
STRUCTURE OF THE GLOBAL OFFERING

PRICE PAYABLE ON APPLICATION

The Offer Price will not be more than HK\$2.30 per Offer Share and is expected to be not less than HK\$1.68 per Offer Share. Applicants under the Hong Kong Public Offering should pay, on application, the maximum price of HK\$2.30 per Offer Share plus brokerage of 1.0%, SFC transaction levy of 0.004% and Stock Exchange trading fee of 0.005% amounting to a total of HK\$4,646.41 for one board lot of 2,000 Shares.

If the Offer Price, as finally determined in the manner described below, is lower than HK\$2.30 per Offer Share, being the maximum price, appropriate refund payments (including the brokerage, the SFC transaction levy and the Stock Exchange trading fee attributable to the surplus application monies) will be made to successful applicants, without interest. Further details are set out in the section headed “How to Apply for Hong Kong Offer Shares” in this prospectus.

DETERMINING THE OFFER PRICE

The Offer Price is expected to be fixed by agreement between the Joint Global Coordinators (on behalf of the Underwriters), the Selling Shareholder and us on the Price Determination Date. The Price Determination Date is expected to be on or before Wednesday, March 24, 2010 and in any event, not later than Monday, March 29, 2010.

The Offer Price will not be more than HK\$2.30 per Share and is expected to be not less than HK\$1.68 per Share, unless otherwise announced, as further explained below, not later than the morning of the last day for lodging applications under the Hong Kong Offering.

The Joint Global Coordinators, on behalf of the Underwriters, may, where considered appropriate, based on the level of interest expressed by prospective professional, institutional, corporate and other investors during the book-building process, and with our consent, reduce the number of Offer Shares being offered under the Global Offering and/or the indicative Offer Price range below that stated in this prospectus at any time prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, we will, as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the last day for the lodging of applications under the Hong Kong Public Offering, cause there to be published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) and on the website of the Stock Exchange at www.hkexnews.hk and our Company’s website at www.fookwoo.com notices of the reduction in the number of Offer Shares and/or the indicative Offer Price range. Upon issue of such a notice, the number of Offer Shares and/or the revised Offer Price range will be final and conclusive and the Offer Price, if agreed upon with us, will be fixed within such revised Offer Price range. Such notice will also include confirmation or revision, as appropriate, of the working capital statement, the offer statistics as currently set out in the section headed “Summary” in this prospectus, and any other financial information which may change as a result of such reduction. If applications for Hong Kong Offer Shares have been submitted prior to the last day for lodging applications under the Hong Kong Public Offering, then even if the number of Offer Shares and/or the indicative Offer Price range is so reduced, such applications cannot be subsequently withdrawn.

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In the absence of any notice being published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) and on the website of the Stock Exchange at www.hkexnews.hk and our Company's website at www.fookwoo.com of a reduction in the number of Offer Shares and/or the indicative Offer Price range stated in this prospectus on or before the morning of the last day for lodging applications under the Hong Kong Public Offering, the number of Hong Kong Offer Shares and/or the Offer Price, if agreed upon with us, will under no circumstances be fewer than the number of Offer Shares or be set outside the Offer Price range as stated in this prospectus.

If, for any reason, we, the Selling Shareholder and the Joint Global Coordinators (on behalf of the Underwriters) are unable to reach agreement on the Offer Price, the Global Offering will not become unconditional and will lapse.

An announcement of the Offer Price, the level of applications and basis of allocations of the Hong Kong Offer Shares are expected to be published on or before Tuesday, March 30, 2010.

CONDITIONS OF THE GLOBAL OFFERING

Acceptance of all applications for the Offer Shares will be conditional on:

- (a) the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Shares in issue and the Offer Shares being offered pursuant to the Global Offering (subject only to allotment), and Shares which may fall to be issued on the exercise of the options which may be granted under the Share Option Scheme, and such listing and permission not subsequently having been revoked prior to the commencement of dealings in the Shares on the Stock Exchange;
- (b) the Offer Price having been duly determined and the execution and delivery of the Price Determination Agreement on or around the Price Determination Date; and
- (c) the execution of the International Purchase Agreement, and the obligations of the Underwriters under the Underwriting Agreements becoming and remaining unconditional (including, if relevant, as a result of the waiver of any conditions by the Joint Global Coordinators, on behalf of the Underwriters) and such obligations not being terminated in accordance with the terms of the respective agreements, in each case, on or before the dates and times specified in the Underwriting Agreements (unless and to the extent such conditions are validly waived on or before such dates and times).

The consummation of each of the International Offering and the Hong Kong Public Offering is conditional upon, among other things, the other becoming unconditional and not having been terminated in accordance with their respective terms.

If the above conditions are not fulfilled or waived prior to the times and dates specified, the Global Offering will lapse and the Stock Exchange will be notified immediately. Notice of the lapse of the Global Offering will be caused to be published by us in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) on the next day following such lapse.

In the above eventuality, all application monies will be returned to the applicants, without interest and on the terms set out in the section headed "How to Apply for Hong Kong Offer Shares" in this

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prospectus. In the meantime, all application monies will be held in a separate bank account or separate bank accounts with the receiving banker or other bank(s) licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong).

Share certificates for the Offer Shares are expected to be issued on Tuesday, March 30, 2010 but will only become valid certificates of title at 8:00 a.m. on the Listing Date, provided that (a) the Global Offering has become unconditional in all respects and (b) neither of the Underwriting Agreements has been terminated in accordance with its terms.

THE GLOBAL OFFERING

The Global Offering comprises the Hong Kong Public Offering and the International Offering. 620,000,000 Offer Shares will be initially made available under the Global Offering. Of the Offer Shares made available under the Global Offering, 558,000,000 Offer Shares, comprising 438,000,000 new Shares to be offered by us and 120,000,000 Sales Shares to be offered by the Selling Shareholder, will initially be conditionally placed pursuant to the International Offering and the remaining 62,000,000 Offer Shares will initially be offered to the public in Hong Kong under the Hong Kong Public Offering (subject, in each case, to reallocation on the basis described in the section headed “— The Hong Kong Public Offering” below). The Offer Shares included in the International Offering will be conditionally placed pursuant to the International Offering with professional, institutional, corporate and other investors whom we anticipate to have a sizeable demand for the Shares in Hong Kong and other jurisdictions outside the United States in reliance on Regulation S, and in the United States with QIBs in reliance on Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters and the International Offering is expected to be fully underwritten by the International Purchasers in each case on a several basis, each being subject to the conditions set out in the section headed “Underwriting — Underwriting Arrangements and Expenses” in this prospectus. The Hong Kong Underwriting Agreement was entered into on March 18, 2010 and, subject to an agreement on the Offer Price between us, the Selling Shareholder and the Joint Global Coordinators (on behalf of the Underwriters), the International Purchase Agreement is expected to be entered into on or about the Price Determination Date. The Hong Kong Underwriting Agreement and the International Purchase Agreement are expected to be inter-conditional upon each other.

Investors may apply for the Offer Shares under the Hong Kong Public Offering or indicate an interest for the Offer Shares under the International Offering, but may not do both. The Hong Kong Public Offering is open to members of the public in Hong Kong as well as to institutional and professional investors. The International Offering will involve selective marketing of the Offer Shares to institutional and professional investors and 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. Prospective professional, institutional and other investors will be required to specify the number of the Offer Shares under the International Offering 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 Wednesday, March 24, 2010.

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Allocation of the Offer Shares pursuant to the International Offering will be determined by the Joint Global Coordinators and will be based on a number of factors including the level and timing of demand, 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, and/or hold or sell, Shares, after the listing of the Shares on the Stock Exchange. Such allocation is intended to result in a distribution of Shares on a basis which would lead to the establishment of a solid shareholder base to our benefit and the Shareholders as a whole.

Allocation of Hong Kong Offer Shares to investors under the Hong Kong Public Offering will be based solely on the level of valid applications received under the Hong Kong Public Offering. The basis of allocation may vary, depending on the number of Hong Kong Offer Shares validly applied for by applicants. Although the allocation of Hong Kong Offer Shares 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 Hong Kong Offer Shares, and those applicants who are not successful in the ballot may not receive any Hong Kong Offer Shares.

Over-allotment Option

In connection with the Global Offering, we are expected to grant the Over-allotment Option to the International Purchasers. Pursuant to the Over-allotment Option, UBS (on behalf of the International Purchasers), in consultation with ABN AMRO, will have the right, exercisable at any time from the Listing Date up to 30 days from the last day for the lodging of applications under the Hong Kong Public Offering to require us to allot and issue up to an aggregate of 93,000,000 additional Shares, representing 15% of the number of Offer Shares initially being offered under the Global Offering, at the Offer Price to cover, among other things, over-allocations in the International Offering, if any. If the Over-allotment Option is exercised in full, the additional Offer Shares will represent approximately 4.4% of our enlarged issued share capital following the completion of the Global Offering and the Capitalization Issue and the exercise of the Over-allotment Option. In the event that the Over-allotment Option is exercised, a press announcement will be made in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese).

Stock Borrowing Arrangement

In order to facilitate the over-allocations in connection with the Global Offering, the Stabilizing Manager may choose to borrow Shares from the Selling Shareholder under the Stock Borrowing Agreement. Pursuant to the Stock Borrowing Agreement, the Selling Shareholder will lend up to 93,000,000 Shares, representing 15% of the Offer Shares, to the Stabilizing Manager to cover over-allocations, being the maximum number of additional Shares that may be sold upon exercise of the Over-allotment Option. The same number of Shares lent to the Stabilizing Manager must be returned to the Selling Shareholder on or before the third business day following the earlier of (i) the last date on which the Shares may be issued and allotted by the Company pursuant to the Over-allotment Option, and (ii) the date on which the Over-allotment Option is exercised in full and the relevant Shares subject to the Over-allotment Option have been sold. The stock borrowing arrangement will be effected in compliance with all applicable laws, rules and regulatory requirements. No payment will be made to the Selling Shareholder by the Stabilizing Manager in relation to such stock borrowing arrangement.

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The stock borrowing arrangement under the Stock Borrowing Agreement will comply with the requirements set out in Rule 10.07(3) of the Listing Rules such that it will not be subject to the restrictions of Rule 10.07(1) of the Listing Rules.

THE HONG KONG PUBLIC OFFERING

Number of Shares initially offered

The Hong Kong Public Offering is a fully underwritten public offer (subject to agreement as to pricing and satisfaction or waiver of the other conditions described in the section headed “Conditions of the Global Offering” above) for the subscription in Hong Kong of, initially, 62,000,000 Offer Shares at the Offer Price (representing 10% of the total number of Offer Shares initially available under the Global Offering). Subject to the reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering, the Hong Kong Offer Shares will represent approximately 3.1% of our enlarged issued share capital immediately following the completion of the Global Offering and the Capitalization Issue (assuming the Over-allotment Option is not exercised).

Allocation

The total number of the Offer Shares available under the Hong Kong Public Offering (after deducting 6,200,000 Hong Kong Offer Shares available for subscription by Eligible Employees using PINK Application Forms and taking account of any reallocation referred to below) is to be divided into two pools for allocation purposes: pool A and pool B. The Offer Shares in pool A will be allocated on an equitable basis to applicants who have applied for the Offer Shares with an aggregate subscription price of HK\$5.0 million (excluding the brokerage, the SFC transaction levy and the Stock Exchange trading fee payable) or less. The Offer Shares in pool B will be allocated on an equitable basis to applicants who have applied for the Offer Shares with an aggregate subscription price of more than HK\$5.0 million (excluding the brokerage, the SFC transaction levy and the Stock Exchange trading fee payable) and up to the total value of pool B. Investors should be aware that applications in pool A and applications in pool B may receive different allocation ratios. If the Offer Shares in one (but not both) of the pools are undersubscribed, the surplus Offer Shares will be transferred to the other pool to satisfy demand in the pool and be allocated accordingly. For the purpose of this paragraph only, the “subscription price” for the Offer Shares means the price payable on application therefor (without regard to the Offer Price as finally determined). Applicants can only receive an allocation of the Offer Shares from either pool A or pool B but not from both pools. Multiple or suspected multiple applications and any application for more than 50% of the Offer Shares initially included in the Hong Kong Public Offering after deducting 6,200,000 Hong Kong Offer Shares available for subscription by Eligible Employees using PINK Application Forms (that is, 27,900,000 Offer Shares) will be rejected. Each applicant under the Hong Kong Public Offering will also be required to give an undertaking and confirmation in the Application Form submitted by him that he and any person(s) for whose benefit he is making the application have not indicated an interest for or taken up and will not indicate an interest for or take up any Offer Shares under the International Offering, and such applicant’s application will be rejected if the said undertaking and/or confirmation is breached and/or untrue (as the case may be).

Employee Preferential Offering

A maximum of 6,200,000 Shares (not subject to any reallocation), being 10% of the initial number of the Hong Kong Offer Shares, will be available for subscription by the Eligible Employees, who made

their applications on the special **PINK** Application Forms on a preferential basis. As at Latest Practicable Date, the Group had 165 Eligible Employees. In the event of over-subscription on **PINK** Application Forms, the 6,200,000 Shares initially available to applicants on **PINK** Application Forms will be allocated to such applicants on a pro rata basis on proportion (as nearly as possible without involving portions of a board lot) to the level of valid applications received from the Eligible Employees, or balloted if there are insufficient Shares available to **PINK** Application Form applicants. If balloting is conducted, some Eligible Employees may be allocated more Shares than others who have applied for the same number of Shares. No favor will be given to the employees who apply for a large number of Shares or any employees who held a senior position within the Group. Nor will allocation be based on the length of service or the work performance of the Eligible Employees. Applications in excess of the 6,200,000 Shares initially available to applicants on **PINK** Application Forms will be rejected. In case not all the 6,200,000 Shares are subscribed for by Eligible Employee of the Group, the under-subscribed Shares will be available for subscription by the public under the Hong Kong Public Offering. Allocation of Hong Kong Offer Shares to applications made on **PINK** Application Forms will be based on the allocation guidelines contained in Practice Note 20 to the Listing Rules and, in case any exceptions are noted, an announcement will be made in accordance with Practice Note 20 to the Listings Rules. **Such Shares comprise not more than 10% of the initial number of the Hong Kong Offer Shares. This maximum number of Shares will not be adjusted irrespective of any reallocation of the Hong Kong Offer Shares. Any application made by any Eligible Employee of the Group for more than 100% of the Hong Kong Offer Shares being offered to the Eligible Employees of the Group will be rejected.**

Reallocation

The allocation of Offer Shares between the Hong Kong Public Offering and the International Offering is subject to adjustment. If the number of Offer Shares validly applied for under the Hong Kong Public Offering represents 15 times or more but less than 50 times the number of Offer Shares initially available for subscription under the Hong Kong Public Offering, then Offer Shares will be reallocated to the Hong Kong Public Offering from the International Offering, so that the total number of Offer Shares available under the Hong Kong Public Offering will be 186,000,000 Offer Shares, representing 30.0% of the Offer Shares initially available under the Global Offering. If the number of Offer Shares validly applied for under the Hong Kong Public Offering represents 50 times or more but less than 100 times the number of Offer Shares initially available for subscription under the Hong Kong Public Offering, then the number of Offer Shares to be reallocated to the Hong Kong Public Offering from the International Offering will be increased so that the total number of Offer Shares available under the Hong Kong Public Offering will be 248,000,000 Offer Shares, representing 40.0% of the Offer Shares initially available under the Global Offering. If the number of Offer Shares validly applied for under the Hong Kong Public Offering represents 100 times or more the number of Offer Shares initially available for subscription under the Hong Kong Public Offering, then the number of Offer Shares to be reallocated to the Hong Kong Public Offering from the International Offering will be increased, so that the total number of Offer Shares available under the Hong Kong Public Offering will be 310,000,000 Offer Shares, representing 50% of the Offer Shares initially available under the Global Offering. In each such case, the additional Offer Shares reallocated to the Hong Kong Public Offering will be allocated between pool A and pool B and the number of Offer Shares allocated to the International Offering will be correspondingly reduced.

The Offer Shares to be offered in the Hong Kong Public Offering and the International Offering may, in certain circumstances, be reallocated as between these offerings at the discretion of the Joint Global

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Coordinators. Subject to the foregoing paragraph, the Joint Global Coordinators may in its discretion reallocate Offer Shares from the International Offering to the Hong Kong Public Offering to satisfy valid applications under the Hong Kong Public Offering. In addition, if the Hong Kong Public Offering is not fully subscribed, the Joint Global Coordinators will have the discretion (but shall not be under any obligation) to reallocate to the International Offering all or any unsubscribed Hong Kong Offer Shares in such amounts as they deem appropriate.

References in this prospectus to applications, Application Forms, application or subscription monies or the procedure for application relate solely to the Hong Kong Public Offering.

THE INTERNATIONAL OFFERING

558,000,000 Offer Shares will be initially offered, comprising 438,000,000 new Shares to be offered by us and 120,000,000 Sale Shares to be offered by the Selling Shareholder, pursuant to the International Offering, representing approximately 90.0% of the Offer Shares under the Global Offering and approximately 27.9% of our enlarged issued share capital immediately following the completion of the Global Offering and the Capitalization Issue (assuming the Over-allotment Option is not exercised).

Pursuant to the International Offering, the International Offer Shares will be conditionally placed by the International Purchasers or through selling agents appointed by them. Offer Shares will be placed with certain professional, institutional, corporate and other investors anticipated to have a sizeable demand for Offer Shares in Hong Kong and other jurisdictions outside the United States in reliance on Regulation S, and in the United States with QIBs in reliance on Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The International Offering is subject to the Hong Kong Public Offering becoming unconditional.

APPLICATION FOR LISTING ON THE STOCK EXCHANGE

We have applied to the Listing Committee for the listing of, and permission to deal in, the Shares in issue, the Offer Shares being offered pursuant to the Global Offering (including the additional Offer Shares which may be made issued pursuant to the exercise of the Over-allotment Option) (subject only to allotment), the Shares to be issued pursuant to the Capitalization Issue and the Shares which may be issued upon the exercise of the options which may be granted under the Share Option Scheme.

Save as disclosed in this prospectus, no part of our share or loan capital is listed on or dealt in on any other stock exchange and no such listing or permission to list is being or proposed to be sought in the near future.

DEALING ARRANGEMENTS

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Wednesday, March 31, 2010, it is expected that dealings in Shares on the Stock Exchange will commence at 9:30 a.m. on Wednesday, March 31, 2010.

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UNDERWRITING ARRANGEMENTS

The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms of the Hong Kong Underwriting Agreement. The International Offering is expected to be fully underwritten by the International Purchasers. The Hong Kong Public Offering and the International Offering are subject to the conditions set out in the section headed “Underwriting — Underwriting Arrangements and Expenses” in this prospectus. In particular, the Joint Global Coordinators (on behalf of the Underwriters), the Selling Shareholder and us must agree on the Offer Price. The Hong Kong Underwriting Agreement and the International Purchase Agreement are expected to be inter-conditional upon each other.

We expect on or around Wednesday, March 24, 2010, shortly after determination of the Offer Price, and in any event not later than Monday, March 29, 2010, to enter into the International Purchase Agreement relating to the International Offering.

Details of the underwriting arrangements, the Hong Kong Underwriting Agreement and the International Purchase Agreement are summarized in the section headed “Underwriting” in this prospectus.