

STRUCTURE AND CONDITIONS OF THE SHARE OFFER

PRICE PAYABLE ON APPLICATION

The Offer Price is HK\$0.7 per Offer Share. You must pay the Offer Price of HK\$0.7 per Share plus brokerage of 1%, a SFC transaction levy of 0.003% and a Stock Exchange trading fee of 0.005%. This means that for one board lot of 4,000 Offer Shares you will pay HK\$2,828.22. Each Application Form includes a table showing the exact amount payable for numbers of the Public Offer Shares. Further details in this regard are set out in the section headed “How to apply for the Public Offer Shares” in this prospectus.

CONDITIONS OF THE SHARE OFFER

Acceptance of your application for the Offer Shares is conditional upon:

1. Listing

The Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares in issue and to be issued under the Share Offer and the Capitalisation Issue, and such listing and permission not subsequently being revoked prior to the Listing Date.

2. Entering into of the Placing Underwriting Agreement

The entering into of the Placing Underwriting Agreement by the Company, the executive Directors, the Covenantors, the Selling Shareholders, the Sponsor, the Lead Manager and the Placing Underwriters on or about 5 July 2011.

3. Underwriting Agreements

The obligations of the Underwriters under the Underwriting Agreements becoming unconditional (including, among other things, if applicable, as a result of the waiver of any conditions given by the Sponsor and the Lead Manager (on behalf of the Public Offer Underwriters) jointly), and not being terminated in accordance with the terms of the Underwriting Agreements or otherwise. Details of the Underwriting Agreements and the conditions and grounds for termination thereunder are set out in the section headed “Underwriting” in this prospectus.

OFFER MECHANISM

This prospectus is published in connection with the Share Offer, which comprises the Placing and the Public Offer. Initially, 163,884,000 New Shares and 56,516,000 Sale Shares, representing 90% of the Offer Shares available under the Share Offer, are to be offered pursuant to the Placing to professional, institutional and other investors and 24,496,000 New Shares, representing 10% of the Offer Shares available under the Share Offer, are to be offered to the public in Hong Kong under the Public Offer. The number of Offer Shares to be offered under the Public Offer and the Placing is subject to reallocation. References herein to applications, Application Forms, application monies or to the procedure for application relate solely to the Public Offer. The Offer Shares will represent 26% of the Company’s enlarged issued share capital immediately after completion of the Share Offer and the Capitalisation Issue.

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The Placing is fully underwritten by the Placing Underwriters and the Public Offer is fully underwritten by the Public Offer Underwriters, in each case, on a several basis. Information relating to the underwriting arrangements in respect of the Share Offer is set out in the paragraph headed “Underwriting arrangements and expenses” in the section headed “Underwriting” in this prospectus. The Listing is sponsored by the Sponsor and the Share Offer is managed by the Lead Manager.

Investors may apply for Public Offer Shares under the Public Offer or indicate an interest for Placing Shares under the Placing, but may not do both. Investors who have not received Shares in the Public Offer tranche may receive Shares in the Placing tranche.

PLACING

The Company is initially offering 163,884,000 New Shares and the Selling Shareholders are offering 56,516,000 Sale Shares, subject to possible reallocation on the basis discussed below, representing 90% of the total number of Shares being offered under the Share Offer, for subscription or purchase by way of the Placing. Under the Placing, the Placing Underwriters, on behalf of the Company, will conditionally place the Placing Shares with professional, institutional and other investors. Professional and institutional 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 the Placing Shares pursuant to the Placing is 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 acquire further Shares and/or hold or sell its Placing Shares after the listing of the Shares on the Stock Exchange. Such allocation is intended to result in a distribution of the Placing Shares on a basis which would lead to the establishment of a solid shareholder base to the benefit of the Company and its Shareholders as a whole. Investors allocated with the Placing Shares cannot apply for the Public Offer Shares under the Public Offer.

The Placing is conditional on the fulfillment of all the conditions stated in the paragraph headed “Conditions of the Share Offer” above.

PUBLIC OFFER

The Company is initially offering 24,496,000 new Shares at the Offer Price under the Public Offer, representing 10% of the total number of Shares being offered under the Public Offer for subscription in Hong Kong, subject to reallocation as mentioned in this section. The Public Offer is managed by the Lead Manager and is fully underwritten by the Public Offer Underwriters.

The Public Offer is open to all members of the public in Hong Kong as well as to institutional and professional investors. The Public Offer will be subject to the conditions stated in the paragraph headed “Conditions of the Share Offer” above.

Allocation of the Public Offer Shares to investors under the Share Offer will be based solely on the level of valid applications received under the Public Offer. Where there is over-subscription under the Public Offer, allocation of the Public Offer Shares may involve balloting, which would mean that some applicants may be allotted more Public Offer Shares than others who have applied for the same number of the Public Offer Shares, and those applicants who are not successful in the ballot may not receive any Public Offer Shares.

STRUCTURE AND CONDITIONS OF THE SHARE OFFER

Basis of allocation of the Public Offer Shares

For allocation purpose only, the total number of the Public Offer Shares available for subscription by the public under the Public Offer (after taking into account any reallocation referred to below) will be divided equally into two pools: pool A and pool B. The Public Offer Shares in pool A will be allocated on a fair basis to successful applicants who have validly applied for the Public Offer Shares with a total subscription amount of HK\$5 million or below (excluding transaction levy imposed by the SFC, the Stock Exchange trading fee and the brokerage payable thereon). The Public Offer Shares available in pool B will be allocated on a fair basis to successful applicants who have validly applied for the Public Offer Shares with a total subscription amount of more than HK\$5 million (excluding transaction levy imposed by the SFC, the Stock Exchange trading fee and the brokerage payable thereon) and up to the total initial value of pool B.

Investors should be aware that allocation ratios for applications in the two pools, as well as the allocation ratios for applications in the same pool, are likely to be different. Where one of the pools is undersubscribed, the unsubscribed Public Offer Shares will be transferred to satisfy the demand in the other pool and be allocated accordingly. Applicants can only receive an allocation of Public Offer Shares from any one pool but not from both pools and can only make applications to either pool A or pool B. Any application made for more than 100% of the Public Offer Shares initially available under pool A or pool B is bound to be rejected.

Over-subscription and reallocation

If the number of Public Offer Shares validly applied for under the Public Offer represents 15 times or more but less than 50 times the number of Public Offer Shares initially available for subscription under the Public Offer, then the number of Offer Shares to be allocated for application under the Public Offer shall be increased to 73,472,000 Shares, representing 30% of the total number of Shares available under the Share Offer.

If the number of Public Offer Shares validly applied for under the Public Offer represents 50 times or more but less than 100 times the number of Public Offer Shares initially available for subscription under the Public Offer, then the number of Offer Shares to be allocated for subscription under the Public Offer shall be increased to 97,960,000 Shares, representing 40% of the total number of Shares available under the Share Offer.

If the number of Public Offer Shares validly applied for under the Public Offer represents 100 times or more the number of Public Offer Shares initially available for subscription under the Public Offer, then the number of Offer Shares to be allocated for subscription under the Public Offer shall be increased to 122,448,000 Shares, representing 50% of the total number of Shares available under the Share Offer.

Allocation of Public Offer Shares to applicants under the Public Offer will be based solely on the level of valid applications received. The basis of allocation may vary, depending on the number of Public Offer Shares validly applied for by each applicant. However, this may involve balloting, which would mean that some applicants may be allotted more Shares than others who have applied for the same number of Public Offer Shares and that applicants who are not successful in the ballot may not receive any Public Offer Shares.

If there are unsubscribed Public Offer Shares, the Sponsor and the Lead Manager (on behalf of the Public Offer Underwriters) jointly in their sole and absolute discretion, may reallocate all or any of such unsubscribed Public Offer Shares to the Placing.