
STRUCTURE OF THE SHARE OFFER

SHARE OFFER

The Share Offer comprises:

- (i) the Public Offer of 10,000,000 Offer Shares (subject to adjustment as mentioned below) in Hong Kong as described in the section headed “Structure of the Share Offer — Public Offer” below; and
- (ii) the Placing of an aggregate of 90,000,000 Offer Shares (subject to adjustment as mentioned below) (including to professional and institutional investors within Hong Kong).

Investors may apply for Offer Shares under the Public Offer or, if qualified to do so, apply for or indicate an interest for Offer Shares under the Placing, but may not do both.

The Offer Shares will represent 25% of the enlarged issued share capital of our Company immediately after completion of the Share Offer and the Capitalisation Issue (without taking into account any option which may be granted under the Share Option Scheme).

PUBLIC OFFER

Number of Offer Shares initially offered

Our Company is initially offering 10,000,000 Offer Shares for subscription by the public in Hong Kong at the Offer Price, representing 10% of the total number of Offer Shares initially available under the Share Offer.

The Public Offer is open to members of the public in Hong Kong as well as to institutional and professional investors. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities which regularly invest in shares and other securities.

Completion of the Public Offer is subject to the conditions as set out in the section below headed “Structure of the Share Offer — Conditions of the Public Offer”.

Allocation

Allocation of Offer Shares to investors under the Public Offer will be based solely on the level of valid applications received under the Public Offer. The basis of allocation may vary, depending on the number of Public Offer Shares validly applied for by applicants. Such allocation could, where appropriate, consist of balloting, which would mean that some applicants may receive a higher allocation than others who have applied for the same number of Public Offer Shares, and those applicants who are not successful in the ballot may not receive any Public Offer Shares.

STRUCTURE OF THE SHARE OFFER

Reallocation

The allocation of the Offer Shares between the Public Offer and the Placing is subject to adjustment. If the number of Offer Shares validly applied for under the Public Offer represents (i) 15 times or more but less than 50 times, (ii) 50 times or more but less than 100 times, and (iii) 100 times or more of the number of Offer Shares initially available under the Public Offer, then Offer Shares will be reallocated to the Public Offer from the Placing so that the total number of Offer Shares available under the Public Offer will be increased to 30,000,000 Offer Shares (in the case of (i)), 40,000,000 Offer Shares (in the case of (ii)) and 50,000,000 Offer Shares (in the case of (iii)) representing 30%, 40% and 50% of the Offer Shares initially available under the Share Offer respectively. In each case, the additional Offer Shares will be reallocated to the Public Offer and the number of Offer Shares allocated to the Placing will be correspondingly reduced in such manner as CISL deems appropriate. In addition, CISL may allocate Offer Shares from the Placing to the Public Offer to satisfy valid applications under the Public Offer.

If the Public Offer is not fully subscribed for, CISL has the authority to reallocate all or any unsubscribed Public Offer Shares to the Placing, in such proportions as CISL deems appropriate.

Applications

Each applicant under the Public Offer will also be required to give an undertaking and confirmation in the application submitted by him that he and any person(s) for whose benefit he is making the application have not applied for or taken up, or indicated an interest for, and will not apply for or take up, or indicate an interest for, any Offer Shares under the Placing, and such applicant's application is liable to be rejected if the said undertaking and/or confirmation is breached and/or untrue (as the case may be) or it has been or will be placed or allocated Offer Shares under the Placing.

The listing of the Offer Shares on the Stock Exchange is sponsored by the Sole Sponsor. Applicants under the Public Offer are required to pay, on application, the maximum indicative Offer Price of HK\$0.98 per Share in addition to any brokerage, SFC transaction levy and Stock Exchange trading fee payable on each Offer Share. If the Offer Price, as finally determined in the manner described in the section headed "Structure of the Share Offer — Price determination of the Share Offer" below, is less than the maximum indicative Offer Price of HK\$0.98 per Share, appropriate refund payments (including the brokerage, SFC transaction levy and Stock Exchange trading fee attributable to the surplus application monies) will be made to successful applicants, without interest. Further details are set out below in the section headed "How to apply for Public Offer Shares".

References in this prospectus to applications, Application Forms, application monies or the procedure for application relate solely to the Public Offer.

STRUCTURE OF THE SHARE OFFER

PLACING

Number of Offer Shares offered

Subject to adjustment as described in this section, our Company is initially offering 90,000,000 Placing Shares for subscription, representing 90% of the total number of the Offer Shares initially available under the Share Offer.

Allocation

The Placing will include selective marketing of Offer Shares to institutional and professional investors and/or other investors anticipated to have a sizeable demand for such Offer Shares. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities which regularly invest in shares and other securities. Allocation of Offer Shares pursuant to the Placing will be effected in accordance with the book-building process described in the section headed “Structure of the Share Offer — Price determination of the Share Offer” below and based on a number of factors, including the level and timing of demand, the total size of the relevant investor’s invested assets or equity assets in the relevant sector and whether or not it is expected that the relevant investor is likely to buy further Offer Shares, and/or hold or sell its Share Offer, after the listing of the Offer Shares on the Stock Exchange. Such allocation is intended to result in a distribution of the Offer Shares on a basis which would lead to the establishment of a solid professional and institutional shareholder base to the benefit of our Company and our Shareholders as a whole.

CISL (on behalf of the Underwriters) may require any investor who has been offered Offer Shares under the Placing, and who has made an application under the Public Offer to provide sufficient information to the Joint Lead Managers so as to allow them to identify the relevant applications under the Public Offer and to ensure that it is excluded from any application of Offer Shares under the Public Offer.

PRICE DETERMINATION OF THE SHARE OFFER

The Placing Underwriters will be soliciting from prospective professional, institutional and/or other investors indications of interest in acquiring Offer Shares in the Placing. Prospective professional and institutional investors will be required to specify the number of Offer Shares under the Placing they would be prepared to acquire either at different prices or at a particular price. This process, known as book-building, is expected to continue up to, and to cease on or around, the last day for lodging applications under the Public Offer.

Pricing for the Offer Shares for the purpose of the various offerings under the Share Offer will be fixed on the Price Determination Date, which is expected to be on or around Tuesday, 5 March 2013, and in any event on or before Monday, 11 March 2013, by agreement between CISL (for itself and on behalf of the Underwriters) and our Company, and the number of Offer Shares to be allocated under various offerings will be determined shortly thereafter.

STRUCTURE OF THE SHARE OFFER

The Offer Price will not be more than HK\$0.98 per Share and is expected to be not less than HK\$0.75 per Share unless otherwise announced, as further explained below, not later than the morning of the last day for lodging applications under the Public Offer. **Prospective investors should be aware that the Offer Price to be determined on the Price Determination Date may be, but is not expected to be, lower than the indicative Offer Price range stated in this prospectus.**

CISL, on behalf of the Underwriters, may, where considered appropriate, based on the level of interest expressed by prospective professional, institutional and/or other investors during the book-building process, and with the consent of our Company, reduce the number of Offer Shares offered in the Share Offer and/or the indicative Offer Price range below that stated in this prospectus at any time on or prior to the morning of the last day for lodging applications under the Public Offer. In such a case, our Company will, as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the day which is the last day for lodging applications under the Public Offer, cause there to be published in The Standard and Oriental Daily News and The SUN notices of the reduction. Upon issue of such a notice, the number of Offer Shares offered in the Share Offer and/or the revised Offer Price range will be final and conclusive and the Offer Price, if agreed upon by CISL (for itself and on behalf of the Underwriters) and our Company, will be fixed within such revised Offer Price range. Applicants should have regard to the possibility that any announcement of a reduction in the number of Offer Shares being offered under the Share Offer and/or the indicative Offer Price range may not be made until the day which is the last day for lodging applications under the Public Offer.

Such notice will also include confirmation or revision, as appropriate, of the working capital statement and the Share Offer statistics as currently set out in this prospectus, and any other financial information which may change as a result of such reduction. In the absence of any such notice so published, the Offer Price, if agreed upon with our Company and CISL (for itself and on behalf of the Underwriters), will under no circumstances be set outside the indicative Offer Price range as stated in this prospectus.

The net proceeds of the Share Offer to our Company (after deduction of underwriting fees and estimated expenses payable by our Company in relation to the Share Offer) are estimated to be approximately HK\$64.5 million assuming an Offer Price of HK\$0.87 per Share, being the mid-point of the indicative Offer Price range of HK\$0.75 to HK\$0.98 per Share.

The final Offer Price, the indications of interest in the Share Offer, the results of applications and the basis of allotment of Offer Shares available under the Public Offer, are expected to be announced on Monday, 11 March 2013 in The Standard and the Oriental Daily News and The SUN.

STRUCTURE OF THE SHARE OFFER

PUBLIC OFFER UNDERWRITING AGREEMENT

The Public Offer is fully underwritten by the Public Offer Underwriters under the terms of the Public Offer Underwriting Agreement and is subject to, among other things, our Company and CISL (on behalf of the Underwriters) agreeing on the Offer Price. Details of the underwriting arrangements are summarised in the section headed “Underwriting” in this prospectus.

CONDITIONS OF THE PUBLIC OFFER

Acceptance of all applications for Offer Shares pursuant to the Public Offer will be conditional on, among other things:

- (i) the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in this prospectus (subject only to allotment);
- (ii) the Offer Price having been fixed on or around the Price Determination Date; and
- (iii) the obligations of the Public Offer Underwriters under the Public Offer Underwriting Agreement becoming and remaining unconditional and not having been terminated in accordance with the terms of the Public Offer Underwriting Agreement,

in each case on or before the dates and times specified in the Public Offer Underwriting Agreement (unless and to the extent such conditions are validly waived on or before such dates and times) and in any event not later than 30 days after the date of this prospectus.

If, for any reason, the Offer Price is not agreed between our Company and CISL (on behalf of the Underwriters) on or before the Price Determination Date, the Share Offer will not proceed.

The consummation of each of the Public Offer and the Placing is conditional upon, among other things, the other offering becoming unconditional and not having been terminated in accordance with its terms.

If the above conditions are not fulfilled or waived prior to the times and dates specified, the Share Offer will lapse and the Stock Exchange will be notified immediately. Notice of the lapse of the Public Offer will be published by our Company in The Standard and Oriental Daily News and The SUN on the next day following such lapse. In such eventuality, all application monies will be returned, without interest, on the terms set out in the section headed “How to apply for Public Offer Shares”. In the meantime, all application monies will be held in (a) separate bank account(s) with the receiving bank or other licensed bank(s) in Hong Kong licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) (as amended).

STRUCTURE OF THE SHARE OFFER

Share certificates for the Offer Shares are expected to be issued on Monday, 11 March 2013 but will only become valid certificates of title at 8:00 a.m. on Tuesday, 12 March 2013 provided that (i) the Share Offer has become unconditional in all respects and (ii) the right of termination as described in the section headed “Underwriting — Underwriting arrangements and expenses — Public Offer — Grounds for termination” in this prospectus has not been exercised.

DEALING

Assuming that the Share Offer becomes unconditional at or before 8:00 a.m. in Hong Kong on Tuesday, 12 March 2013, it is expected that dealings in the Shares on the Stock Exchange will commence at 9:00 a.m. on Tuesday, 12 March 2013.