
STRUCTURE AND CONDITIONS OF THE PLACING

PLACING PRICE

The Placing Price is HK\$0.30 per Placing Share. Subscribers or purchasers, when subscribing for or purchasing the Placing Shares, shall pay the Placing Price plus 1% brokerage, 0.005% Stock Exchange trading fee and 0.004% SFC transaction levy, representing a total of approximately HK\$2,424.22 for every board lot of 8,000 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 Wednesday, 7 October 2009.

THE PLACING

The Placing comprises 111,000,000 Placing Shares conditionally offered by our Company and the Vendor. Our Company is initially offering 74,000,000 New Shares, The Vendor is offering 37,000,000 Sale Shares for subscription or purchase by way of private placements to professional investors in Hong Kong and other investors outside Hong Kong. The Placing Shares will represent 30% of our Company's enlarged issued share capital immediately after completion of the Placing and the Capitalization Issue. The Placing is fully underwritten by the Underwriters. The minimum subscription or purchase size for each subscriber or purchaser of the Placing Shares is 8,000 Placing Shares and thereafter in integral multiples of the board lot size of 8,000 Shares. Investors subscribing for or purchasing the Placing Shares are required to pay the Placing Price plus 1% brokerage, 0.004% SFC transaction levy and 0.005% Stock Exchange trading fee, constituting a total of HK\$2,424.22 for each subscription of 8,000 Shares.

Pursuant to the Placing, it is expected that the Underwriters or selling agents nominated by it, on behalf of our Company will conditionally place the Placing Shares at the Placing Price with professional investors in Hong Kong and other investors outside Hong Kong to the extent that the relevant securities laws and requirements are complied with. 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 our 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.

SUBSCRIPTION SIZE

The minimum subscription or purchase size per placee is HK\$2,400.00 (or 8,000 Shares) and thereafter in integral multiples of HK\$2,400.00 (or 8,000 Shares), excluding brokerage, SFC transaction levy and Stock Exchange trading fee.

STRUCTURE AND CONDITIONS OF THE PLACING

CONDITIONS OF THE PLACING

Acceptance of all applications for the Placing Shares in the Placing will be conditional upon:

1. Listing

The Listing Division granting the listing of, and permission to deal in, the Shares in issue and to be issued under the Placing and Capitalization Issue as mentioned in this Prospectus and upon the exercise of any options which may be granted under the Share Option Scheme; and

2. 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 Lead Manager) and not being terminated in accordance with the terms or otherwise prior to 8:00 a.m. on Thursday, 8 October 2009. Details of the Underwriting Agreement, its conditions and grounds for termination are set out in the section headed "Underwriting" of this Prospectus.

COMMENCEMENT OF DEALINGS IN THE SHARES

Dealings in the Shares on the Stock Exchange are expected to commence on Thursday, 8 October 2009.

Shares will be traded in board lots of 8,000 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 our 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.