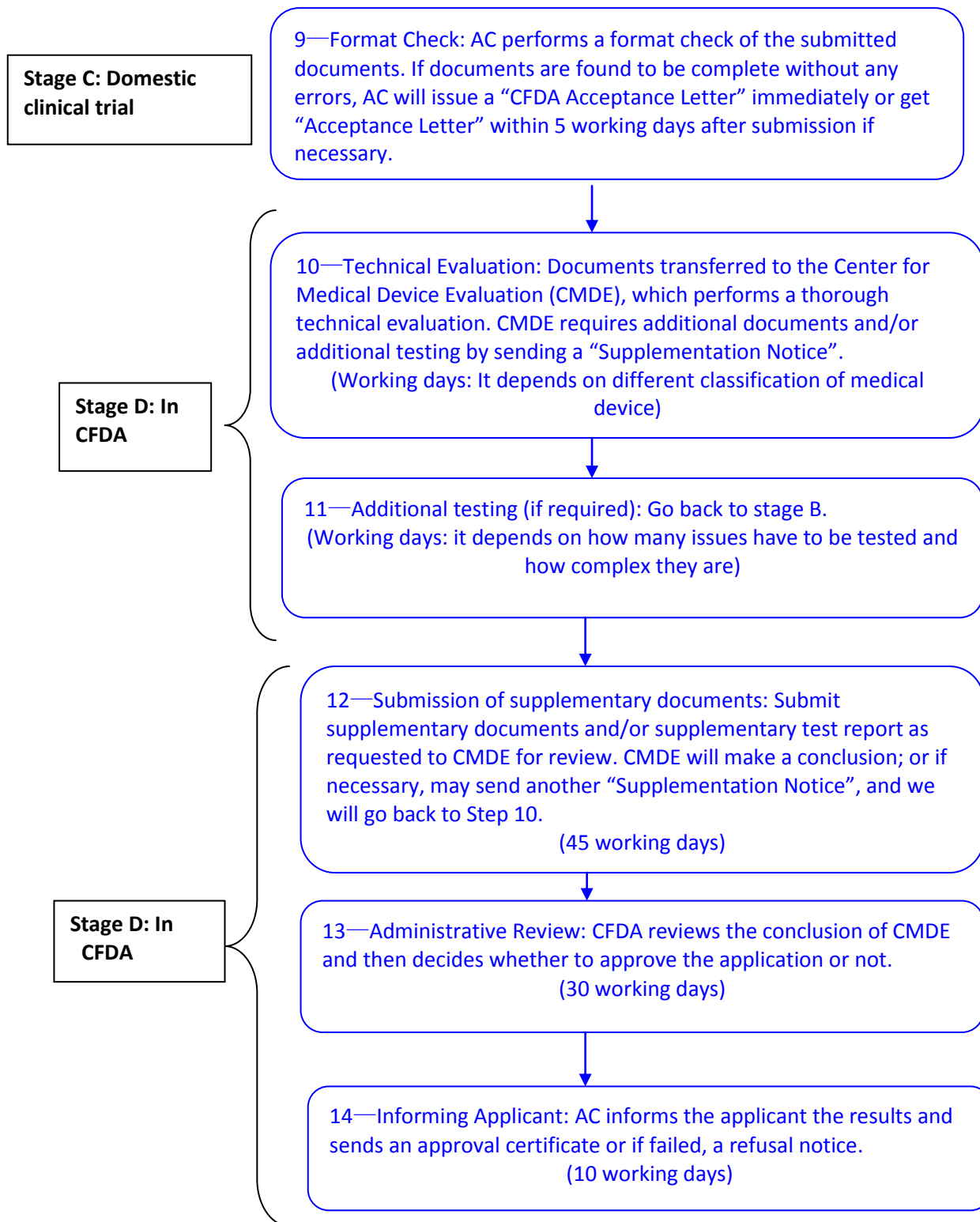
For each of Table 4 and Table 5:

- (a) “I”, “II” and “III” refers to classes I, II and III medical devices; and
- (b) “-” refers to being inapplicable to any class of medical devices.

2.3 CFDA registration work flow

As set out in the Industry Overview at Section 2.3, the CFDA is the administrative and supervisory authority for medical devices in China. CFDA also oversees the administration of food, drugs and cosmetics.





2.4 Manufacturing

The CFDA also regularly conducts surprise inspections of medical device manufacturers in an effort to enforce continued compliance with industry standards and improve device safety.

2.5 Overview of mainland China's economy

(a) Mainland China economic development and strategic plans

In May 2015 at the State Council executive meeting, the Chinese government confirmed the "Made in China 2025" plan which is the key point of the State Council's current legislation work.

"Made in China 2025" is an initiative to comprehensively upgrade Chinese manufacturing industry. As China is currently in the process of industrialization, during which the manufacturing industry is a major foundation of the national economy, the initiative to upgrade the manufacturing operations into an industrial superpower is key to helping China maintain economic growth at a medium to high level.

The guiding principles are to have manufacturing be innovation-driven, emphasize quality over quantity, achieve green development, optimize the structure of Chinese industry, and nurture human talent. Accordingly the implementation of the "Made-in-China 2025" strategy is proposed to be accelerated to realize the upgrade of the manufacturing industry. In particular, the plan highlights 10 priority sectors (see Table 6 below) which includes the medical devices sector:

Table 8: 10 sectors highlighted in the "Made-in-China 2025" strategy

Selected areas of the "Made in China 2025" strategy	
1	Information technology
2	High-end numerical control machine and automaton
3	Aerospace and aviation equipment
4	Maritime engineering equipment and high-tech vessel manufacturing
5	Advanced rail equipment
6	Green vehicles
7	Electric power equipment
8	New materials
9	Biomedicine and high-performance medical apparatus
10	Agricultural industry equipment

Source: The state council of the PRC

2.6 The economic development and strategic plans and major sales provinces in mainland China

The "One Belt One Road" initiative which began in 2013 is a Chinese economic and strategic agenda by which the East Asian economic circle and the developed European economic circle, are working together to promote investments and trade developments. The initiative focuses on the following five areas:

- (a) coordinating development policies;
- (b) forging infrastructure and facilities networks;

- (c) strengthening investment and trade relations;
- (d) enhancing financial cooperation; and
- (e) deepening social and cultural exchange.

The Western Development Program, proposed in 1999, is a long term strategy led by the State Council aimed at the development of infrastructure (transport, hydropower plants, energy, and telecommunications), enticement of foreign investment, increased efforts on ecological protection (such as reforestation), promotion of education, and retention of talent flowing to east coast provinces.

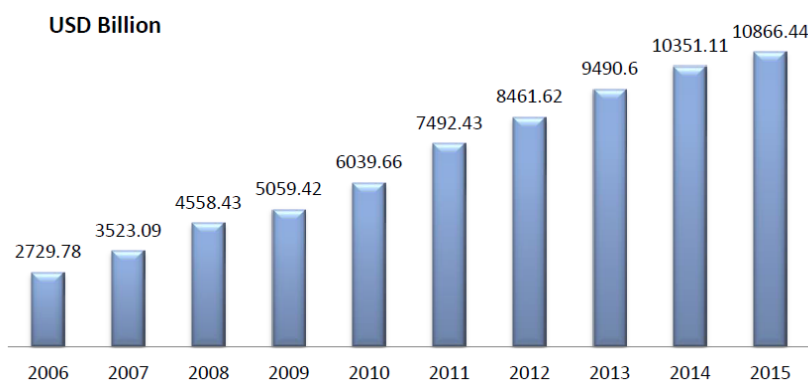
Provinces	No. of Hospitals	Population
Yunnan	1,104	45.9 million
Guizhou	1,205	34.7 million
Sichuan	2,020	80.4 million
Shandong	1,947	95.7 million
Beijing	630	19.6 million
Guangxi	525	46 million
Guangdong	1,342	104.3 million
Hunan	1,192	65.7 million
Total	9,965	492.3

Source: National Bureau of Statistics, China, HXYJW

- (f) Mainland China's and provincial GDP

In 2015, the GDP in China was US\$10,866.44 billion, representing 17.53% of the world economy. GDP in China averaged US\$1605.36 billion from 1960 until 2015, reaching an all-time high of US\$10,866.44 billion in 2015 and a record low of US\$46.69 billion in 1962.

Graph 1 sets out the China GDP 2006 – 2015 (in US\$ billion)



Source: Trading Economics

Table 10 shows the 2015 GDP classified by province

Provinces	GDP (CN¥ in millions)	Real growth (%)	Share of total GDP (%)
Mainland China	68,550,580	6.9	100
Guangdong	7,281,255	8.0	10.76
Jiangsu	7,011,638	8.5	10.36
Shandong	6,300,233	8.0	9.31
Zhejiang	4,288,649	8.0	6.34
Henan	3,701,025	8.3	5.47
Sichuan	3,010,310	7.9	4.45
Hebei	2,980,611	6.8	4.40
Hubei	2,955,019	8.9	4.37
Hunan	2,904,721	8.6	4.29
Liaoning	2,874,339	3.0	4.25
Fujian	2,597,982	9.0	3.84
Shanghai	2,496,499	6.9	3.69
Beijing	2,296,859	6.9	3.39
Anhui	2,200,560	8.7	3.25
Shaanxi	1,817,186	8.0	2.69
Inner Mongolia	1,803,279	7.7	2.66
Guangxi	1,680,312	8.1	2.48
Jiangxi	1,672,378	9.1	2.47
Tianjin	1,653,819	9.3	2.44
Chongqing	1,571,972	11.0	2.32
Heilongjiang	1,508,367	5.7	2.23
Jilin	1,427,411	6.5	2.11
Yunnan	1,371,788	8.7	2.03
Shanxi	1,280,258	3.1	1.89
Guizhou	1,050,256	10.7	1.55
Xinjiang	932,480	8.8	1.38
Gansu	679,032	8.1	1.00
Hainan	370,276	7.8	0.55
Ningxia	291,177	8.0	0.43
Qinghai	241,705	8.2	0.36
Tibet	102,639	11.0	0.15

Source: National Bureau of Statistics of China

As of 2015, the population of China was estimated to be 1.375 billion. In 2015 PRC's population increased, as the number of births exceeded the number of deaths by more than 7 million.

2.7 Overview of the medical device industry in China

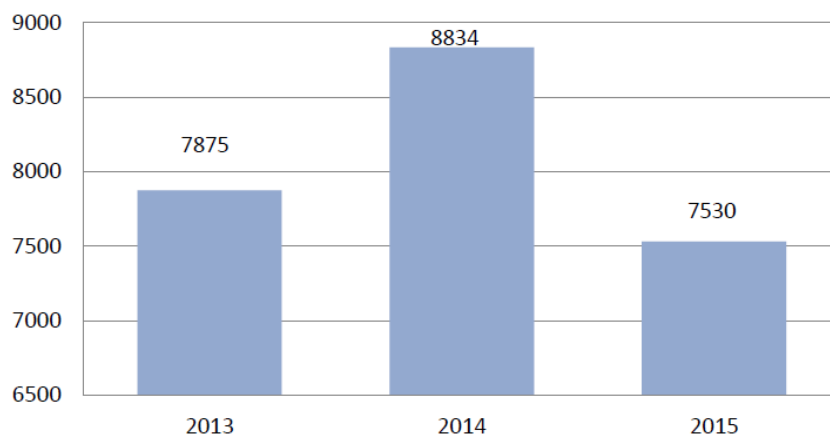
(a) Medical Device Registration Numbers

According to the CFDA 2015 annual report published in April 2016 in China, there are 14,151 medical device manufacturing companies with licensed certificates and 186,269 medical device operating companies. By 2015, CFDA had approved:

- (i) 7,530 applications of medical device registration (2,707 first registration applications, 4,072 renew registration applications, 751 applications of licensing item change);
- (ii) 2,730 registration applications of domestic class III; and
- (iii) 4,800 application of imported class II and class III.

Also in 2015, 1,297 registration applications were not approved by CFDA.

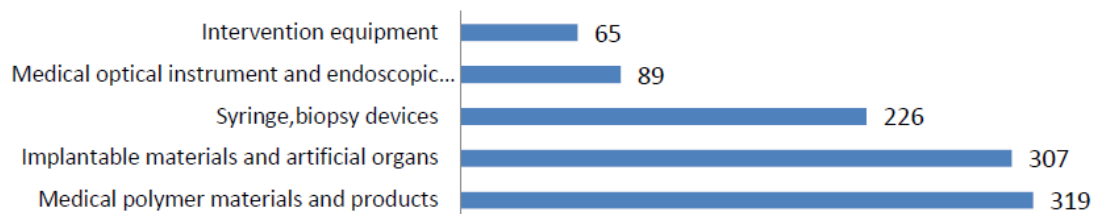
Graph 2 sets out the number of approved medical device registration by state CFDA.



Source: CFDA 2015 annual report

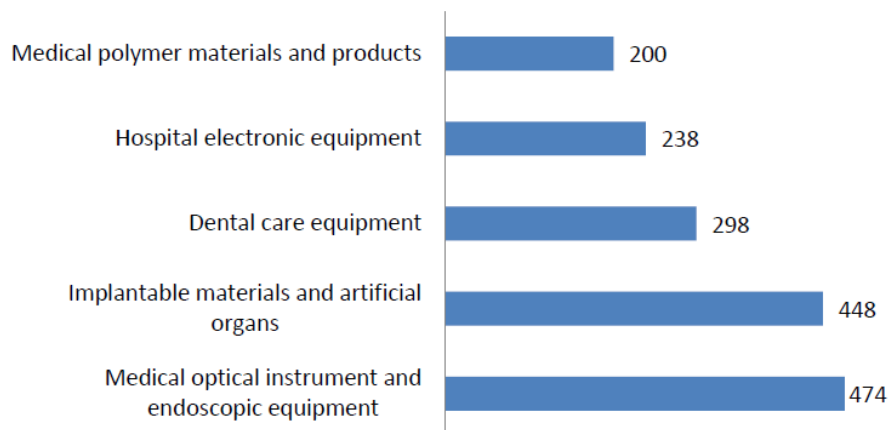
Graph 3 and Graph 4 below show top 5 types of domestic class III Medical Devices (MDs) and top 5 types of overseas class II/III MDs (manufactured overseas) approved by the CFDA respectively.

Graph 3 sets out the top 5 domestic class III MDs approved by the CFDA



Source: CFDA 2015 annual report

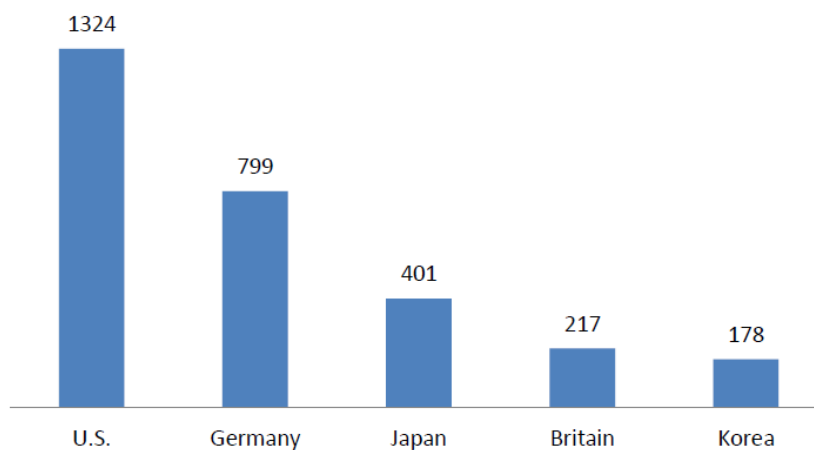
Graph 4 sets out the top 5 overseas class II/III Medical Devices approved by the CFDA



Source: CFDA 2015 annual report

The CFDA 2015 annual report indicated that the United States, Germany, Japan, Britain and South Korea rank as the top 5 countries who registered the most medical devices in China in 2015. Graph 5 below shows the top 5 countries with most registrations in China in 2015.

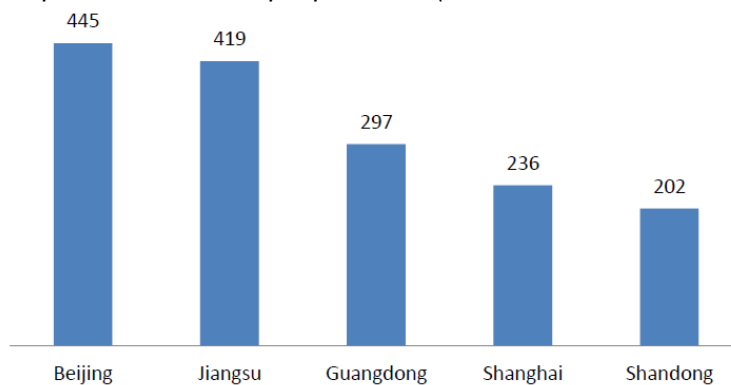
Graph 5 sets out the top 5 importers (number of classes II/III registration)



Source: CFDA 2015 annual report

Graph 6 below shows the top 5 provinces in China with the most registration of class III domestic medical device registrations in 2015.

Graph 6 sets out the top 5 provinces (number of class III domestic registration)



Source: CFDA 2015 annual report

3. The Company and Business Overview

3.1 Introduction

This section provides an overview of the Group and its operations, business model, structure, suppliers, customers, strategy for growth and other company matters.

3.2 Overview of Angy

Angy was incorporated in Hong Kong in 2010 and is a medical technology application and service provider in China.

The Group's main business is channel distribution for medical equipment and related consumable products, research and development, and associated services. Angy has entered into distribution and cooperation agreements with medical manufacturers based in the United States, Germany, Japan, Britain and Belgium. These products include medical imaging, cardiovascular products and scar healing products and are sold under the supplier's brands or rebranded as Angy's brand.

3.3 Business overview

Angy is committed to introducing the medical technologies and transforming such technologies to permit products for sale in China.

The medical consumable products market is a growth area in the medical industry, having characteristics of strong user viscosity and growth potential. Accordingly Angy has focused its actions in the field of research and development and brand promotion.

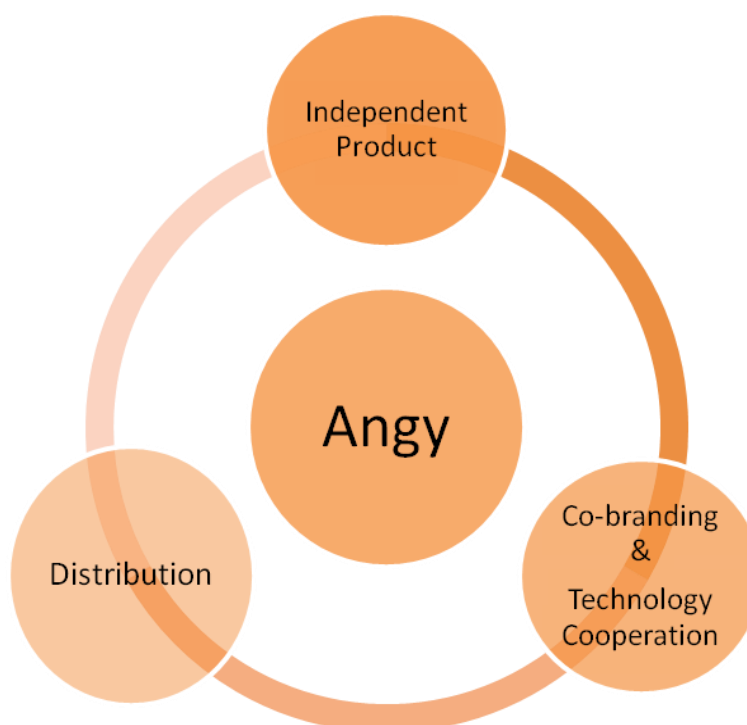
The Group's business has generated sales in many provinces of China, and Angy has established offices in Hong Kong, Guangzhou, Beijing, Shanghai and Chengdu. Each office is equipped with sales, marketing and after-sales service functions. As a result, Angy has developed sales networks and a professional services team in various areas in China.

In this regard, Angy currently has more than 200 distributors in China, and there are more than 800 hospitals using Angy's medical products.

Diagram 1 sets out Angy's sales networks and professional services team cover cities all around China



Diagram 2 sets out the high level business operation cycle of the Group. Angy's business model and development track setting out sales agent products, technical cooperation and co-branding, independent research and development.



A summary of each of these business operations is as follows:

- (a) Independent product

To select the medical technology that is in line with the Company's development strategy by research and analysis. The Company then undertakes research and development, production and sales of that product in China.

(b) Co-branding & Technical Cooperation

Angy cooperates with international medical device manufacturers, and sells co-branded products in China.



(c) Distribution





Angy selects medical products with well-known brand names and sells the products through its distributors in China, and provides professional after sales service.

3.4 Products

The Group currently sells products in three main product areas: medical imaging, cardiovascular products and scar healing products.

The following table sets out Angy's main products, and the percentage of the Group's sales these products generate:

Role of Angy	Product name	Photo of product	Description of product	CFDA approval ^(a)	% of Group's sales
Distributor*	Sony Medical Image Products		Sony Medical Image Products comprise of a Sony film printer and Sony film, which are used for Medical Imaging Diagnosis.	CFDA Obtained 11 January 2013, and renewed 20 December 2016	89%
Products rebranded as an Angy product	BOSO Blood Pressure Pulse Detector		Used for diagnosis of arterial stiffness and atherosclerosis. By the testing of some parameters, the device can diagnose the function of arterial construction, effectively reducing the risk of cardiovascular disease by early testing, early diagnosis and early treatment.	CFDA Obtained 8 February 2013, and renewed 28 December 2016	5%

Products rebranded as an Angy product	AtcorSphygmoCor Cardiovascular Diseases Detector		Comprehensive management platform for cardiovascular status, and it is used for risk evaluation in cardiovascular and Phonorological disease.	CFDA Obtained 10 December 2013	3%
Products rebranded as an Angy product	Scarban Healing Product		Scarban silicon series comprise of a Scarban silicon sheet and Scarban silicone gel, and the products can treat new-born scars, existing scars, hyperplastic scars, and burn, preventing the formation of keloid and hyperplastic scars.	CFDA Obtained 5 November 2013	2%
Products rebranded as an Angy product	Tally Negative Pressure Drainage System		Used for treatment of many wounds including pressure ulcers, dehiscd surgical wounds, diabetic/neuropathic ulcers, venous leg ulcers, post-surgical wounds, sinus drainage and management, traumatic wounds and pre- and post-op flaps/grafts.	Anticipated February 2017	0% (no current sales)
Angy proprietary product	Electronic Colonoscopy Equipment		Colorectal cancer screening in large scale population The Electronic Colonoscopy Equipment is the first electronic colonoscopy camera developed in-house by Yingshi.	Anticipated July 2017.	0% (no current sales)
Total					99%

* The agreement between Sony and Angy (Guangzhou) is not exclusive. Angy is currently the sole distributor of the Sony Medical Image Products in some provinces of PRC.

Table 11 - Summary of the main products sold by Angy

Section 2.3 sets out further information in relation to the CFDA approval process.

3.5 Supply and distribution agreements

The Group has entered into various supply and distribution agreements with well-known medical device manufacturers such as Sony (China) Company Limited, BOSCH + SOHN GMBH U. CO. KG, AtCor Medical of Australia, Tricolast of Belgium, Talley Group of UK, Christie Medical of the USA and SMI of Belgium. Under these supply and distribution agreements, the Group purchases a range of products including those set out at Section 3.4. A summary of the purchase agreements is set out at Section 8.3.

3.6 Research and development

(a) Process

Yingshi, accompany in which Angy (Guangzhou) has a 60% shareholding, has recently focused its efforts on research and development and promoting its own brand of consumable devices.

Diagram 3 sets out the process for Angy to develop its own products



Note: the SFDA is the previous name of the CFDA.

(b) Electronic Colonoscopy Equipment

As set out in Section 3.4, Yingshi has developed in-house its first Electronic Colonoscopy camera. Angy anticipates commencing sales in 2017 following obtaining CFDA approval.

3.7 Milestones

Since its incorporation, Angy has achieved many milestones.

Diagram 4 sets out the main milestones achieved by Angy



Angy is an innovative development company, and is proud that it has entered into independent product research and development.

3.8 Angy's shareholding structure

A summary of each group entity's operations are as follows:

(a) Angy

Angy enters into the supply and distribution arrangements with its suppliers (for example, those major suppliers as set out in Section 3.12). Angy conducts the rebranding (where appropriate) and supplies the products to Angy (Guangzhou). Angy holds the Angy trade marks, and licenses the use of those trade marks to Angy (Guangzhou).

(b) Angy (Guangzhou)

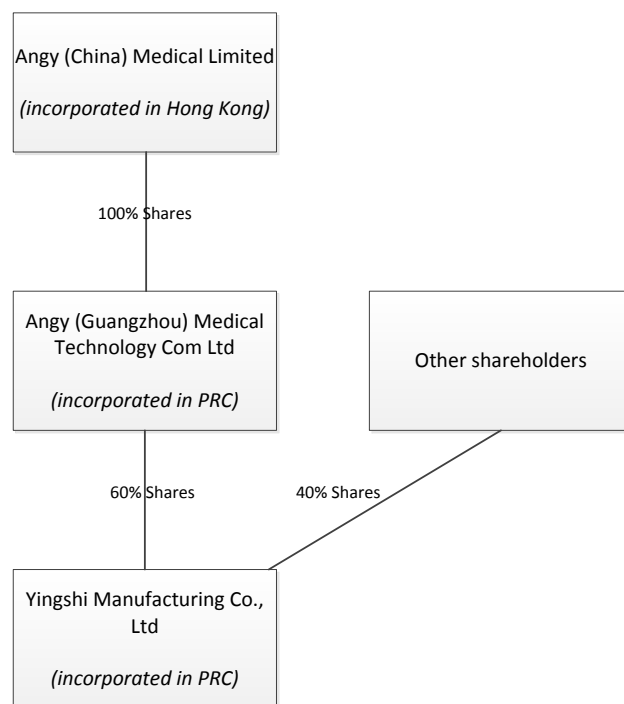
Angy (Guangzhou), a wholly owned subsidiary of Angy, acquires products from Angy and also has a direct supply contract with Sony (China) Company Limited. Angy (Guangzhou) then sells those products to its distributors. The distributors then sell those products to the end users.

(c) Yingshi

Yingshi is involved in the research and development of new medical device such as the medical endoscope camera and related consumable products. As

set out in Section 3.6, it is anticipated that sales of Yingshi's first product, the Electronic Colonoscopy camera, will commence in June 2017 (subject to CFDA approval).

Diagram 5 sets out the corporate structure of the Company

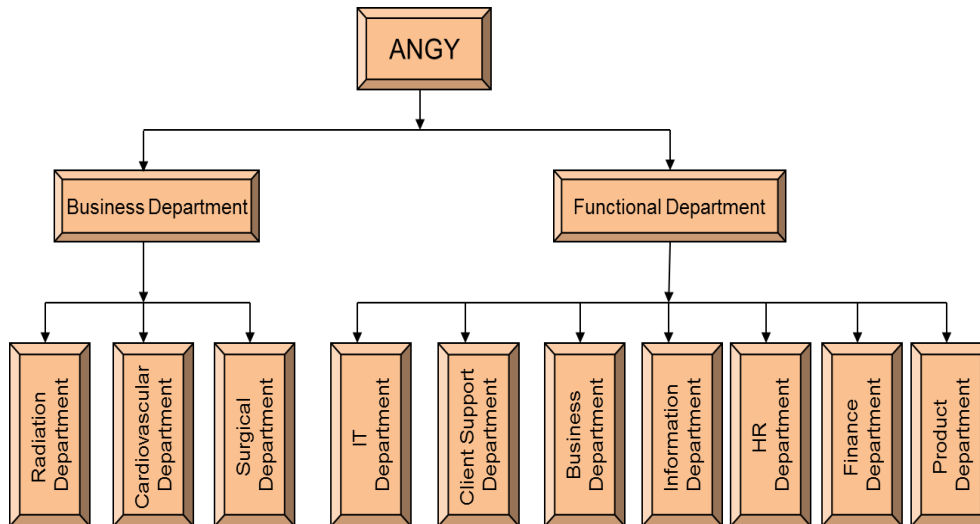


The 40% of the shares in Yingshi not held by Angy (Guangzhou) are held by five shareholders, being two employees of Yingshi, two employees of Angy and a financial investor.

3.9 Angy's organisational chart

Angy is headquartered in Hong Kong and has service offices in Guangzhou, Shanghai, Beijing and Chengdu. With 4 offices and 45 employees spread over 5 cities, Angy has developed a network across many major markets in the Great China region. It also has established a 24/7 online platform which provides consultation, market support and post-sales support.

Diagram 6 sets out Angy's organisational structure



Each department has the following responsibilities:

- (a) **Radiation Department** – the department is responsible for the sales and marketing of products of radiation therapy products.
- (b) **Cardiovascular Department** - the department is responsible for the sales and marketing of cardiovascular products.
- (c) **Surgical Department** - the department is responsible for the sales and marketing of surgical products.
- (d) **Information and Technology Department** – the department is responsible for the research, installation, training and maintenance of medical equipment.
- (e) **Client Support Department** – the department is responsible for customer relationship management and event management.
- (f) **Business Department** – the department is responsible for the commercial negotiation with the distributors and logistical management.
- (g) **Information Department** – the department is responsible for building and analysis of hospital and distributor data in support of sales and marketing.
- (h) **Human Resources Department** – the department is responsible for office administration work and human resources management.
- (i) **Finance Department** – the department is responsible for the planning, accounting, tax management and capital management of Angy.
- (j) **Product Department** – the department is responsible for the business development of new products, including information gathering, analysis, negotiation and collaboration with suppliers. It is also in charge of product testing, clinical trials and product registration of CFDA.

3.10 Awards

In 2016, Yingshi was awarded the title of “Special Fund for Technical innovation support for Guangzhou science & technology small & medium-sized enterprise” by Guangzhou Municipal Science and Technology Innovation Committee. This award is given to improve the independent innovation ability of small and medium-sized enterprises, and introduce social capital and other innovative resources to support the science and technology enterprises which are going through rapid development.

3.11 Angy's main customers

Angy has developed distribution arrangements with over 200 distributors. Angy sells equipment to these distributors. Angy has a standard form supply agreement with these distributors.

Angy estimates that over 800 hospitals in China are end users of products that were distributed by Angy.

Table 12 sets out Angy's top 10 customers in FY2015

No	Name of Customer	% of total sales by Angy
1.	Yunnan Suo Fan Trading Co., Ltd	17.44%
2.	Yunnan Zhong He Yuan Tong Investment Co., Ltd	7.73%
3.	Chengdu Jie Nuo Er Commercial and Trading Co., Ltd	7.53%
4.	Changsha He Shun Electronic Technology Co., Ltd	6.67%
5.	Chengdushi Rong You Commercial and Trading Co., Ltd	5.91%
6.	Changsha Zhi Ling Medical Equipment Co., Ltd	5.32%
7.	GuizhouRui Yu Technology Co., Ltd	4.50%
8.	Chengdu Wan Jun Medical Equipment Co., Ltd	4.00%
9.	ShantoushiJia Ming Da Trading Co., Ltd	2.57%

10.	Hengyangshi Cheng Jia Commercial and Trading Co., Ltd	2.55%
	Total	64.22%

The Directors and the senior management personnel do not have any interests in the above customers.

The sale of equipment often requires high degree of support from Angy's sales representatives. In some cases, this will include the attendance during medical procedures particularly during the early introduction phase of the equipment.

3.12 Angy's main suppliers

Angy purchases products from four main suppliers. The entities that Angy contracts with generally have their headquarters in Europe and Japan, and range from large international well-known companies to innovative private companies. A summary of Angy's material supply and distribution agreements is set out at Section 8.3.

Table 13 sets out Angy's top 4 suppliers in FY2015

No	Name of Supplier	% of total purchases by Angy
1.	Sony (China) Company Limited	89%
2.	BOSCH + SOHN GMBH U. CO. KG	5%
3.	AtCor Medical Pty. Ltd	3%
4.	Tricolast NV	2%
	Total	99%

The Directors and the senior management personnel do not have any interests in the above suppliers.

3.13 Angy's strengths and growth strategy

Angy adopts the philosophy of "make contribution to human healthcare", and endeavours to be the most reliable partner in China's healthcare industry.

In order to achieve Angy's philosophy, Angy aims to achieve the following:

- (a) to prolong human life;

- (b) to alleviates people's pain; and
- (c) to improve the quality of life for patients.

Angy's attributes its success to its established hospital and distributor networks which supports the sales and services of its products. These relationships with the medical and healthcare companies has enabled Angy to offer a portfolio of products to the China market.

Angy's growth strategy is to focus on the following:

- (a) continue arrangements with medical and healthcare companies and developing products to be branded under Angy's brand;
- (b) continue to utilise its distribution arrangements with over 200 distributors that provide Angy with broad sales channels; and
- (c) continue to provide training and after sales services to distributors and end customers.

3.14 Advantages

(a) Structured Data Base

Since its establishment, Angy has set up a database for distributors and end-users which provides strong support for Angy's sales and services through analysing and processing such data.

(b) Projects/Technical Reserve

Angy has been cooperating with international advanced technology companies since its establishment, and it has reserved a number of advanced medical technology and cooperation projects which will provide support for Angy's sustained development and growth.

(c) Distribution networks

Angy has more than 200 distributors which cover more than 20 provinces and 800 hospitals in China.

(d) Brand names

Angy continues to pursue a strong market reputation through integrity and professional after-sales service.

Angy has developed strong relationships with its main suppliers. For example, two of Angy's suppliers, Sony and Bosch are two of the world's top 500 companies.

(e) Patents

Yingshi has five patents granted in China for an Electronic Colonoscopy Equipment. Details of these patents are as follows:

No	Name of Patent	Main Use	Certificate No.	Registration Date	Period
1.	Casing	Protect the structure of the casing to improve utilization.	ZL201520158281.3	19 March 2014	10 years
2.	Flow channel structure of Casing	a) Can remove fouling out of the casing's fore-end efficaciously. b) Can reduce cost effectively.	ZL201520157350.9	19 March 2014	10 years
3.	Tip structure of Casing	a) This tip structure is designed to avoid scratching and reduce user's fears. b) Can reduce cost effectively.	ZL201520158132.7	19 March 2014	10 years
4.	Probe for medical device	a) To ensure the competitor cannot use the appearance Angy has applied for. b) To ensure equipment and consumables are matching.	ZL201530066804.7	19 March 2014	10 years
5.	Mainframes for medical device	a) To ensure the competitor cannot use the appearance Angy has applied for. b) To ensure equipment and consumables are matching.	ZL201530066953.3	19 March 2014	10 years

3.15 Main Competitors

Angy regards the following companies as its main competitors:

- (a) **Chindex Medical Limited** – Located in Beijing, this company is a subsidiary of Shanghai Fosun Pharmaceutical Group. Chindex provides services ranging from product registration, marketing, sales and after sale services, and distributes products that are developed and manufactured under its own brand. The company's distribution services in China are focused in core areas of Aesthetics, Imaging, Surgery, Dermatology, Oncology and Dental.
- (b) **Shanghai Chartwell Medical Device Co., Ltd** – This company was established in 2010 in Shanghai with over 10 offices in other provinces. Chartwell is a distributor of Fuji Film, specifically its diagnostic imaging films and endoscopy products in China.
- (c) **Beijing Kingrich Science and Trade Co., Ltd** – Kingrich was founded in 2000 in Beijing and specialises in the research and development of non-invasive cardiovascular devices. Its product portfolio includes Arteriosclerosis Detector, Peripheral Vascular Analyser, and Transcranial Doppler Ultrasound. It is a key competitor with Angy in the field of cardiovascular devices business.
- (d) **Foshan Maiao Medical Co., Ltd** – This company was established in 2010, and manufactures and distributes products in the fields of Endoscopy and wearable devices. Angy's Electronic rectal sigmoidoscopy business competes with Maiao directly.

As each of these companies are private companies or subsidiaries of a public company, limited public information is available.

3.16 Capital management policy

No dividend will be paid with respect to the financial year ending 31 December 2016. The level of payout ratio is expected to vary between periods depending on factors the Directors may consider, including the Group's earnings, financial position, tax position, financing and capital requirements.

The ability to pay dividends depends on a number of factors. The Directors do not provide any assurance of the future level of dividends or the extent to which they are franked, and there may be periods when dividends are not paid.

3.17 Tax

There are numerous taxes imposed on the PRC Companies. The Directors have considered the taxes set out below and are of the view that each of these taxes currently impact, or may impact in the future, the PRC Companies.

Type of Tax	Tax Rate
Enterprise Income Tax	25%
Value-added Tax (different services have different tax rate)	17% / 6%
City Maintenance Construction Tax	7%
Education Surtax	3%
Local Education Surtax	2%

Other taxes in PRC include customs duties for exports and imports, land appreciation tax, deed tax, real estate taxes and vehicle and vessel taxes. These other taxes do not currently apply to the PRC Companies.

3.18 Funding

The Company notes that it does not currently have any funding arrangements in place between the Company and the PRC Companies. The Company and the PRC Companies will assess the ongoing requirements and arrangements for funding between it and its subsidiaries as necessary.

3.19 Trade marks

The Company has many registered trade marks in PRC protecting the Angy brand.

3.20 Premises

The Group does not own any properties, but has entered into lease arrangements for the following properties:

- (a) an office at 15th Floor, Admiralty Centre Tower 2, 18 Harcourt Road, Admiralty, Hong Kong;
- (b) an office at Room 2713, 2714, No. 183, Tianhe Bei Road, Tianhe, District, Guangzhou City, PRC;
- (c) a warehouse at Room 401, Building B, Fenghao Industrial Zone, Huijiang Bei Industry Road, Panyu District, Guangzhou City, PRC; and
- (d) an industry storage area at Room403, No.2 Plant, Shibei Industrial Park, Shibei, Industrial Road, Dashi Avenue, Panyu district, Guangzhou, PRC.

4. Directors, Management and Corporate Governance

4.1 Board of Directors

The Board had a broad experience base and is well positioned to implement Angy's strategic objectives. Further information on each Director is provided below:

Ao Zhenming	
Age	43
Role	Executive Chairman, Executive Director
Independence*	Non-independent
Expertise	<p>Ao Zhenming (Adrian) has 23 years of business management experience in the computer engineering and medical technology industries.</p> <p>In 1993 he founded Zhuhai Jintailang Computer Engineering Company which specialised in computer assembly and sales.</p> <p>In 1996 he founded Guangdong Anshili Medical Technology Co., Ltd.</p> <p>Since 2012, Adrian has acted as CEO and director of Angy.</p> <p>Adrian holds an EMBA and a computer science major from Sun Yat Sen University.</p>
Interests in shares	Mr Ao is the Major Shareholder of Angy, post-listing holding 7,500,000 CDIs, of which 5,100,000 will be subject to escrow.
Legal or disciplinary action	Nil
Insolvent companies	Nil

Matthias Hoedl	
Age	34
Role	Non-Executive Director
Independence*	Independent
Expertise	<p>Matthias has been working in the Asia region since 2006 across Beijing, Shanghai and Hong Kong, Japan and Singapore. During this time he has undertaken senior management roles for a range of companies including Anton Paar, which develops, produces and distributes laboratory instruments and process measuring systems, and ALBA Asia Ltd, which develops and manages recycling and waste management projects in China. Mathias is currently the Chief Financial Officer of VAN THIEL & CO. Group, a Dutch owned furniture design and manufacturing company, based in Hong Kong. As Chief Financial Officer he is responsible for global accounting and consolidation, budgeting, finance, controlling, tax, order planning, logistics, and group human resources.</p>
Interests in shares	Nil
Legal or disciplinary action	Nil
Insolvent companies	Nil

Tan Weimin	
Age	61
Role	Non-Executive Director
Independence*	Independent

Expertise	Weimin is a gastrointestinal surgeon with 38 years of experience. He has been working at the Guangzhou First People's Hospital since 1982 and is currently the chief surgeon of the 'Surgery for Cadres Department'. Within the Guangzhou First People's Hospital he has also previously held the senior positions of Director of the General Surgery Department, and Director of the Gastrointestinal Surgery Department. Weimin has been honoured with a position on the Standing Committee of the 5 th and 6 th Conference of the Guangdong Medical Doctor Association, as well as positions on the boards of the Chinese Journal of General Surgery, and the Lingnan Modern Journal of Clinical Surgery. Weimin has been recognised for his medical knowledge and expertise, being awarded second prize in the 1997 Medical Sciences Technology Awards in Guangzhou, and in 2013 second prize in the Technology Advancement Awards, also in Guangzhou.
Interests in shares	Nil
Legal or disciplinary action	Nil
Insolvent companies	Nil

* The Company considers that a Director is an independent director where that Director is free from any business or other relationship that could materially interfere, or be perceived to interfere with, the independent exercise of the Director's judgement.

4.2 Executive and Non-Executive Directors' fees and remuneration

Below is a table detailing the amount of remuneration each Director is entitled to receive per annum.

Name	Position	Amount per annum	Other compensation (eg shares or options)
Ao Zhenming	Executive Chairman, Executive Director	HK\$500,000	Nil
Matthias Hoedl	Non-Executive Director	HK\$120,000	Nil
Tan Weimin	Non-Executive Director	HK\$60,000	Nil

The Executive Director and each Non-Executive Director is also entitled to be reimbursed for reasonable travel and other expenses incurred in connection with attending meetings of the Board and any committee on which he serves.

Refer to Section 8.1 for a summary of the Executive Services Agreements with Ao Zhenming.

4.3 Directors' interests in securities

The table below sets out the interests of the Directors and their percentage interest in Angy.

Director	Number of Shares and equivalent CDIs held directly	Number of Shares and equivalent CDIs held indirectly	% of issued Shares
Ao Zhenming	7,500,000	nil	75%
Matthias Hoedl	nil	nil	nil%
Tan Weimin	nil	nil	nil%

4.4 Indemnification of Directors and officers

The Hong Kong Companies Ordinance provides that any provision contained in the company's articles, or in any contract with the company or otherwise, for exempting any director of the Company from, or indemnifying him or them against, any liability for negligence, default, breach of duty, or breach of trust, in relation to the company or an associated company is void. A company may purchase insurance for any of its directors against any liability to the company, an associated company, or any other party in respect of any negligence, default, breach of duty, or breach of trust (except fraud) in relation to the company or the associated company and against liability incurred by him in respect of defending any such proceedings.

Angy has obtained director and officer liability insurance to cover liabilities that Directors and officers may incur in connection with their services to Angy. The Hong Kong Companies Ordinance also provides that a company may indemnify its directors against the costs incurred by them in defending any proceedings, civil or criminal, in which judgment is given in their favour or in which they are acquitted.

4.5 Details of management

Angy employs an experienced management team. Senior management positions in the organisation chart in Section 3.9 are occupied by personnel with extensive experience in medical device operations, sales, finance and management.

Zhong Liang Shen	
Role	Head of Information Technology Department
Responsibility	Mr. Zhong is responsible for Angy's comprehensive medical technology and after sales services.

Expertise	Mr. Zhong worked for Germany Kenswick Co., Ltd., which is the supplier for professional surgery equipment, he was responsible for mainland China after-sales service, management and Exhibition promotion. Mr Zhong has rich experience in service system establishment and service team building.
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Yao Lin	
Role	Head of Product Department
Responsibility	Miss Yao is responsible for product introduction and registration.
Expertise	Miss Yao has broad experience of working with medical equipment and consumables registration.

Peng Jiao Wan	
Role	Head of HR Department
Responsibility	Miss Peng is responsible for building up Angy's team, personnel recruitment and overall planning on Angy's HR strategy.
Expertise	Miss Peng assisted previous employer to be listed in Hong Kong successfully, and she has extensive HR management experience.

Xiao Qi Shan	
Role	Head of Business Department
Responsibility	Miss Xiao is responsible for customer/ distributors relationship

	maintenance.
Expertise	Miss Xiao has rich experience in customer maintenance. She arranged several new product conference and professional academic conference successfully.

Xu Jian Min	
Role	Financial Manager
Responsibility	Miss Xu is responsible for Risk Management.
Expertise	Miss Xu has more than 20 years experience for financial work, and she worked as a financial manager in large state-owned enterprises. Miss Xu is familiar with corporate financial risk and tax risk management.

4.6 Corporate governance

The Hong Kong Companies Ordinance provides that the minimum number of Directors for public companies is two. Angy currently has three Directors serving on the Board. The Board is responsible for the overall corporate governance of the Company. Issues of substance affecting the Company are considered by the full Board, with advice from external advisors as required. Each Director must bring an independent view and judgement to the Board and must declare all conflicts of interest. Any issue concerning a Director must be brought to the attention of the Board as soon as practicable, and unless a resolution has been passed by the non-interested Directors allowing the interested Director to remain in the meeting and participate in discussions, Directors may not participate in discussions or resolutions pertaining to any matter in which the Director has a material personal interest.

The Board's role in risk oversight includes receiving reports from senior management on a regular basis regarding material risks faced by the Company and applicable mitigation strategies and activities.

The reports detail the effectiveness of the risk management program and identify and address material business risks such as technological, strategic, business, operational, financial, human resources and legal/regulatory risks.

The Board and its committees consider these reports, discuss matters with management and identify and evaluate any potential strategic or operational risks, and appropriate activity to address those risks.

The responsibilities of the Board are set down in the Company's Board Charter which has been prepared having regard to the principles of good corporate governance.

4.7 Board committees

The Board has not established a separate Audit and Risk Management Committee or a Nomination and Remuneration Committee. The Company is of the view that its size and level of operations is not sufficient to justify the establishment of separate committees for these committees. Notwithstanding, the Board may also establish other committees from time to time to assist in the discharge of its responsibilities.

The Board has considered adopting an employee incentive scheme but no such scheme has been approved by the Board. The implementation of any such employee incentive scheme, including the approval of such a scheme and the issue of securities pursuant to such a scheme, will need to be in accordance with the Hong Kong Companies Ordinance and the Listing Rules. In any event, the Board will seek advice and undertake a benchmarking exercise of entities of a similar size and operation prior to proceeding with any employee incentive scheme.

4.8 Corporate governance policies and charters

The Company has adopted the following policies and charters:

Policy & Charters	Detail
The Board Charter	This charter sets out the principles for the operation of the Board and the functions and responsibilities of the Board and management of Angy. The Board Charter contains the Board skills matrix.
Code of Conduct	This policy sets out the standards of ethical behaviour that the Company expects from its directors, officers and employees.
Securities Trading Policy	This policy is designed to maintain investor confidence in the integrity of the Company's internal controls and procedures and to provide guidance on avoiding any breach of the insider trading laws in Australia.
Continuous Disclosure and External Communication Policy	<p>Once listed on NSX, the Company will comply with the continuous disclosure requirements of the Listing Rules and the Corporations Act to ensure the Company discloses to NSX any information concerning the Company which is not generally available and which a reasonable person would expect to have a material effect on the price or value of the CDIs.</p> <p>This policy sets out certain procedures and measures which are designed to ensure that the Company complies with its continuous</p>

	<p>disclosure obligations.</p> <p>This policy also sets out practices which the Company will implement to ensure effective communication with its Shareholders.</p>
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The Board will consider adopting a charter for the Audit and Risk Management Committee, or the Nomination and Remuneration Committee, should it establish such committee in the future.

4.9 Obtaining copies

A copy of the corporate governance policies set out in Section 4.8 are available on Angy's website at www.angy.cn or by contacting Angy.

5. Listing on NSX

5.1 NSX listing

The Company will apply to NSX for admission to the Official List and for official quotation of its CDIs on NSX as a compliance listing. No new capital will be raised by the Company as a result of the listing.

The fact that NSX may list the Company's securities is not to be taken in any way as an indication of the merits and commercial viability of the Company or the listed securities. The NSX takes no responsibility for the contents of this information memorandum, makes no representations as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss arising from or in reliance upon any part of the content of this Information Memorandum.

Directors expect that trading of the CDIs on NSX will commence as soon as practicable after approval for admission to the Official List is granted and all applicable conditions (if any) have been fulfilled.

5.2 Purpose of the Listing

The Directors believe that the listing of the CDIs on NSX is beneficial to the Company and Shareholders because a listing on NSX will:

- (a) broaden its shareholder base and provide a liquid market for CDIs in the Company;
- (b) provide the Company ongoing access to capital markets through a respected stock exchange in a similar time zone to pursue growth opportunities and improve capital management flexibility;
- (c) advance best practice corporate governance standards and procedures;
- (d) set standards of independence to management; and
- (e) improve transparency to client partners and key stakeholders.

5.3 Information about NSX

Information on NSX is available at its website (www.nsx.com.au).

5.4 Nominated Advisor

Companies intending to list on NSX are required to have a Nominated Advisor. The Company has appointed HWL Ebsworth as its Nominated Advisor.

5.5 CHESS Depositary Interests (CDIs)

The following sets out information on CDIs and the key difference between holding CDIs and holding the underlying Shares:

	Detail
What is the nature of CDIs?	<p>In order for the Shares to trade electronically on NSX, Angy intends to participate in the electronic transfer system known as CHESS operated by ASX Settlement.</p> <p>CHESS cannot be directly used for the transfer of securities of companies domiciled in certain foreign jurisdictions, such as Hong Kong. Accordingly, to enable the Shares to be cleared and settled electronically through CHESS, Angy intends to issue depositary interests called CHESS Depositary Interests or CDIs.</p> <p>CDIs confer the beneficial ownership in foreign securities such as the Shares on the CDI holder, with the legal title to such Shares being held by an Australian depositary nominee.</p>
Who is the depository nominee and what do they do?	<p>Angy proposes to appoint CHESS Depositary Nominees Pty Limited (CDN), a subsidiary of ASX to act as its Australian depositary.</p> <p>CDN will hold legal title to the Shares on behalf of CDI holders.</p> <p>CDN will receive no fees for acting as the depository for the CDIs.</p>
What registers will be maintained recording your interests?	<p>Angy will operate a certificated principal register of Shares in Hong Kong, branch register of Shares in Australia, an uncertificated issuer sponsored sub-register of CDIs and an uncertificated CHESS sub-register of CDIs in Australia.</p> <p>Angy's branch register of Shares in Australia, uncertificated issuer sponsored sub-register of CDIs and uncertificated CHESS sub-register of CDIs will be maintained by Computershare Investor Services Pty Limited. The branch register is the register of legal title (and will reflect legal ownership by CDN of the Shares underlying the CDIs with the shares held by CDN recorded on the branch register of Shares in Australia). The two uncertificated sub-registers of CDIs combined will make up the register of beneficial title.</p>
How is local and international trading in CDIs effected?	<p>CDI holders who wish to trade their CDIs will be transferring the beneficial interest in the Shares rather than the legal title. The transfer will be settled electronically by delivery of the relevant CDI holdings through CHESS. In other respects, trading in CDIs is essentially the same as trading in other CHESS approved securities, such as shares in an Australian company.</p>
What is the CDI:Share ratio?	<p>Each CDI will represent an interest in one Share.</p>
What will CDI holders receive on acceptance of their Applications?	<p>Each CDI holder will receive a holding statement which sets out the number of CDIs held by the CDI holder and the reference number of the holding. These holding statements will be provided to a holder when a holding is first established and where there is a change in the holdings of CDIs.</p>
How do CDI holders convert from a CDI holding to a direct	<p>CDI holders who wish to convert their NSX listed CDIs to Shares to be held on the Hong Kong principal register can do so by instructing Angy's</p>

<p>holding of Shares on the Hong Kong principal register?</p>	<p>Share Registry either:</p> <ul style="list-style-type: none"> • directly in the case of CDIs on the issuer sponsored sub-register operated by Angy. CDI holders will be provided with a “notice of transmutation” for completion and return to Angy’s Share Registry; or • through their sponsoring participant (usually their broker) in the case of CDIs which are sponsored on the CHESS sub-register. In this case, the sponsoring broker will arrange for completion of the relevant form and its return to Angy’s Share Registry. <p>Angy’s Share Registry will then arrange for the Shares to be transferred from CDN into the name of that holder and instruct the Company Secretary to issue a new share certificate on the Hong Kong principal register. This will cause the Shares to be registered in the name of the holder on Angy’s principal share register and trading on NSX will no longer be possible.</p> <p>The Shares are not and will not in the near future be quoted on any market in Hong Kong. Any Shares so issued will bear restrictive details in accordance with Hong Kong law. CDIs removed from the Australian register will be placed onto the principal Hong Kong register as per the details of the registered CDIs.</p> <p>Angy’s Share Registry will not charge an individual security holder a fee for transferring CDI holdings into Shares held on the Hong Kong principal register. It is expected that this process will be completed within two days, provided that the Share Registry is in receipt of a duly completed and valid “notice of transmutation” pursuant to the NSX Procedures. However, no guarantee can be given about the time required for this conversion to take place.</p> <p>If holders of the Shares wish to convert their holdings to CDIs, they can do so by contacting Angy’s Share Registry. Angy’s Share Registry will not charge a fee to a holder of Shares seeking to convert the Shares to CDIs (although a fee will be payable by Angy).</p>
<p>What are the voting rights of a CDI holder?</p>	<p>If holders of CDIs wish to attend and vote at Angy’s general meetings, they will be able to do so. Under the Listing Rules and the NSX Procedures, Angy as an issuer of CDIs must allow CDI holders to attend any meeting of the holders of Shares unless relevant Hong Kong law at the time of the meeting prevents CDI holders from attending those meetings. In order to vote at such meetings, CDI holders have the following options:</p> <ul style="list-style-type: none"> • instructing CDN, as the legal owner, to vote the Shares underlying their CDIs in a particular manner. A voting instruction form will be sent to CDI holders with the notice of meeting or proxy statement for the meeting and this must be completed and returned to Angy’s Share Registry prior to the meeting; or • informing Angy that they wish to nominate themselves or another person to be appointed as CDN’s proxy with respect to their Shares underlying the CDIs for the purposes of attending and voting at the general meeting; or • converting their CDIs into a holding of Shares and voting these at the meeting (however, if thereafter the former CDI holder wishes to sell their investment on NSX it would be necessary to convert the Shares back to CDIs). In order to vote in person, the conversion must be completed prior to the record date for the meeting. See

	<p>below for further information regarding the conversion process.</p> <ul style="list-style-type: none"> As holders of CDIs will not appear on Angy's share register as the legal holders of the Shares, they will not be entitled to vote at Shareholder meetings unless one of the above steps is undertaken. Proxy forms, CDI voting instruction forms and details of these alternatives will be included in each notice of meeting sent to CDI holders by Angy. <p>These rights exist only under the NSX Procedures, rather than under the Hong Kong Companies Ordinance. Since CDN is the member of Angy but the holders of CDIs are not members themselves as they merely hold a beneficial interest in the applicable shares, the holders of CDIs do not have any directly enforceable rights under Angy's Articles of Association.</p>
What dividend and other distribution entitlements do CDI holders have?	<p>Despite legal title to the Shares being vested in CDN, the NSX Procedures provide that CDI holders are to receive any all direct economic benefits and other entitlements in relation to the underlying Shares, these include dividends and other entitlements which attach to the underlying Shares. These rights exist only under the NSX Procedures, rather than under the Hong Kong Companies Ordinance.</p> <p>Given each CDI will represent an interest in one (1) Share, dividends and other entitlements which attach to each will Share simply flow through to the corresponding CDI and hence to the CDI holder.</p> <p>Angy will declare any dividends in HK\$ as it is its main functional currency. Angy will pay any dividends in HK\$ or A\$ depending on the country of residence of the CDI holder. If the CDI holder in Australia wishes to receive dividends in HK\$ they must complete an appropriate election form and return it to Angy's Share Registry, no later than the close of business on the dividend record date.</p>
What corporate action entitlement (such as rights issues and bonus issues) do CDI holders have?	<p>Despite legal title to the Shares being vested in CDN, the NSX Procedures provide that CDI holders are to receive all direct economic benefits and other entitlements in relation to the underlying Shares. These include the right to receive the same dividends and entitlement to participate in rights issues, bonus issues and capital reductions. These rights exist only under the NSX Procedures, rather than under the Hong Kong Companies Ordinance.</p>
What notices and announcement will CDI holders receive?	<p>CDI holders will receive all notices and company announcements (such as annual reports) that Shareholders are entitled to receive from Angy. These rights exist only under the NSX Procedures, rather than under the Hong Kong Companies Ordinance.</p>
What rights do CDI holders have on liquidation or winding up?	<p>In the event of Angy's liquidation, dissolution or winding up, a CDI holder will be entitled to the same economic benefit on their CDIs as Shareholders. These rights exist only under the NSX Procedures, rather than under the Hong Kong Companies Ordinance.</p>
Will CDI holders incur any additional NSX fees or charges as a result of holding CDIs rather than Shares?	<p>A CDI holder will not incur any additional NSX fees or charges as a result of holding CDIs rather than Shares.</p>

6. **Financial Information**

The Historical Financial Information is set out at Annexure A.

7. Key Risks of Investing

There are factors, both specific to the Group and of a general nature, which may affect the future operating and financial performance of the Group and the value of Shares/CDIs. Some of these risks may be mitigated by the Group, however many of these factors are outside the control of the Directors and management of the Group.

This Section 7 identifies some, but not all, of the risks which the Board believes to be associated with an investment in the Company. This is not an exhaustive list of the risks associated with an investment in Angy and should be considered in conjunction with other information disclosed in this Information Memorandum. You should consider the risk factors described below, together with information contained elsewhere in this Information Memorandum, before deciding whether or not to invest in CDIs.

Before deciding whether to invest in Angy, you should:

- (a) read this Information Memorandum in its entirety;
- (b) consider the assumptions underlying the Directors' statements and the risk factors that could affect the operational and financial performance of Angy;
- (c) consider an investment in Angy in light of your own personal circumstances; and
- (d) seek professional advice.

In addition, potential investors should be aware that the value of the Company's securities on the ASX may rise and fall depending on a range of factors that affect the market price of securities. These include local, regional and global economic conditions and sentiment towards equity markets in general.

7.2 Medical device industry

The ability of the Group to sell, research, develop, manufacture and market medical device products will depend on a number of critical factors including, in particular:

- (a) the ability of the Group to fund the continued research and development of the Group's products;
- (b) the success of the Group's research and development;
- (c) obtaining regulatory approval for the Group's products;
- (d) the Group's ability to market and manufacture its products;
- (e) achieving and maintaining necessary approvals for the manufacturing facilities; and
- (f) the success of sales and marketing and adequate market uptake of the Group's products.

7.3 Medical device research and development

Medical device research and development can involve long lead times and is costly. There is no guarantee that:

- (a) the Group's research and development activities will be successful;
- (b) the required regulatory approvals will be obtained;
- (c) the Group's products will be capable of being produced in commercial quantities at an acceptable cost;
- (d) any products will achieve market acceptance; and
- (e) that the cost of the products will be reimbursed by government or health maintenance organisations at an acceptable level.

As a result, significant monies invested and management time may be rendered unproductive and worthless.

7.4 Manufacturing, marketing and sales

The Group sources products from third party suppliers. The inability of the Group to secure these products at a commercially acceptable price may have a material effect on the Group.

Depending on the scale of its manufacturing, the Group will either need to outsource the manufacturing of the products or upgrade its existing manufacturing abilities or build or obtain access to a suitable manufacturing plant for commercial production. The Group's existing manufacturing facilities are unlikely to be adequate for large scale production of the Group's products. If the Group decides to build or acquire a suitable manufacturing facility, then the Group may be exposed to a number of costs and undetermined risk factors. It is anticipated that the cost of establishing or acquiring such a facility would be significant. If the Group chooses to outsource the production of its products, the Group will have a lesser degree of control over the production of the product and may be subject to increases in the unit cost of production. There may also be additional occurrences outside the control of the Group that may prevent or interfere with the production of the Group's product for trials or sale.

The Group may be required to enter into additional commercial agreements with others to manufacture, market and sell the Group's products. There can be no assurance that the Group will be able to enter into any such additional commercial agreements on acceptable terms, if at all. Furthermore, there can be no assurance that any third parties would perform their obligations under any such agreement and comply with any regulatory requirements or requirements imposed by the Group. If the Group is not able to enter into additional commercial agreements it could encounter delays in the development, manufacture or sale of the Group's products.

7.5 Reliance on key suppliers

Angy has contractual arrangements with a small number of suppliers. If a key supplier were to fail to deliver (either through financial difficulties or some other reason), this may

impact Angy's ability to deliver its products and may negatively impact Angy's financial performance and position.

Angy's ability to offer a range of products is a key contributor to the appeal of its service to customers. The loss or deterioration of Angy's relationships with key brand owners, service providers or suppliers, or an inability to renew contractual arrangement with such parties or negotiate arrangements with new parties on terms which are not materially less favourable than existing arrangements, is likely to have an adverse effect on Angy's future financial performance.

Transfers of CDIs in Angy may result in triggering a change of control provision in an agreement with a material supplier. Such change of control consent may require the consent of that material supplier, and if that consent is not obtained, Angy may be in default of that agreement. Angy may not be able to obtain the supplier's consent to that change of control, resulting in Angy being in default, and possibly termination, of that agreement.

Any default under an agreement with a supplier of Angy could adversely affect Angy's ability to maintain its product range, which may have an adverse effect on Angy's future financial performance.

7.6 Sovereign and Economic Risk in PRC

The Group's business is primarily conducted and located in PRC, such that its operations will be subject to:

- (a) the risk of political and economic instability in PRC;
- (b) government policies to restrict excessive growth in specific sectors of the economy;
- (c) the possible imposition of restrictive trade regulations and tariffs;
- (d) reduced protection for intellectual property rights under PRC law;
- (e) reduced legal protection and remedies under PRC commercial laws;
- (f) risks of foreign exchange currency fluctuations; and
- (g) unexpected changes in regulatory requirements (such as those relating to taxation, import and export tariffs, environmental obligations and other matters).

All the customers of Angy are located in PRC. Presence in the market exposes it to certain risks, including, but not limited to the following:

- (a) its ability to comply with customs, import and export and other trade compliance regulations;
- (b) difficulties in establishing and enforcing its intellectual property rights;
- (c) tariffs and other trade barriers;

- (d) political, legal and economic instability in foreign markets;
- (e) difficulties in staffing and management;
- (f) potential language and cultural barriers;
- (g) longer payment cycles;
- (h) greater difficulty in accounts receivable collection;
- (i) currency fluctuations; and
- (j) potential adverse tax consequences.

7.7 Legal System and Legal Risks

The PRC Companies' operations are governed by PRC laws and regulations. The PRC Companies are foreign-invested enterprises and are subject to laws and regulations applicable to foreign investment in the PRC. The PRC has a civil law legal system based on written statutes. Unlike the common law system, previous court decisions in the PRC may be cited for reference but have limited precedential value. Although the overall effect of legislation over the past 30 years has significantly enhanced the protections afforded to various forms of foreign investments in the PRC, it has not developed a fully integrated legal system and recently enacted laws and regulations may not sufficiently cover all aspects of economic activities. In particular, because these laws and regulations are relatively new, and because of the limited volume of published decisions and their non-binding nature, the interpretation and enforcement of these laws and regulations involve uncertainties. Such uncertainties may limit the legal protections available to the Group.

7.8 Regulatory approvals

The approval process for new products can take many years and can involve substantial expenditure by the Group. In addition, the regulations may change and additional regulations may be imposed that could delay or prevent the approval of the Group's products.

In sales in PRC, the Group and its products are subject to complex PRC regulations, which are subject to change. These regulations create uncertainty as to whether the Group will be able to market its medical device products. There can be no assurance that regulatory approvals will be provided for a product. Delays, or failure to obtain regulatory approval for a product in PRC is likely to have a material adverse effect on the financial performance of the Group.

The Group is subject to ongoing regulatory restrictions. There can be no assurance that additional regulations and legislation will not be enacted to which the Group and its agents will be required to comply. Such additional regulations and legislation can impose significant unanticipated cost burdens on the Group that may have a material adverse effect. Furthermore, the Group will be subject to ongoing regulatory requirements that may impose restrictions on its products, the manufacture of its products or the Group including the recall or withdrawal of the products from the market.

7.9 Technological developments

The medical device industry can be characterised by change, introduction of new products and services, continuing advances in technology and changes in customer requirements and preferences. A failure by the Group to secure a leading market position for its products and adapt to these changes could lead to a loss of market opportunities and adversely impact on the Group's operating results and financial position. No assurance is given that technological developments will not cause the Group's technology to be rendered obsolete or non-competitive.

7.10 Competition

The Group conducts business in a competitive industry in which there are a number of competitors that may have greater financial resources, sales and marketing departments, market penetration and research and development capabilities, as well as broader product offerings and greater market presence and name recognition.

There can be no assurance given in respect of the Group's ability to compete in the competitive market in which it operates. Amongst other things, competition will affect the Group's ability to obtain and sustain proprietary rights to technology, marketing, sales and distribution of products and developing products for existing and new markets. No assurances can be given that the actions of existing and future competitors will not have material adverse effects on the Group's ability to implement its business plan and on the Group's operating and financial performance. Competition and new technologies can reduce product prices and profit margins and decrease the financial value of products or research projects and render costly research and development obsolete.

7.11 Patents and proprietary rights

The ability of the Group to obtain patents, maintain trade secret protection and operate without infringing the proprietary rights of third parties is an integral part of the Group's business. Competition in obtaining and sustaining protection of technology and the complex nature of technologies can lead to patent disputes. In addition, the granting of a patent does not guarantee that the rights of others are not infringed or that competitors will not develop technology to avoid the patented technology. There can be no assurance that any patents which the Group may own or control will afford the Group commercially significant protection of its technology or its products or have commercial application.

The Group will pursue both its existing and all future patent applications. No guarantee can be given that the patents will be granted nor does the grant of a patent guarantee that the patent concerned is valid or that the technology (patented or otherwise) does not infringe the rights of others.

7.12 Key personnel

The key personnel employed by the Group have a high degree of expertise and the Group is reliant on their continued service to maintain and develop its business. The loss of a key employee or the inability to recruit and retain high calibre staff to manage future anticipated growth could have a material adverse effect on the Group. The additions of new employees and departures of existing employees, particularly in key positions, can be disruptive and could also have a material adverse effect on the Group.

7.13 Product liability or other claims

The Group's business activities could result in claims against the Group including product liability claims from research and development, clinical trials, manufacturing, marketing and use of the Group's products. The Group attempts to reduce the risk of some of these losses through disclaimers and liability limitation clauses. However, the Group may not have obtained adequate legal protection in all instances. The Group will also seek to maintain adequate product liability insurance. However, adequate insurance coverage may not be forthcoming and any insurance coverage may not be adequate and any product liability claim for damages could be substantial. There can be no assurance that adequate or necessary insurance coverage will be available at an acceptable cost or in sufficient amounts. In the event of product liability claims, insufficient insurance coverage could have a material adverse effect on the Group's results of operations and financial condition.

If there is a problem that is attributable to the Group's products or services, the market perception of the effectiveness of the Group's products and services could also be harmed.

7.14 Business strategy

If the Group undertakes any acquisitions of businesses or technologies, it may face a number of difficulties in integrating those new businesses or technologies. The Group may be unable to obtain financing for acquisitions on favourable terms or at all. The Group may finance its activities through the issuance of additional shares that could dilute the ownership interests of the Group's existing shareholders. The Group's business strategy may introduce new risks and prove to be disruptive and divert management resources.

7.15 Additional funding requirements

The continued research and development, manufacturing, marketing and sales is dependent on the Group's ability to obtain funding over a long period of time. It is difficult to predict the level of funding required with accuracy and additional development costs may arise which are not currently contemplated by the Group. The continued development of the Group's business is dependent on the Group's ability to have the necessary financing. There is no assurance that additional funding will be available or can be secured on acceptable terms. If funds are not available, there may be a material adverse effect on the Group's business.

7.16 Income and capital risk

No assurances can be given in relation to the future earnings or working capital requirements of the Group. Changes in inflation rates, exchange rates, taxation or other legal regulations or government policies may negatively impact on the revenue generating capacity and future profitability of the Group. This investment is speculative in nature and the Group, its officers or any other person do not guarantee any returns from that capital. The speculative nature of the investment poses a risk that no income will be generated and capital may be lost. It is likely that the Group will record losses and is unlikely to pay a dividend for a number of years.

7.17 Credit Risks

The Group could be adversely impacted if one or more major customers were to default on payment for products sold by the Group. In such situations the Group may have to incur additional cost to seek recovery of the amount due.

7.18 Ability to affect the Group's direction

The Major Shareholder holds 75% of the voting shares of the Group. The Major Shareholder could exert significant influence over matters requiring approval by the Company's shareholders, including electing directors, and in doing so they may not act in the best interests of other minority Shareholders. This concentration of ownership may also discourage, delay or prevent a change in control of the Company, which would deprive the Company's shareholders of an opportunity to receive a premium for their Shares as part of a sale of the Company and might reduce the price for the Company's Shares. These actions may be taken even if they are opposed by the Company's other shareholders. Hence, new investors should be aware that they are unlikely to be able to significantly affect the Company's direction by exercising their voting rights in the usual manner.

7.19 Lack of liquidity Post Listing

There can be no guarantee that an active market in Shares will develop. The Company will have 10 million Shares, where 75% will be held by the Major Shareholder, a portion of which will be held under escrow (see Section 9.7). New investors of the Company should note that liquidity post listing may be constrained given a significant portion of the Company's existing shares will be placed in escrow.

7.20 Payment of Dividends

Angy will rely principally on dividends from the PRC Companies in the PRC for its cash requirements, including any debt the Group may incur. Current PRC regulations permit the PRC Companies to pay dividends only out of accumulated after-tax profits less any recovery of accumulated losses and required allocations to statutory capital reserve funds, if any, determined in accordance with the PRC accounting standards and regulations. In addition, the PRC Companies are required to set aside a certain amount of its after-tax profits each year, if any, to fund certain statutory reserves. These reserves are not distributable as cash dividends. Furthermore, in the future, if the PRC Companies incur debt on their own behalf, the instruments governing the debt may restrict its ability to pay dividends or make other payments to the Company. The inability of the PRC Companies to distribute dividends or other payments to the Company could materially adversely limit the Group's ability to grow, make investments or acquisitions that could be beneficial to its businesses, pay dividends, or otherwise fund and conduct its business.

7.21 Foreign Exchange Risk

The PRC Companies' revenues, assets, costs and expenses in the PRC are denominated in RMB. Accordingly, the depreciation and/or the appreciation of the RMB relative to the Hong Kong currency would result in a translation loss on consolidation which is taken directly to shareholder equity. In addition the reporting currency of the Company's financial reports is denominated in Hong Kong dollars. Any depreciation of

the RMB relative to the Hong Kong dollar may result in lower than anticipated revenue, profit and earnings. The Group will be affected on an ongoing basis by foreign exchange risk between the Hong Kong dollar and the RMB, and will have to monitor this risk on an ongoing basis. Any change in the ability to convert the RMB to Hong Kong dollars due to currency control may have an adverse effect on the financials of the Group from time to time.

7.22 Changes in tax rules or their interpretation

Changes in tax law, or changes in the way tax laws are interpreted may impact the tax liabilities of the Group, Shareholder returns, or the tax treatment of a Shareholder's investment. In particular, both the level and basis of taxation may change. The tax information provided in this Information Memorandum is based on current taxation law as at the Information Memorandum date. Tax law is frequently being changed, both prospectively and retrospectively. Any actual or alleged failure to comply with, or any change in the application or interpretation of tax rules applied in respect of such transactions, may increase the Group's tax liabilities or expose it to legal, regulatory or other actions.

7.23 Other risks

The Directors of the Company have attempted to address relevant risks. However, there are other factors which are not specific to the Group, which may impact on the Group, including:

- (a) government economic policies;
- (b) interest rate charges;
- (c) taxation policies;
- (d) inflation rate changes;
- (e) business confidence and consumer sentiment;
- (f) changes in investors' attitudes towards medical device companies;
- (g) the state of world stock markets; and
- (h) the state of the PRC economy and global economies.

8. Material Contracts

The Directors believe that certain agreements are material contracts such that investors will want to have particulars of them when making an assessment of the Company. Set out below is a brief summary of the material contracts which have been entered into by the group entities or any of its proposed subsidiaries, which may be relevant and of interest to a potential investor.

8.1 Agreement with Ao Zhenming

Under an employment agreement between Ao Zhenming and the Company, Ao Zhenming was appointed as an executive director commencing on 26 July 2012. Ao Zhenming's total remuneration is HK\$500,000 per annum. The agreement can be terminated by each party giving one month's written notice or payment in lieu of notice.

8.2 Non-Executive Directors Letters of Appointment

The Company has entered into letters of appointment with Matthias Hoedl and Tan Weimin in respect of their appointment as Non-Executive Directors of the Company. The letters of appointment are each in standard form and details of each Director's appointment, their duties and their remuneration entitlements.

8.3 Supply agreements

(a) Agreement with Sony (China) Company Limited (**Sony**)

Angy (Guangzhou) has entered into a purchase contract with Sony for the purchase of the Sony Thermal Printer and film (being the Sony medical image product). The agreement commenced on 1 April 2016 and is for a term of one year. Under the agreement Angy (Guangzhou) can place orders with Sony for the supply of Sony's products. This annual purchase and sale contract will expire on 31 March 2017. Angy (Guangzhou) is currently in discussions for the extension of this agreement for a further term.

Under the agreement, each order placed by Angy (Guangzhou) and agreed by Sony will stipulate the items and quantity of the products, shipment date and destination. The price of the products is notified by Sony in advance. The payment term is 60 days after the shipments and penalty of 0.1% per day will be imposed on the overdue payment.

The Company had successfully obtained the following registration certificates:

Certificate No.	Class	Date of Issuance of Certificate	Name of Device	Expiry Date
20162015	I	20 December 2016	Thermal Printer	None*
20162016	I	20 December 2016	Thermal Printer	None*

** SFDA has issued a new Administrative Rule on Registration of Medical Device on 27 June 2014 and Rule on Class of Medical Device on 3 June 2015 (collectively referred to as "**New Rule**") to replace the Administrative Rule of Medical Device dated 9 August 2004.*

Under the New Rule, documents of the medical device in Class I is required to be submitted to SFDA by the producer. As Sony thermal printers belong to the products in Class I, Sony has filed the documents of two thermal printers to SFDA and got the receipts of filing (No. 20162015 and No. 20162016) from SFDA on 20 December 2016.

Under the New Rule, SFDA will only issue the receipt of filing and no SFDA certificates will be issued and there is no expiry date for the filing. Accordingly the 2 Sony thermal printers with the receipts of filing from SFDA are duly qualified to be sold in China.

Both Angy (Guangzhou) and Sony can terminate the agreement on 3 months written notice. If Angy (Guangzhou) does not place any order to Sony for 3 months, Sony has right to terminate the agreement with immediate written notice to Angy (Guangzhou).

The Company is not aware of any default under this agreement that would result in this agreement being terminated.

- (b) Agreement with BOSCH + SOHN GMBH U. CO. KG (**BOSCH**) dated 18 February 2013

Under this agreement, BOSCH sells to the Company the medical device Boso ABI-system 100 including accessories and the Company has the exclusive right to market the products within PRC until 28 February 2015. Thereafter, provided that the annual sales exceed a minimum sales amount, the Company will continue to have exclusive right up to the automatic termination of the agreement on 28 February 2017. The Company is in discussions with BOSCH to extend this agreement.

Under this agreement, the registration of the products in PRC is to be undertaken by the Company. The Company had successfully obtained the following Registration Certificate for Medical Device for and on behalf of BOSCH:

Certificate No.	Class	Date of Issuance of Certificate	Name of Device	Expiry Date
20162215188	II	28 December 2016	Non invasive blood pressure instruments for determination of ABI	27 December 2021

The Company is under negotiation with BOSCH for the extension of this agreement.

The Company is not aware of any default under this agreement that would result in this agreement being terminated.

Any disputes arising from the agreement are subject to the Chamber of Commerce (IHK) in Reutlingen, Germany.

- (c) Distribution Agreement with AtCor Medical Pty Ltd (**AtCor**) dated 22 July 2011 and confirmed by letter of AtCor Medical Pty. Ltd. dated 26 July 2011

Under this distribution agreement, the Company is appointed the exclusive rights to promote, sell and support the MM3 Devices in PRC (excluding Hong Kong and Taipei) from 22 July 2011 until terminated by either party. AtCor retains ownership of all products and all intellectual property.

The Company had successfully obtained the following Registration Certificate for Medical Device for and on behalf of AtCor:

Certificate No.	Class	Date of Issuance of Certificate	Name of Device	Expiry Date
CFDA(I)20132215331	II	10 December 2013	SphygmoCor CvMS-CP, SphygmoCor CvMS-CPV	9 December 2017
CFDA(I)20132215507	II	24 December 2013	SphygmoCor XCEL	23 December 2017

The Company is not aware of any default under this agreement that would result in this agreement being terminated.

The agreement is governed by the laws of the state of New South Wales in Australia and any dispute is subject to arbitration.

- (d) Distribution Agreement with Tricolast NV (**Tricolast**) dated 18 June 2012 and Addendum thereto dated 16 June 2014

Under this agreement the Company is appointed the exclusive distributor of Scarban® range of silicone products in PRC commencing on 1 June 2012 for 5 years from the date that the CFDA certificate of the products are issued, and from 1 June 2014, the distribution territory was expanded to include Hong Kong and Macau for 5 years.

The Company had successfully obtained the following Registration Certificates for Medical Device for and on behalf of Tricolast:

Certificate No.	Class	Date of Issuance of Certificate	Name of Device	Expiry Date
CFDA(I)20132644727	II	5 November 2013	Scarban Silicone Sheet	4 November 2017
20152642328	II	21 July 2015	Scarban Velvet Touch Silicone Gel	20 July 2020

Either party may terminate the agreement where, amongst other things, a party provides the other party with at least one year prior written notice of termination.

All rights, title and interest to all trademarks, patents, copyrights, designs, trade secrets and other intellectual property rights which belong to Tricolast and are used or embodied in the products are owned by Tricolast. The Company can only use the brand name Scarban® and cannot own the rights whatsoever.

The Company is not aware of any default under this agreement that would result in this agreement being terminated.

The agreement is governed by Belgium Law and the United Nations Convention on Contracts of International Sales of Goods.

(e) Distribution Agreement with SMI AG (**SMI**) dated 1 September 2014

Under this agreement the Company has exclusive sale rights of the product range sold to Human Hospitals as stated in the manufacturers' catalogue in PRC (including Hong Kong, Macau, Taiwan) for 6 years from the date of the issuance of CFDA certificates of the products with an automatic extension of 2 years if no notice of cancellation is given by either party.

The registration of the products in PRC is to be undertaken by the Company. The Company is currently in the stage of discussing strategy for the products in China. Hence, the products are yet to be submitted for CFDA registration.

The agreement can be terminated immediately if, amongst other things, the Company fails to reach the purchase requirement and SMI not receiving any new order in the 6 months following the issuance of the CFDA certificates.

The Company is not aware of any default under this agreement that would result in this agreement being terminated.

The agreement is governed by the United Nations Convention on Contracts of International Sales of Goods and any dispute is subject to arbitration.

(f) Distribution Agreement with Talley Group Ltd (**Talley**) dated 6 May 2013

Under this agreement the Company is appointed the exclusive distributor of Venturi NPWT range of pumps and all associated accessories in PRC for 5 years from the date that the SFDA certificate of the products are issued.

The Company had successfully obtained the following Registration Certificates for Medical Device for and on behalf of Talley:

Certificate No.	Class	Date of Issuance of Certificate	Name of Device	Expiry Date
20152261276	II	20 April 2015	Venturi v.11 TG600/08	19 April 2020
20152261277	II	20 April 2015	Venturi v.11 TG600/07	19 April 2020

Apart from the devices, there are two types of disposables. The CFDA registration for one type of disposables was rejected by CFDA for the reason that they contain a unique antimicrobial which has never been used in other similar products in China so the CFDA considered the risk to be very high and required the Company to do clinical trial and more typical biological tests which took much longer than the time limit given by CFDA. The CFDA registration for the second type of disposables is currently under review by CFDA.

The Company is not aware of any default under this agreement that would result in this agreement being terminated.

The agreement is governed by English Law and the United Nations Convention on Contracts of International Sales of Goods.

(g) Distribution Agreement with ECM dated 26 February 2015

The Company is appointed by ECM as its exclusive and sole distributor of ultrasounds scanners in China for a term of 3 years from 26 February 2015. The agreement can be renewed by mutual written consent of the parties for successive 3 year periods upon consultation and agreement on the objectives applicable to the renewal period.

The agreement may be terminated immediately if the parties mutually agree in writing, if one party breaches the agreement and such breach is not removed within 30 days, if a party becomes insolvent or bankrupt or if the Company does not meet the objectives in the agreement.

The agreement is governed by the laws of France and the United Nations Convention on Contracts of International Sales of Goods.

(h) Distribution Agreement with Christie Medical Holdings, Inc. (**Christie**) dated 14 December 2012

Under this agreement the Company was appointed as the exclusive distributor of certain products in PRC from 14 December 2012 until the third anniversary (i.e. 14 December 2015) and automatically extended for successive one year periods unless written notice of termination is given by either party.

While the Company has not achieved the minimum sales targets as set out in the agreement, no written notice of termination was issued by the Christie. Accordingly, the agreement should be automatically extended for one year on 14 December 2016 to 14 December 2017. As neither party had given written notice of termination the agreement remains in force.

8.4 Confidentiality, Indemnity, Insurance and Access Deed

The Company has entered into a Confidentiality, Indemnity, Insurance and Access Deed with each Director which confirms each person's right of access to certain books and records of the Company for a period of seven years after the Director ceases to hold office. This seven year period can be extended where certain proceedings or investigations commence before the seven years expires. The Deeds also require the Company to provide an indemnity for liability incurred as an officer of the Company, to the maximum extent permitted by law.

Pursuant to the Confidentiality, Indemnity, Insurance and Access Deed, the Company shall arrange and maintain Directors' and Officers' Insurance during each Director's period of office and for a period of seven years after a Director ceases to hold office.

The Confidentiality, Indemnity, Insurance and Access Deed are otherwise on terms and conditions considered standard for agreements of this nature in Australia.

9. Additional Information

9.1 Incorporation in Hong Kong

Angy was incorporated in Hong Kong on 2 August 2010.

9.2 Registration as a foreign company

Angy registered as a foreign company in Australia on 4 January 2017 under Division 2 of Chapter 5B.2 of the Corporations Act. Thomas Kim of HWL Ebsworth, the Australian Legal Advisor, has been appointed as the local agent of Angy under section 601CF and 601CG of the Corporations Act.

9.3 Rights attaching to Shares

Angy is subject to, and the rights attaching to ownership of the Shares arise from a combination of:

- (a) the provisions of Angy's Articles of Association (its constituent document);
- (b) the Hong Kong Companies Ordinance, which is the principal legislation regulating companies in Hong Kong; and
- (c) on listing on the NSX, the Listing Rules.

Angy's current Articles of Association were adopted on 30 December 2016 to take into account the requirements of being listed on the NSX. Accordingly, the provisions required under the Listing Rules for constitutions are included in Angy's Articles of Association.

9.4 Summary of applicable Hong Kong company law

Set out below is a brief summary of certain provisions of the Hong Kong Companies Ordinance (Cap 622 of the Laws of Hong Kong) and where applicable the Hong Kong Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap 32 of the Laws of Hong Kong).

The principal objective is to provide an overview of the Hong Kong Companies Ordinance. This does not purport to contain all applicable qualifications and exceptions or to be a review of all matters relating to the Hong Kong Companies Ordinance. As the information contained below is in summary form, it does not contain details of all the information that may be important to you.

(a) Voting

Any member of a company who is entitled to attend and vote at a meeting is entitled to appoint another person whether a member or not, as his proxy to attend and vote instead of him.

The proxy also has the same right to speak at the meeting as the member who appoints him. At any general meeting, a resolution put to the vote of the meeting is decided on a show of hands unless a poll is demanded before or on

the declaration of the result. On a show of hands, every member present in person has one vote irrespective of the number of shares he holds.

If a member appoints more than one proxy, the proxies so appointed are not entitled to vote on the resolution on a show of hands, so they would need to demand a poll, unless the articles of association specified otherwise.

(b) Share capital and issue of shares

Shares in a company have no nominal value.

Share capital may be divided into different types or classes of shares such as ordinary, preference or deferred shares with special rights attached to them as prescribed by the company's articles of association.

The articles of association of a company have effect as a contract under seal between a company and its members and between a member and each other member. Only the legal owner of the applicable share is recognized by a company as its member. No notice of trust (whether express, implied or constructive) may be entered in the register of members of a company or receivable by the Registrar of Companies.

(c) Membership

To become a member of a company, a person must have the capacity to contract with the company. Capacity is governed by the general law of contract. A subsidiary company is prohibited from being a member of its holding company, and any allotment or transfer of shares in a holding company to its subsidiary is void.

(d) Transfer of shares

Shares are freely transferrable unless the company's articles of association impose restrictions on their transfer.

The actual transfer of the legal interest in shares should be effected by an instrument of transfer, the actual transfer of the beneficial interest in shares should be effected by bought and sold notes. Stamp duty is required to be paid. The instrument of transfer and the bought and sold notes must be submitted for stamping, together with the applicable supporting documents. When the transfer of legal ownership is registered and the buyer's name is entered on the register of members, he will be the legal owner of the shares. As mentioned above, beneficial owners are not included in the register of members.

(e) Meetings and notice

Save for special arrangements for the first financial year, every company is required to hold a general meeting as its annual general meeting in respect of each financial year, in the case of a public company within 6 months of the end of its accounting reference period by reference to which the financial year is to be determined. However, it may be conducted by shareholders' written resolution provided that copies of all the documents which would have been laid

before the company at that meeting are circulated to each member. A company is also not required to hold a general meeting if it has only one member.

An extraordinary general meeting may be convened at the request of directors, members, auditors (in certain circumstances), liquidators, the official receiver or by the court.

The Hong Kong Companies Ordinance provides that the length of notice for calling an annual general meeting shall not be less than 21 days' notice in writing. In any other case, the length of notice shall not be less than 14 days' and 7 days' notice in writing for limited companies and unlimited companies respectively.

The Hong Kong Companies Ordinance provides that any member of a company entitled to attend and vote at a meeting of the company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of him, and a proxy so appointed shall also have the same right as the member to speak at the meeting.

A proxy who has been duly appointed by a member entitled to vote on the resolution has one vote. If a member appoints more than one proxy, the proxies so appointed are not entitled to vote on the resolution on a show of hands unless the articles of association of the company specify otherwise.

(f) Types of transactions that require shareholder approval

The Hong Kong Companies Ordinance and the Hong Kong Companies (Winding Up and Miscellaneous Provisions) Ordinance provide that, among other matters, the undertaking of the following matters by a company shall be subject to, among other things, shareholders' approval or approval from a certain class of shareholders (as the case may be):

- (i) alteration of the articles of association of a company;
- (ii) change of name of a company;
- (iii) a company repurchasing its own shares;
- (iv) alteration of the share capital of a company by way of increasing its share capital, convert all of its shares into larger or smaller number of shares or dividing of its shares into different classes, or cancelling shares;
- (v) allotment of shares on a non pro-rata basis;
- (vi) reduction of share capital;
- (vii) variation of rights of shareholders that are attached to a particular class of shares of a company;
- (viii) extend the period on which the register of members of a company is closed to a period beyond 30 days;

- (ix) appointment, replacement or removal of an auditor of a company (subject to rights of the directors);
 - (x) removal of a director before the expiration of his period of office by a company;
 - (xi) voluntary winding up of a company (subject to rights of the directors);
 - (xii) appointment, removal or replacement of a liquidator; and
 - (xiii) declaring that a company will become dormant.
- (g) Purchase of shares and options by a company and its subsidiaries

The Hong Kong Companies Ordinance provides that, if authorised by its articles, a company may buy back its own shares (including any redeemable shares) provided that it does not result in the company's capital comprising only redeemable shares. The rules which apply when a company buys back its own shares include that:

- (i) the shares must be fully paid;
- (ii) the buy-back must generally be financed out of distributable profits or the proceeds of a fresh issue of shares made for the purpose of the buy-back although in certain circumstances buy-backs out of capital are permitted;
- (iii) the shares bought must be treated as cancelled on buy-back; and
- (iv) the company's share capital will be reduced if the shares were bought back out of capital; the company's profits will be reduced if the shares were bought back out of profits; the company's share capital and profits will be reduced proportionately if the shares were bought back out of both capital and profits, by the total amount of the price paid by the company for the shares;

Generally public companies in Hong Kong must comply with the Hong Kong Code on Share Buy-backs in the event of a share buy-back. It does not have the force of law, but sets out standards expected of participants in the securities markets in Hong Kong.

Public companies may buy-back their own shares:

- (v) in an on-market share buy-back;
- (vi) in an off-market share repurchase approved in accordance with rule 2 of the Hong Kong Code on Share Buy-backs ;
- (vii) in an exempt share buy-back; or

- (viii) a share buy-back by way of a general offer in accordance with the General Principles and Rules of the Codes as set out in the Hong Kong Code on Share Buy-backs .

(h) Appointment of directors

Every public company must have at least two directors. A body corporate must not be appointed a director of a public company. A private company may have just one director but the private company must have at least one director who is a natural person. The Hong Kong Companies Ordinance imposes a minimum age of 18 years for a director and generally prohibits a person who is an undischarged bankrupt from acting as a director. The general power to appoint directors is vested in the members acting in general meeting. The articles of association of a company may provide that directors have the power to fill any casual vacancy and to make additional appointments.

(i) Financial assistance to purchase shares in a company or its holding company

The Hong Kong Companies Ordinance provides that it is generally unlawful for a company or any of its subsidiaries to:

- (i) give any financial assistance directly or indirectly for the purpose of a person acquiring the company's shares, whether it is given before or at the time of the acquisition; or
- (ii) give any financial assistance directly or indirectly for the purpose of reducing or discharging the liability incurred by acquiring the company's shares.
- (iii) However, this general prohibition is subject to exceptions, which allow all types of company (listed or unlisted) to provide financial assistance, subject to satisfaction of solvency tests and certain specified procedures.

(j) Dividends and distributions

The basic principle governing all payments by a company to its members is that a company may only make a distribution out of profits available for distribution.

A company's profits available for distribution are its accumulated, realised profits (so far as not previously utilized by distribution or capitalization) less its accumulated, realised losses (so far as not previously written off in a reduction or reorganization of capital). These are defined as those profits or losses which are regarded as realised profits or realised losses for the purpose of any financial statements prepared by the directors in accordance with principles generally accepted at the time when the financial statements are prepared.

(k) How are changes in rights attaching to shares regulated

Where, in the case of a company the share capital of which is divided into different classes of shares, special rights are attached to any such class of shares, such special rights may be varied only in accordance with provisions in

the company's articles for the variation of those rights, or if there are no such provisions, with the written consent of holders representing at least 75% of the total voting rights of holders of shares in that class or with the sanction of a special resolution passed at a separate general meeting of the holders in that class.

- (l) Protection of minorities (including from oppressive conduct) and the ability for shareholders to requisition a meeting or to bring or intervene in legal proceedings on behalf of the entity

The Hong Kong Companies Ordinance provides certain safeguards in an effort to ensure that majority power is not abused. For example:

- (i) members who hold at least 5% of the total voting rights of all the members may request the directors to call a general meeting;
- (ii) members who hold at least 2.5% of the total voting rights of all members may request for a resolution to be considered at the company's next annual general meeting or apply to the court to inspect any records of a company;
- (iii) a member is entitled to seek relief from the court if the affairs of the company are being conducted in a manner unfairly prejudicial to the interests of the members generally or of one or more members;
- (iv) a member is entitled to bring a statutory derivative action, or intervene in, court proceedings in the event of misconduct committed against a company on behalf of the company; and
- (v) a member may petition for the company to be wound up by the court.

The law in Hong Kong permits shareholders, with the permission of a court, to start a derivative action on behalf and under the name of a company against directors in breach of their duties.

Hong Kong Companies Ordinance also provides for statutory derivative actions which cover:

- (i) the bringing of proceedings in respect of misconduct committed against a company;
- (ii) the bringing of proceedings in respect of any matter where a company fails to bring proceedings in respect of such matter by reason of misconduct committed against the company; and
- (iii) the intervention in proceedings in respect of any matter where a company fails to diligently continue, discontinue or defend the proceedings in respect of such matter by reason of misconduct committed against the company,

where in relation to the proceedings brought or intervened in, the cause of action or right to continue, discontinue or defend those proceedings, as the

case may be, is vested in the company and relief, if any, is sought on behalf of the company.

(m) Liquidation rights

The winding-up of a company may be by the court, or it may be done voluntarily.

The Hong Kong Companies (Winding Up and Miscellaneous Provisions) Ordinance provides that a company may be wound up voluntarily:

- (i) where the period, if any, fixed by its articles of association for the duration of the company expires, or an event, if any, occurs on the occurrence in which the articles provide that such company is to be dissolved, and the company has resolved (by ordinary resolution) to be wound up voluntarily;
- (ii) if the company resolves by special resolution to be wound up voluntarily; and
- (iii) if the company resolves by special resolution that it cannot by reason of its liabilities continue its business and that it is advisable to wind-up.

(n) Shareholder liability

The Hong Kong Companies Ordinance provides that a company may be registered as limited by shares. If shares are paid for in full when they are issued, even if the company is unable to pay its debts and is wound up, the members are not liable to pay those debts as their liability is limited to the amount paid on the shares, which has already been contributed. In the event the shares are unpaid or only partially paid up, the members may be liable to contribute towards paying the company's debts, but their maximum contribution will be the amount of unpaid on their shares.

(o) Accounting and auditing requirements

A company is required to keep accounting records which must be sufficient:

- (i) to show and explain the company's transactions;
- (ii) to disclose the company's financial position and financial performance; and
- (iii) to enable the directors to ensure that the financial statements comply with the Hong Kong Companies Ordinance.

The accounting records must contain (i) daily entries of all sums of money received and expended by the company, and the matters in respect of which the receipt and expenditure takes place; and (ii) a record of the company's assets and liabilities.

The company's accounting records must be kept at the registered office of the company or at such other place as the directors think fit, and shall at all times be open to inspection by the directors without charge.

The Hong Kong Companies Ordinance requires auditors of a company to report to the members on any financial statements prepared by the directors a copy of which is laid before the company in general meeting during the time they hold the office of auditor. The financial statements generally must comply with the requirement of Parts 1 and 2 of Schedule 4 to the Hong Kong Companies Ordinance. Every company is required to appoint auditors. Auditors will be appointed at the company's annual general meeting ("AGM") and they are appointed to hold office from the conclusion of that meeting until the conclusion of the next AGM. If the meeting fails to appoint auditors, any member of the company may apply to the court for an appointment. A person can only be appointed as auditor if he is qualified under the Professional Accountants Ordinance and he is not:

- (A) an officer or employee of the company;
- (B) a person who is a partner or employee of an officer of the company; and
- (C) a person disqualified for appointment as auditor in relation to the company's subsidiary undertaking, its parent undertaking, or a subsidiary undertaking of that parent undertaking.

(p) Management

The general power of managing a company is usually vested in the board of directors which is subject to the Hong Kong Companies Ordinance, the company's articles of association, and to any directions given by a special resolution of the shareholders.

Shareholder approval is required for matters concerning:

- (i) the company's articles of association;
- (ii) the company's share capital;
- (iii) the appointment and removal of auditors;
- (iv) the removal of directors before the end of the director's term of office; and
- (v) voluntary winding-up.

A company's articles of association may specify that certain powers must be exercised by the company in general meeting.

(q) Alteration of articles of association

Subject to the Hong Kong Companies Ordinance, a company may by special resolution alter its articles of association or by ordinary resolution in the case of an increase in the maximum number of shares that the company may issue. However, a company must not alter in its articles the statement that the liability of its members is limited and that the liability of its members is limited to any amount unpaid on the shares held by the members. The alterations must not be inconsistent with any special rights attached to a class of shares unless the procedures for varying class rights are complied with.

9.5 Key differences between Australian and Hong Kong company laws and regulations

As Angy is not established in Australia, its general corporate activities (apart from the offering of securities in Australia) are not regulated by the Corporations Act of the Commonwealth of Australia or by ASIC but instead are regulated by the Hong Kong Companies Ordinance, Hong Kong Companies (Winding Up and Miscellaneous Provisions) Ordinance, Hong Kong Securities and Futures Ordinance and The Codes on Takeovers and Mergers (the "Hong Kong Takeovers Code"), in the latter case as supervised by the Securities and Futures Commission of Hong Kong (the "SFC").

Set out below is a table summarising some of the key differences between Australian and Hong Kong company laws and regulations as they apply to Angy.

Australia	Hong Kong
Takeovers and compulsory acquisitions and substantial holder notices	
<p>Takeovers</p> <p>Chapter 6 of the Corporations Act prohibits the acquisition of a relevant interest in voting shares if, because of that transaction, a person's voting power in the company increases from under 20% to over 20% or increases from a starting point that is above 20% and below 90%</p> <p>There are a number of exceptions to the prohibition in Chapter 6, including:</p> <ul style="list-style-type: none"> an acquisition that results from an acceptance of an offer under a takeover bid; an acquisition approved by a resolution of the company in which the acquisition is made; acquisitions of no more than 3% in every 6 months; an acquisition that results from a rights issue; a downstream acquisition resulting from an acquisition of relevant interests in another listed entity; and acquisitions resulting from a scheme of 	<p>Takeovers</p> <p>The Hong Kong Takeovers Code regulates takeovers and mergers in Hong Kong and applies to public companies in Hong Kong that wish to participate in the Hong Kong securities market.</p> <p>The Hong Kong Takeovers Code provides that when a person, or two or more persons acting in concert collectively:</p> <ul style="list-style-type: none"> acquire, whether by a series of transactions over a period of time or not, 30% or more of the voting rights of a company; or hold not less than 30% but not more than 50% of the voting rights of the company and acquires more than 2% of the voting rights of a company from the lowest percentage holding of that person or persons collectively within a 12 month period, <p>then a general offer must be made to all other shareholders of the company.</p> <p>If a shareholder holds more than 50%, from the date 12 months after that shareholder acquires more than 50% voting rights of the company, no mandatory general offer obligation will be triggered no matter how many additional shares/voting rights the shareholder acquires.</p>

Australia	Hong Kong
<p>arrangement.</p> <p>Chapter 6B of the Corporations Act sets out the rights and liabilities in relation to Chapter 6 and 6A matters.</p> <p>Substantial holder notices</p> <p>Chapter 6C of the Corporations Act sets out disclosure requirements for persons who have or cease to have a substantial holding in a listed company.</p> <p>Notification requirements also apply if the person has a substantial holding and there is a movement of at least 1% in their holding, or the person makes a takeover bid for securities of the company or scheme.</p> <p>A "substantial holding" includes where a person and their associates have a relevant interest in 5% or more of the total number of votes attaching to voting shares in the body.</p> <p><i>NB– It is usual and customary for the NSX to require foreign entities listed on the NSX to comply with Chapter 6C of the Corporations Act in regards to disclosure requirements for persons who have or cease to have a substantial holding in a listed company.</i></p> <p>Compulsory acquisition</p> <p>Chapter 6A of the Corporations Act sets out the requirements for any compulsory acquisition process</p> <p>A bidder under a takeover bid may compulsorily acquire any remaining securities</p>	<p>Substantial holder notices</p> <p>Part XV of the Hong Kong Securities and Futures Ordinance requires the disclosure by substantial shareholders, directors (including shadow directors) and chief executives of a corporation that has any of its securities listed on the Hong Kong Stock Exchange (collectively "Corporate Insiders") of their interests in the securities of that listed corporation and its associated corporation. The substantial shareholders must disclose their interest and short position if they are interested in 5% or more of the voting shares of the listed corporation. The directors and chief executives must disclose their interests, and short positions in a listed corporation and its associated corporations and interests in their debentures.</p> <p>Section 309(2) of the Hong Kong Securities and Futures Ordinance gives the SFC the power to exempt any listed corporation from all or any of the provisions of Part XV of the Hong Kong Securities and Futures Ordinance, subject to such conditions as it thinks fit. A listed corporation may apply in writing to the SFC for an exemption under Part XV of the Hong Kong Securities and Futures Ordinance and the SFC will take into account of the following matters in deciding whether to grant a full exemption for corporations with a listing in any other jurisdiction:</p> <ul style="list-style-type: none"> the volume of the applicant corporation's worldwide share turnover or the anticipated turnover that takes place on any other stock exchange or securities market; the extent to which an applicant corporation's Corporate Insiders are subject to statutory disclosure requirements in any other jurisdiction that are comparable to those existing in Hong Kong; and the reasons for the applicant corporation listing in Hong Kong including whether it intends to raise capital or not. <p>Compulsory acquisition</p> <p>Division 4 of Part 13 of the Hong Kong Companies Ordinance sets out the procedures in respect of a compulsory acquisition after a takeover offer.</p> <p>If a purchaser makes an offer to acquire all the</p>

Australia	Hong Kong
<p>in the bid class if during, or at the end of, the offer period, the bidder and their associates have:</p> <ul style="list-style-type: none"> • relevant interests in at least 90% (by number) of the securities in the bid class; and • acquired at least 75% (by number) of the securities that the bidder offered to acquire under the bid (whether the acquisitions happened under the bid or otherwise). 	<p>shares not held by it in a Hong Kong incorporated company and has acquired not less than 90 percent of the shares, for which the offer is made, within the applicable time period, the purchaser may invoke the procedures set out in the Hong Kong Companies Ordinance in order to acquire compulsorily the remaining shares.</p>
Related party transactions	
<p>Chapter 2E of the Corporations Act covers 'related party benefits' – designed to protect the interests of a company's shareholders as a whole, by requiring shareholder approval before giving financial benefits which could otherwise endanger those interests.</p> <p>The Corporations Act requires, for a public company, that:</p> <ul style="list-style-type: none"> • Shareholder approval must be obtained before giving a financial benefit to a related party; and • the benefit must be given within 15 months of the approval; or • the benefit must fall within a specified exception. <p>The most relevant exception provides that:</p> <ul style="list-style-type: none"> • where any benefit would be reasonable in the circumstances if the public company and the director/related party were dealing at arm's length terms; or • the terms are less favourable to the director/related party than the terms referred to above, <p>then shareholder approval is not required.</p> <p>Other exceptions include reasonable remuneration payments to directors, director insurance, and small amounts given to directors/related parties.</p> <p>'Related party' is defined in the Corporations Act to include:</p> <ul style="list-style-type: none"> • a director of the company and any controlling entity and their spouses • parents and children (of both directors and/or spouses) 	<p>The Hong Kong Companies Ordinance provides that companies no matter whether they are public or private cannot directly or indirectly:</p> <ul style="list-style-type: none"> • make a loan to a director of the company, or of its holding company; • enter into any guarantee or provide any security in connection with a loan made by any person to a director of the company or its holding company; or • make a loan to or enter into any guarantee or provide security in connection with a loan made by any person to a body corporate controlled by a director. <p>The transactions which are exempted from the above prohibitions are as follows:-</p> <p>Ordinary business: A company may make a loan to a director, or provide a guarantee or security for such a loan, if the ordinary business of that company includes those types of transactions. Such transactions must be entered into in the ordinary course of business and the amount of the transactions must not be greater, and the terms must not be more favourable, than what is reasonable to expect the company to have offered to a person who is unconnected with the company.</p> <p>Group of companies: A company that is a member of a group of companies may make a loan, or given a guarantee or provide security in connection with a loan to a company that is a member of the same group.</p> <p>Prescribed approval of members: A company may make a loan, or give guarantee or provide security to a director of a company or of a holding company, or a body corporate controlled by a director which has been approved by the company in general meeting or by written</p>

Australia	Hong Kong
<ul style="list-style-type: none"> • an entity controlled by any of the above • any other entity acting in concert with a related party. 	<p>resolution.</p> <p>Funds to meet expenditure: A company may enter into any transaction to provide any of its directors or the director of a holding company of the company, or a body corporate controlled by a director, or an entity connected with such a director, with funds to meet expenditure incurred by him/her for the purpose of the company or enabling him/her, the body corporate controlled by a director or connected entity (as the case may be) to properly perform his/her duties as an officer of the company.</p> <p>Provision of home loan: A company may enter into any transaction:</p> <ul style="list-style-type: none"> • for the purpose of facilitating the purchase of any residential premises for use as the only or main residence of: <ul style="list-style-type: none"> • a director of the company; • an employee of the company who is a director of a holding company of the company; or • an employee of the company who is an entity connected with a director of the company or of a holding company of the company; or • for the purpose of improving such residential premises. <p>Hire/lease on not more favourable terms: A company may lease or hire goods, or lease land to:</p> <ul style="list-style-type: none"> • a director of the company; • a body corporate controlled by a director; or • an entity connected with such a director, <p>on terms not more favourable than the term it is reasonable to expect the company to have offered, if the goods had been leased or hired, or the land had been leased, on the open market, to a person who is unconnected with the company.</p> <p>Exception for loan of value not exceeding 5% of net assets or called-up share capital: A company may make a loan, or give a guarantee or provide security in connection with a loan, if the aggregate of the value of the transaction in question, and the value of any other relevant transaction or arrangement, does not exceed 5% of:</p> <ul style="list-style-type: none"> • the value of the company's net assets as determined by reference to the relevant

Australia	Hong Kong
	<p>financial statements of the company; or</p> <ul style="list-style-type: none"> if no such relevant financial statements have been prepared, the amount of the company's called-up share capital. <p>Exception for expenditure on defending proceedings and in connection with investigation or regulatory action: A company may enter into any transaction:</p> <ul style="list-style-type: none"> to provide a director of the company or of a holding company of the company with funds to meet expenditure incurred or to be incurred by the director in defending any criminal or civil proceedings in connection with any alleged negligence, default, breach of duty or breach of trust by the director in relation to the company or an associated company of the company, or an investigation, or against any action taken or proposed to be taken by a regulatory authority; or to enable such a director to avoid incurring such expenditure, <p>provided that:</p> <ul style="list-style-type: none"> the funds are to be repaid, or any liability of the company incurred in relation to that transaction is to be discharged, if: <ul style="list-style-type: none"> the director is convicted in the proceedings; or judgment is given against the director in the proceedings; or the court refuses to grant the director relief on the application; or the director is found in the investigation or action to have committed the misconduct, <p>(as the case may be);</p> that the funds are to be so repaid, or such liability is to be so discharged, not later than the date when the conviction, judgment or refusal of relief or finding (as the case may be) becomes final. <p>There are also restrictions on payments to directors for loss of office and for long service contracts with directors and restrictions on quasi-loans and credit transactions with directors and bodies corporate controlled by directors. Furthermore there are restrictions on directors being interested in material contracts,</p>

Australia	Hong Kong
	arrangements and transactions with the company.
Protection of minorities	
<p>The Corporations Act has various provisions allowing for application for a court order for oppressive conduct of a company's affairs, allowing for derivative actions and permitting the inspection of a company's books. A winding up order may also be sought on just and equitable grounds.</p>	<p>The Hong Kong Companies Ordinance contains various provisions allowing for application for a court order for unfairly prejudicial conduct of a company's affairs, allowing for derivative actions and permitting the inspection of a company's books. A winding up order may also be sought on just and equitable grounds.</p>
Filing documents / access to information	
<p>The Corporations Act requires a corporation to file various documents with ASIC, including its accounts, notification of changes to its constitution and notifications regarding changes to the director, secretary and share capital.</p> <p>Documents filed with ASIC are available to the public. The Corporations Act also provides for a statutory right permitting the member to inspect the books of a company.</p>	<p>The Hong Kong Companies Ordinance requires a company to file various documents with the Hong Kong Companies Registry including, without limitation: changes to its articles of association, annual returns, notification of change of company secretary and director, and return of allotments.</p> <p>Documents filed with the Hong Kong Companies Registry are available for inspection by the public.</p> <p>The Hong Kong Companies Ordinance also provides members of the company with certain inspection rights in respect of the records of a company.</p>
Notice of meetings	
<p>The Corporations Act requires at least 28 days' notice of a general meeting of a listed company.</p>	<p>The Hong Kong Companies Ordinance provides that the length of notice for calling an annual general meeting shall not be less than 21 days' notice in writing.</p> <p>In the case of a meeting other than an annual general meeting, the length of notice shall not be less than 14 days' notice in writing.</p>
Removal of directors	
<p>The Corporations Act contains various provisions regarding resignation, removal and retirement of directors.</p> <p>The Corporations Act provides that a director may be removed by resolution at a general meeting, subject to a company receiving at least two months' notice of the intention to move the resolution and the company notifying the relevant director as soon as possible after receiving notice of that intention.</p> <p>The Corporations Act also provides what is termed the 'two-strikes' law which is designed to hold directors accountable for executive salaries and bonuses. It means an entire company board can face re-election if shareholders disagree with how much</p>	<p>The Hong Kong Companies Ordinance contains various provisions regarding resignation, removal and retirement of directors.</p> <p>The Hong Kong Companies Ordinance provides that a company may by ordinary resolution remove a director before the expiration of his period of office.</p> <p>If a member requires a general meeting of the company to consider a resolution removing a director, he must give the company special notice of that proposed resolution at least 28 days before the meeting. The company must, if practicable, give the members notice of the proposed resolution at the same time and in the same manner as it gives notice of the meeting.</p>

Australia	Hong Kong
<p>executives are being paid.</p> <p>The 'first strike' occurs when a company's remuneration report — which outlines each director's individual salary and bonus — receives a 'no' vote of 25 per cent or more by shareholders at the company's annual general meeting.</p> <p>The 'second strike' occurs when a company's subsequent remuneration report also receives a 'no' vote of 25 per cent or more.</p> <p>When a 'second strike' occurs, the shareholders will vote at the same AGM to determine whether all the directors will need to stand for re-election. If this 'spill' resolution passes with 50 per cent or more of eligible votes cast, then a 'spill meeting' will take place within 90 days.</p> <p>At the spill meeting, those individuals who were directors when the directors' report was considered at the most recent AGM will be required to stand for re-election (other than the managing director, who is permitted to continue to run the company).</p>	<p>There is no equivalent of the 'two-strikes' law in Hong Kong.</p>
Directors' duties	
<p>The laws governing directors' duties and responsibilities come from three areas, namely; the common law (judge-made law), statute law, under the Corporations Act and a company's constitution.</p> <p>Common law duties include:</p> <ul style="list-style-type: none"> • Duty to act bona fide (in good faith) in the interests of the company as a whole; • Duty not to act for an improper purpose; • Duties of care and diligence; • Duty to retain discretion; • Duty to avoid conflicts of interest; • Duty not to disclose confidential information; • Duty not to abuse corporate opportunities. <p>Statutory duties include:</p> <ul style="list-style-type: none"> • Duty of care and diligence and the business judgment rule; • Duty of good faith; • Duty not to make improper use of 	<p>The duties of directors derive from various sources, including the constitution of the company, case law and statute law.</p> <p>The general principles of directors' fiduciary duties are based on the common law and they include the:</p> <ul style="list-style-type: none"> • duty to act in good faith for the benefit of the company as a whole; • duty to use powers for a proper purpose for the benefit of members as a whole; • duty not to delegate powers except with proper authorisation and duty to exercise independent judgment; • duty to exercise care, skill and diligence; • duty to avoid conflicts between personal interests and interests of the company; • duty not to enter into transactions in which the directors have an interest except in compliance with the requirements of the law; • duty not to gain advantage from use of position as a director; • duty not to make unauthorised use of the company's property or information;

Australia	Hong Kong
position; <ul style="list-style-type: none"> Duty not to make improper use of information; Duty not to trade while insolvent; Disclosure of material personal interests; Financial benefits to related parties of public companies; Financial reporting. 	<ul style="list-style-type: none"> duty not to accept personal benefit from third parties conferred because of position as a director; duty to observe the company's constitution and resolutions; and duty to keep accounting records.

9.6 Dividend policy

The payment and amount of any potential future dividends declared by Angy are subject to the discretion of the Directors and will depend upon, among other things, Angy's earnings, financial position, tax position and capital requirements.

Angy will declare any dividends in HK\$ as it is its main functional currency. Angy will pay any dividends in HK\$ or A\$ depending on the country of residence of the CDI holder. If the CDI holder in Australia wishes to receive dividends in HK\$ they must complete an appropriate election form and return it to Angy's Share Registry, no later than the close of business on the dividend record date.

9.7 Escrow

From listing, 5,100,000 of the CDIs held by the Major Shareholder will be subject to a voluntary escrow arrangement. The Major Shareholder has entered into a voluntary escrow deed in respect of those Shares following the listing.

During the escrow period, the Major Shareholder must not do any of the following with respect to his escrowed Shares:

- (a) dispose of, or agree or offer to dispose of, any escrowed Shares;
- (b) create, or agree to offer or create, any security interest in the escrowed Shares;
or
- (c) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of the escrowed Shares,

subject to certain exceptions such as where there is a bona fide takeover bid made in respect of all of the Shares or the transfer or cancellation of the Shares as part of a scheme of arrangement.

Only the Major Shareholder is subject to the voluntary escrow arrangements set out in the table below:

Shareholder	Ao Zhenming
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Current number of shares held ¹	7,500,000
% of total shares	75%
Escrowed CDIs ²	5,100,000 ²
CDIs held at listing ³	2,400,000

¹ This is the total number of shares currently held, which will be held as either CDIs or shares at listing (as set out in the final two columns of this table and referenced with footnotes 3 and 4).

² These CDIs (representing 68% of the total CDIs held by Ao Zhenming) will be escrowed until 2 years post listing on NSX.

³ These are the number of shares that the shareholder will shunt to CDIs at listing.

9.8 Disclosure of Director's Relevant Interests

Except as disclosed in this Information Memorandum, no Director (whether individually or in consequence of a Director's association with any company or firm or in any material contract entered into by the Company) has now, or has had, in the 2 year period ending on the date of this Information Memorandum, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation.

Except as disclosed in this Information Memorandum, no amounts of any kind (whether in cash, Shares, options or otherwise) have been paid or given or agreed to be paid or given to any Director or to any company or firm with which a Director is associated to induce him or her to become, or to qualify as, a Director, or otherwise for services rendered by him or her or any company or firm with which the Director is associated in connection with the formation or promotion of the Company.

9.9 Tax implications

Angy was not incorporated in Australia nor does it carry on any business in Australia. Australian income tax implications will need to be considered if Angy has a presence in Australia via a permanent establishment.

9.10 Capital structure and substantial Shareholders

The Company has the following fully paid ordinary shares and CDI, and substantial holders holding 5% or more of the Shares:

Shareholder	Current shares/CDIs held	% of total shares	CDIs held at listing	CDIs subject to escrow
Ao Zhenming	7,500,000	75%	2,400,000	5,100,000
Huang Zhongmin	1,000,000	10%	1,000,000	Nil
Brighten Management Limited	990,000	9.9%	990,000	Nil
Other shareholders	510,000	5.1%	510,000	Nil
Total	10,000,000	100%	4,900,000	5,100,000

9.11 Top 20 Shareholders

The top 20 Shareholders/CDI holders of the Company (including Shares which are subject to escrow arrangements) as of the date of this Information Memorandum are as follows:

No	Name of holder	Number of Shares/CDIs	% of issued capital
1.	Ao Zhenming	7,500,000*	75%
2.	Huang Zhongmin	1,000,000	10%
3.	Brighten Management Limited	990,000	9.9%
4.	Ms Xu Songsi	79,400	0.794%
5.	Ms Chen Ju Yin	75,000	0.75%
6.	Ms Wang Pei	75,000	0.75%
7.	Mr Tsang Hin Cho	37,500	0.375%

8.	Mr Lu Zhigang	36,000	0.36%
9.	Ms Lao Wanling	29,500	0.295%
10.	Ms Yao Jing	25,000	0.25%
11.	Mr Mok Chi Ho Raymond	18,600	0.186%
12.	Mr Cen Jianming	7,000	0.07%
13.	Ms Xiao Yan	6,000	0.06%
14.	Ms Zhao Shuqing	6,000	0.06%
15.	Mr Xie Mingqiang	5,000	0.05%
16.	Mr Zhou Yu Xiang	5,000	0.05%
17.	Mr Lan Juntao	5,000	0.05%
18.	Ms Zhuo Yu Tong	5,000	0.05%
19.	Mr Yao Dongsheng	5,000	0.05%
20.	Mr Liang Guanhang	4,000	0.04%
20.	Mr Shi Zhenming	4,000	0.04%
Total		9,918,000	99.18%

* Includes Shares subject to voluntary escrow

9.12 Interests of named Persons

Other than as set out below or elsewhere in the Information Memorandum, no expert, promoter, or any other person named in this Information Memorandum as performing a function in a professional, advisory or other capacity in connection with the preparation

or distribution of this Information Memorandum, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, within two years before lodgement of the Information Memorandum:

- (a) had any interest in the formation or promotion of the Company or in any property acquired or proposed to be acquired by the Company in connection with its formation or promotion; and
- (b) not recorded any amounts or benefits or has not agreed to be paid benefits for services rendered by such persons in connection with the formation or promotion of the Company.

JS CPA & CO. (formerly known as C.Y. Ng & Co.) has acted as Auditor to Angy. Angy has paid or agreed to pay an amount of HK\$800,000 in respect of these services.

HWL Ebsworth has acted as the Australian corporate legal counsel (other than in respect of tax and stamp duty matters) to Angy in respect of the listing, has performed work in relation to the Australian due diligence enquiries on corporate matters and has advised the Company generally in relation to its admission to the Official List. Angy has paid or agreed to pay an amount of approximately A\$150,000 (plus disbursements) (approximately HK\$900,000) in respect of services in relation to the listing. Further amounts may be paid or payable to HWL Ebsworth in accordance with time-based charges on and from the date of this Information Memorandum.

K. M. Lai & Li Solicitors & Notaries has acted as the Hong Kong legal advisor to Angy and performed work in relation to due diligence enquiries on Hong Kong legal matters. Angy has paid or agreed to pay an amount of HK\$386,000 (plus disbursements) in respect of these services up to 17 December 2016. Further amounts may be paid to K. M. Lai & Li Solicitors & Notaries in accordance with time-based charges.]

Guangzhou King Pound Law Firm has acted as the PRC legal advisor to Angy and performed work in relation to due diligence enquiries on PRC legal matters. Angy has paid or agreed to pay an amount of RMB100,000 (plus disbursements) (approximately HK\$110,000) in respect of these services. Further amounts may be paid to Guangzhou King Pound Law Firm in accordance with time-based charges.

9.13 Listing expenses

The table below outlines the expenses of the listing.

Estimated cost (exclusive of GST)	HK\$
Listing advisory	862,500
Australian, Hong Kong and PRC Legal fees	1,500,000
NSX fees	325,000
Audit fees	800,000
Marketing and advertising costs	500,000
Printing and other costs	500,000
Total estimated costs	HK\$4,487,500

9.14 Tax status and Financial Year

The Company's Australian income (if any) will be taxed in Hong Kong as a public company at the prevailing corporate tax rate of 16.5%. The financial year of the Company will end on 31 December annually.

9.15 Litigation and Claims

The Directors are not aware of any legal proceedings which have been threatened or commenced against the Company and any of its proposed subsidiaries.

9.16 Selling Shares on NSX and CHES

The Company will apply to participate in the Clearing House Electronic Sub-register System (**CHES**), operated by ASX Settlement Pty Ltd (**ASX Settlement**) a wholly owned subsidiary of the ASX, in accordance with the Listing Rules and the NSX Procedures. Under this system, the Company will not issue certificates to investors. Instead, Shareholders will receive a statement of their holdings in the Company.

If an investor is broker sponsored, ASX Settlement will send them a CHES statement. The CHES statement will set out the number of Shares held by an investor, give details of the Shareholder's Holder Identification Number (**HIN**) and provide the participant an identification number of the sponsor. Alternatively, if an investor is registered on the issuer sponsored subregister, the statement will be dispatched by the Share Registrar and will contain the number of Shares held and the SRN. A CHES statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their holding changes. A Shareholder may request a statement at any other time. However, a charge may be made for additional statements.

9.17 Accounting Standards and Auditing Standards

Confirmation has been provided by NSX policy that Angy may prepare its accounts and financial disclosures in accordance with HKFRS and only in HK\$ and will not be required to provide a statement reconciling its accounts to Australian accounting standards.

Confirmation has been provided by the NSX that after listing Angy may use Hong Kong Auditing Standards on quality control, auditing, assurance and related services in the preparation of financial accounts.

9.18 Working capital statement

The Directors believe that Angy has sufficient working capital to carry out its objectives as stated in this this Information Memorandum.

9.19 Electronic Information Memorandum

A soft copy of this Information Memorandum can be downloaded from the Company's website: www.angy.cn.

A hard copy of this Information Memorandum will be provided free of charge to any person in Australia. Please contact the Company (contact details are set out in the Corporate Directory on the inside back cover of this Information Memorandum) for such a copy.

9.20 Privacy Act

If a person becomes a Shareholder of the Company, the Corporations Act requires the Company to include information about the Shareholder (name, address and details of the Shares held) in its public register. This information must remain in the register even if that person ceases to be a Shareholder of the Company. Information contained in the Company's register is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its Shareholders) and compliance by the Company with legal and regulatory requirements.

9.21 Directors' Responsibility Statement

Each Director has consented to the lodgement of this Information Memorandum with NSX and has not withdrawn that consent.

This Information Memorandum is issued by the authority of the Board of the Company.

Dated: 13 January 2017

A handwritten signature in black ink, appearing to read 'Ao Zhenming', with a stylized flourish at the end.

Ao Zhenming
Executive Director
Angy (China) Medical Limited

10. Glossary

In this Information Memorandum, unless the context otherwise requires:

A\$ means Australian dollars.

AEDT means Australian Eastern Daylight Time.

Angy or **Company** means Angy (China) Medical Limited (Hong Kong Company Number 1488021, ARBN 616 476 441).

Angy (Guangzhou) means Angy (Guangzhou) Medical Technology Limited Company, Registration Number 440101400102964, a company incorporated in PRC.

Articles means the articles of association of the Company.

ASIC means the Australian Securities and Investments Commission.

Auditor means JS CPA & CO. (formerly known as C.Y. Ng & Co.).

ASX means ASX Limited ACN 008 624 691.

ASX Settlement means ASX Settlement Pty Limited ACN 008 504 532.

Board of Directors or **Board** means the board of Directors.

Business Day means a day that is not a Saturday or Sunday or a public holiday in Hong Kong.

CDI means CHESS depositary interest.

CFDA means China Food and Drug Administration.

CHESS means Clearing House Electronic Subregistry System.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors mean the directors of the Company from time to time.

GDP means gross domestic product.

Group means Angy, Angy (Guangzhou) and Yingshi.

HKFRS means Hong Kong Financial Reporting Standards.

Historical Financial Information means the historical financial information set out in Section 6.

HIN means the holder identification number (for CHESS).

HKD means the means the legal currency of Hong Kong SAR.

HWL Ebsworth means HWL Ebsworth Lawyers, the Australian legal advisor to the Company.

Information Memorandum means this information memorandum.

Issuer Sponsored means securities issued by an issuer that are held in uncertificated form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.

Listing Rules means the official listing rules of the NSX.

Major Shareholder means Ao Zhenming, Executive Director and Chairman.

NSX means the National Stock Exchange of Australia Limited ACN 000 902 063.

NSX Procedures means the procedures of the NSX.

Official List means the Official List of the NSX.

PRC means the People's Republic of China, excluding Taiwan, Hong Kong SAR and Macau PRC for the purpose of this Information Memorandum.

PRC Companies means Angy (Guangzhou) and Yingshi.

RMB or Renminbi or **Yuan** means the legal currency of PRC.

Section means a section in this Information Memorandum.

SFDA means the State Food and Drug Administration.

Share means a fully paid ordinary share in the capital of the Company.

Shareholders mean the holder of Shares.

Share Registrar means Computershare Investor Services Pty Limited (ABN 48 078 279 277).

SRN means Shareholder Reference Number.

WHO means World Health Organisation.

Yingshi means Yingshi (Guangzhou) Special Equipment Manufacture Limited Company, Registration Number 91440113321621238Q, a company incorporated in PRC.

Corporate Directory

Directors

Ao Zhenming, Executive Director and Chairman
Matthias Hoedl, Independent Non-Executive Director
Tan Weimin, Independent Non-Executive Director

Company Secretary

Cen Weiting

Registered Office

15F, Admiralty Centre Tower 2
18 Harcourt Road, Admiralty
Hong Kong

Australian Legal Advisor

HWL Ebsworth Lawyers

Level 26, 530 Collins Street
Melbourne, Victoria 3000
Australia

Hong Kong Legal Advisor

K. M. Lai & Li Solicitors & Notaries

23/F, Regent Centre
No. 88 Queen's Road Central
Hong Kong

PRC Legal Advisor

Guangzhou King Pound Law Firm

38/F, R&F Profit Plaza
No.76 West Huangpu Road,
Tianhe District,
Guangzhou City
China

Hong Kong Auditor

JS CPA & CO. (formerly known as C.Y. Ng & Co.)

Certified Public Accountants (Practising)
10th Floor, Shun On Commercial Bldg.
112-114 Des Voeux Road C.,
Central, Hong Kong.

Australian Share Registrar

Computershare Investor Services Pty Limited

Yarra Falls, 452 Johnston Street
Abbotsford Victoria 3067
Australia

Hong Kong Share Registrar

Computershare Hong Kong Investor Services Limited

46th Floor, Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong