

IMPORTANT

If you are in any doubt about any of the contents of this prospectus, you should obtain independent professional advice.

COSTIN

COSTIN NEW MATERIALS GROUP LIMITED

海東青新材料集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

GLOBAL OFFERING

Number of Offer Shares offered pursuant to the Global Offering	: 240,000,000 Shares, comprising 200,000,000 New Shares and 40,000,000 Sale Shares (subject to the Over-allotment Option)
Number of Hong Kong Offer Shares	: 24,000,000 New Shares (subject to re-allocation)
Number of International Placing Shares	: 216,000,000 Shares, comprising 176,000,000 New Shares and 40,000,000 Sale Shares (subject to re-allocation and the Over-allotment Option)
Maximum Offer Price	: HK\$3.26 per Offer Share payable in full on application, subject to refund, plus brokerage of 1%, SFC transaction levy of 0.004% and Stock Exchange trading fee of 0.005%
Nominal value	: HK\$0.10 each
Stock code	: 2228

Sole Sponsor



Guotai Junan Capital Limited

Sole Global Coordinator, Bookrunner and Lead Manager



Guotai Junan Securities (Hong Kong) Limited

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this prospectus.

A copy of this prospectus, having attached thereto the documents specified in the section headed "Documents delivered to the Registrar of Companies in Hong Kong and available for inspection" in Appendix VI to this prospectus, has been registered by the Registrar of Companies in Hong Kong as required by section 342C of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission and the Registrar of Companies in Hong Kong take no responsibility for the contents of this prospectus or any other documents referred to above.

The Offer Price is expected to be fixed by agreement among the Global Coordinator (for itself and on behalf of the Underwriters), the Company and the Selling Shareholder on the Price Determination Date. The Price Determination Date is expected to be on or around Monday, 14 June 2010 and, in any event, not later than Thursday, 17 June 2010. The Offer Price will be not more than HK\$3.26 and is currently expected to be not less than HK\$2.36 unless otherwise announced. Investors applying for Hong Kong Offer Shares must pay, on application, the maximum Offer Price of HK\$3.26 for each Offer Share together with a brokerage of 1%, SFC transaction levy of 0.004% and Stock Exchange trading fee of 0.005%, subject to refund if the Offer Price as finally determined should be lower than HK\$3.26.

The Global Coordinator (for itself and on behalf of the Underwriters), may, with the consent of the Company and the Selling Shareholder, reduce the number of Offer Shares being offered pursuant to the Global Offering and/or the indicative Offer Price range below that stated in this prospectus (which is HK\$2.36 to HK\$3.26 per Offer Share) at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offer. In such a case, notices of the reduction in the number of Offer Shares and/or the indicative Offer Price range will be published on the Company's website at www.costingroup.com and the Stock Exchange's website at www.hkexnews.hk not later than the morning of the day which is the last day for lodging applications under the Hong Kong Public Offer. If applications for the Hong Kong Offer Shares have been submitted prior to the day which is the last day for lodging applications under the Hong Kong Public Offer, then even if the number of Offer Shares and/or the Offer Price range is so reduced, such applications cannot be subsequently withdrawn. If, for any reason, the Offer Price is not agreed among the Global Coordinator (for itself and on behalf of the Underwriters), the Company and the Selling Shareholder, the Global Offering (including the Hong Kong Public Offer) will not proceed and lapse immediately.

The obligations of the Hong Kong Underwriters under the Hong Kong Underwriting Agreement to subscribe for, and to procure applicants for the subscription for, the Hong Kong Offer Shares, are subject to termination by the Global Coordinator (for itself and on behalf of the Hong Kong Underwriters) if certain grounds arise prior to 8:30 a.m. on the Listing Date. Such grounds are set out in the paragraph headed "Underwriting — Underwriting arrangements and expenses — Grounds for termination" of this prospectus. It is important that you refer to that section for further details.

* for identification purpose only