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Our ref TX1271/CVE72/4260669

18 July 2016

Dear Mr Basson,

**VR LASER ASIA LIMITED**

**MR SALIM AZIZ ESSA**

I act on behalf of VR Lazer Asia Limited and Mr Salim Aziz Essa.

In this regard, I refer to your letter dated 27 May 2016, reference 201602-0010/MMB, addressed to Mr Essa as well as to your e-mail communications during June 2016 with Mr Essa.

I also refer to our telephone and e-mail communications dated 11 July 2016 regarding an extension to respond to you in respect of the above-mentioned letter.

I, accordingly, herewith enclose a Memorandum, together with Annexures, dealing with the issues raised in your above-mentioned letter. Should you require any additional information and/or documentation in this regard, kindly revert to me with the necessary details to enable me to attend thereto.

I trust that you will find the aforementioned in order and await your further advices in due course.

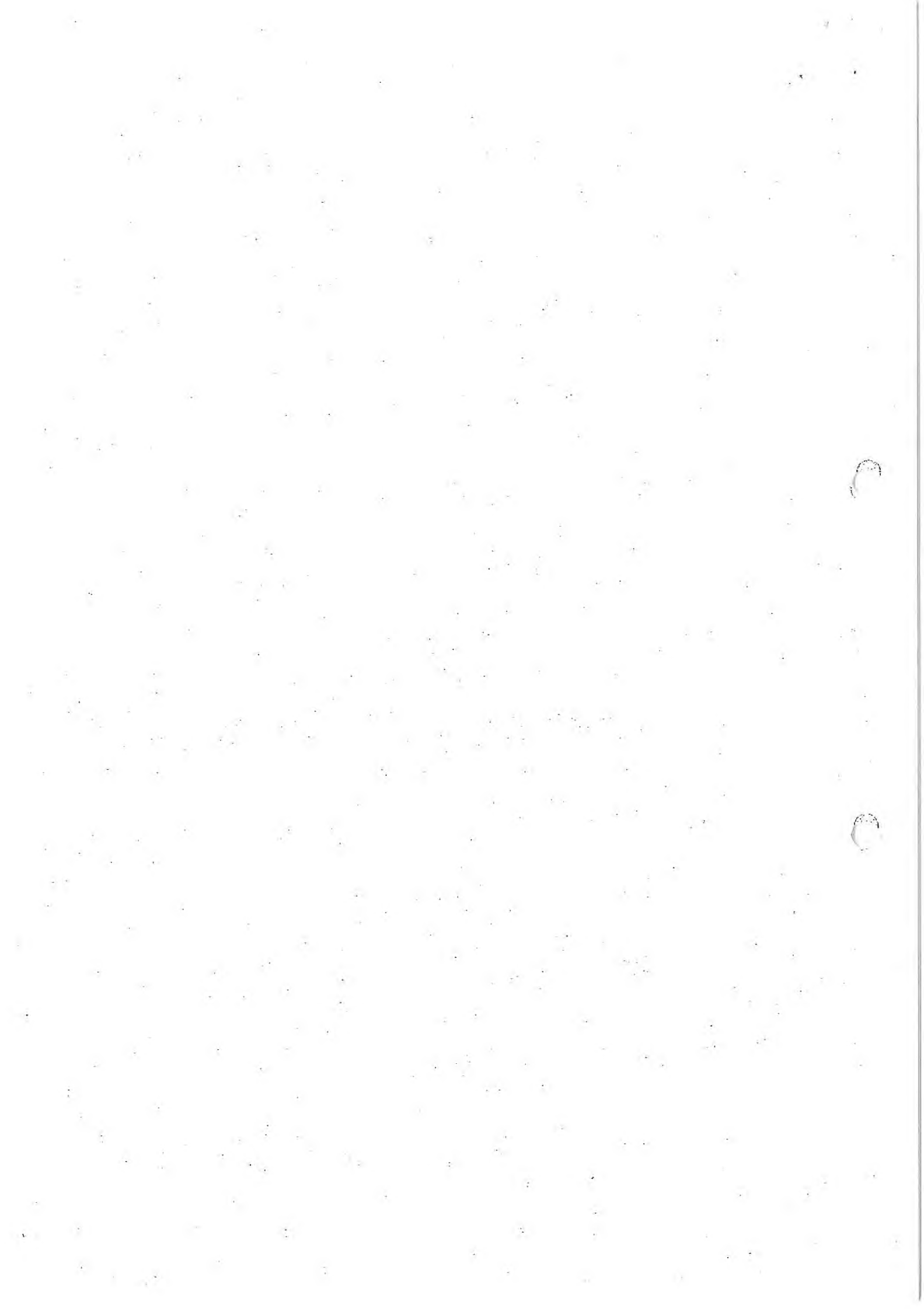
Yours sincerely,

Charles R van Staden  
 Head of Exchange Control

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**VR LASER ASIA LIMITED  
HONG KONG**

1. **Background to the establishment of VR Laser Asia Limited**

- 1.1 Mr Salim Aziz Essa ("Mr Essa"), Identity Number 780115 5017 08 4, during June 2014 travelled to, inter alia, Hong Kong on holiday.
- 1.2 Mr Essa believed that he would require a corporate entity for future business transactions outside of South Africa and he, accordingly deemed it necessary to incorporate a company in Hong Kong for this purpose.

2. **Incorporation of VR Laser Asia Limited**

- 2.1 Whilst in Hong Kong, Mr Essa requested Steven M S Lai and Company to assist him in incorporating a new company in Hong Kong.
- 2.2 VR Laser Asia Limited was, accordingly, incorporated in Hong Kong on 20 June 2014.
- 2.3 A copy of the Certificate of Incorporation is attached as **Annexure 1**.
- 2.4 A copy of the Articles of Association of VR Laser Asia Limited is attached as **Annexure 2**.

- 2.5 The share capital of VR Laser Asia Limited consists of 10 000 ordinary shares of 1 HKD each equating to HKD10 000 in total.
- 2.6 Although it is reflected that the 10 000 ordinary shares of 1 HKD each were issued to Mr Essa as the Founding Member and sole shareholder, the payment of the amount of HKD10 000 did not take place.
- 2.7 The Registration Fee and Levy amounted to HKD2 250. Kindly see in this regard a copy of the Form 2 attached as **Annexure 3**.
- 2.8 Steven M S Lai and Company charged a further amount of HKD 1000 in respect of their fee.

3. **Settlement of the Incorporation costs of VR Laser Asia Limited**

- 3.1 Mr Essa utilised his foreign travel allowance to effect payment to Steven M S Lai and Company in the amount of HKD3 250.
- 3.2 Mr Essa has now been advised that he should have utilised his Foreign Capital Allowance facility for this purpose and not his foreign travel allowance and that his actions constituted a contravention of the provisions of Exchange Control Regulation 10(1)(c), read with Exchange Control Regulations 2(4) and/or 2(5).
- 3.3 Mr Essa was unaware that his actions constituted the above-mentioned contravention and requests that it be regularised.