
STRUCTURE AND CONDITIONS OF THE PLACING

PLACING PRICE

The Placing Price of HK\$0.72 per Share plus a 1% brokerage, a 0.003% SFC transaction levy and a 0.005% Stock Exchange trading fee, amounting to a total of HK\$3,636.29 for each board lot of 5,000 Shares. The level of indications of interests in the Placing and the basis of allocations of the Placing Shares will be announced on the GEM website at www.hkgem.com on or before 9:00 a.m. on 30 May 2011.

THE PLACING

Placing

The Placing comprises 125,000,000 Placing Shares conditionally offered by the Company. The Company is offering 125,000,000 Placing Shares for subscription by way of private placements to professional, institutional and individual investors in Hong Kong. The Placing Shares will represent 25% of the Company's enlarged issued share capital immediately after completion of the Placing. The Placing is fully underwritten by the Underwriters. The minimum subscription size for each subscriber or purchaser of the Placing Share is 5,000 Placing Shares and thereafter in integral multiples of the board lot size of 5,000 Shares. Investors subscribing for the Placing Shares are required to pay the Placing Price plus 1% brokerage, a 0.003% SFC transaction levy and a 0.005% Stock Exchange trading fee, amounting to a total of HK\$3,636.29 for each board lot of 5,000 Shares.

Pursuant to the Placing, it is expected that the Underwriters or selling agents nominated by them, on behalf of the Company will conditionally place the Placing Shares at the Placing Price with professional, institutional and individual investors in Hong Kong. Allocation of the Placing Shares will be based on a number of factors, including the level and timing of demand and whether or not it is expected that the relevant investor is likely to purchase further Shares or hold or sell the Shares after the listing of the Shares on GEM. Such allocation is intended to result in a distribution of the Placing Shares which would lead to the establishment of a solid professional, institutional and individual shareholder base for the benefit of the Company and the Shareholders as a whole. No allocations of the Placing Shares will be permitted to nominee companies unless the name of the ultimate beneficiary is disclosed, without the prior written consent of the Stock Exchange. There will not be any preferential treatment in the allocation of the Placing Shares to any persons.

The Placing is subject to the conditions as stated in the paragraph headed "Conditions of the Placing" below.

CONDITIONS OF THE PLACING

The Placing is conditional upon:

(a) Listing

The Listing Division granting listing of, and permission to deal in, the Shares in issue and to be issued as mentioned herein and any Shares which may be issued pursuant to the exercise of options granted under the Share Option Scheme or the general mandate to issue Shares referred to in Appendix VI to this prospectus; and

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(b) Underwriting Agreement

the obligations of the Underwriters under the Underwriting Agreement becoming unconditional (including, if relevant, as a result of the waiver of any condition(s) by the Joint Lead Managers for themselves and on behalf of the Joint Sponsors and the Underwriters) and the Underwriting Agreement not being terminated in accordance with its terms or otherwise prior to 8:00 a.m. on the Listing Date. Details of the Underwriting Agreement, their conditions and grounds for termination, are set out in the section headed “Underwriting” of this prospectus.

If the conditions referred to above are not fulfilled on or before the 30th day from the date of this prospectus, the Placing will lapse and the subscription or purchase money will be returned to the places or the Underwriters, without interest.

COMMENCEMENT OF DEALINGS IN THE SHARES

Dealings in the Shares on GEM are expected to commence on 31 May 2011.

Shares will be traded in board lots of 5,000 Shares each.

SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Application has been made to the Stock Exchange for listing of and permission to deal in the Shares in issue and to be issued as mentioned in this prospectus. If the Stock Exchange grants the listing of and permission to deal in the Shares and the Company complies with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the Shares on the Stock Exchange or, under contingent situation, any other date HKSCC chooses. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second Business Day after any trading day.

All necessary arrangements have been made for the Shares to be admitted into CCASS.

All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Investors should seek the advice of their stockbrokers or other professional adviser for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Details of the Placing will be announced in accordance with Rules 10.12(4), 16.08 and 16.16 of the GEM Listing Rules.