

CORNERSTONE INVESTOR

THE CORPORATE PLACING

Our Company and the Lead Manager have entered into a corporate investor agreement (the “**Cornerstone Investor Agreement**”) with Kingbo Investment Limited (the “**Cornerstone Investor**”) who has agreed to subscribe for the maximum number of our Shares that may be purchased with HK\$18,000,000 at the Offer Price (exclusive of brokerage, SFC transaction levy and Stock Exchange trading fee), but subject to a maximum of such number of our Shares which shall represent 4.9% (equivalent to 29.4 million Shares) of the enlarged total issued share capital of our Company upon the Listing, rounded down to the nearest board lot of our Shares (the “**Corporate Placing**”).

Based on the Offer Price of HK\$0.70 per Share, being the mid-point of the proposed Offer Price range of HK\$0.67 to HK\$0.73 per Share, and assuming the Over-allotment Option is not exercised, the Shares to be subscribed by the Cornerstone Investor will be 25,710,000 Shares, representing approximately 4.29% of the total issued share capital of our Company immediately after completion of the Share Offer and approximately 17.14% of the total Offer Shares initially available under the Share Offer.

The Corporate Placing forms part of the Placing. The Cornerstone Investor will not subscribe for any Offer Shares under the Share Offer, other than pursuant to the Cornerstone Investor Agreement. The Offer Shares to be subscribed by the Cornerstone Investor will rank pari passu in all respects with the fully paid Shares in issue and will be counted towards the public float of the Company. Immediately following the completion of the Share Offer, the Cornerstone Investor will not have representation on the Board, nor will it become a substantial shareholder of our Company. The Offer Shares to be subscribed by the Cornerstone Investor will not be affected by any reallocation of the Offer Shares between the Placing and the Public Offer in the event of over-subscription under the Public Offer as described under the paragraph headed “Re-allocation between the Placing and the Public Offer” in the section headed “Structure of the Share Offer” in this prospectus.

INFORMATION ON THE CORNERSTONE INVESTOR

The Cornerstone Investor is a private company incorporated in the British Virgin Islands and is an indirect wholly-owned subsidiary of Shau Kee Financial Enterprises Limited which in turn is wholly-owned by Lee Financial (Cayman) Limited of which Dr. the Honourable Lee Shau Kee, GBM is a substantial shareholder.

The Cornerstone Investor and its ultimate beneficial owners are Independent Third Parties.

CONDITIONS PRECEDENT

The Corporate Placing is conditional upon (i) the Underwriting Agreement having been entered into and having become unconditional by no later than the times and dates specified therein; (ii) the Offer Price having been agreed upon between the Company and the Lead Manager (for itself and on behalf of the Underwriters); (iii) the Underwriting Agreement not having been terminated; (iv) the GEM Listing Committee having granted

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the listing of, and permission to deal in, the Shares in issue and to be issued pursuant to the Share Offer; and (v) no statute, rule or regulation shall have been enacted or promulgated by any governmental authority of any relevant jurisdiction which prohibits the consummation of the investment in the Shares by the Cornerstone Investor and there shall be no order or injunction of a court of competent and relevant jurisdiction in effect precluding or prohibiting consummation of the investment in the Shares by the Cornerstone Investor.

RESTRICTIONS ON DISPOSAL BY THE CORNERSTONE INVESTOR

The Cornerstone Investor agreed that without the prior written consent of the Company and the Lead Manager, it shall not, whether directly or indirectly, at any time during the period of six months following the Listing Date (the “**Lock-up Period**”), dispose of any of the Shares acquired by the Corporate Investor pursuant to the Cornerstone Investor Agreement and any shares or other securities of the Company which are derived therefrom pursuant to any rights issue, capitalization issue or other form of capital reorganization (the “**Relevant Shares**”) or any interest in any company or entity holding any of the Relevant Shares.

The Cornerstone Investor agrees that, after the Lock-up Period, the Cornerstone Investor shall be free to dispose of any Relevant Shares, provided that (i) the Cornerstone Investor shall use all reasonable endeavors to ensure that any such disposal is strictly in accordance with all applicable laws and regulations including the GEM Listing Rules and the SFO and does not create a disorderly or false market in the Shares; and (ii) the Cornerstone Investor shall not knowingly dispose of any Shares to another person who engages directly or indirectly in a business which competes with the business of our Company, or to another entity which is a holding company, subsidiary or fellow subsidiary of such person, without the prior written consent of our Company and the Lead Manager. The Cornerstone Investor further agrees that, save with the prior written consent of our Company and the Lead Manager, the aggregate holding (direct and indirect) of the Cornerstone Investor and its associates in the total issued share capital of our Company shall be less than 10% of our Company’s entire issued share capital from time to time during the Lock-up Period.

The above restrictions shall not apply to transfers of all or part of the Relevant Shares from the Cornerstone Investor to any wholly-owned subsidiary of the Cornerstone Investor or any holding company of the Cornerstone Investor (the “**Cornerstone Investor Affiliate**”) during the Lock-up Period. The Cornerstone Investor Affiliate will be subject to the restrictions on disposal imposed on the Cornerstone Investor pursuant to the Cornerstone Investor Agreement. If at any time prior to expiration of the Lock-up Period, the Cornerstone Investor Affiliate ceases to be a wholly-owned subsidiary of the Cornerstone Investor or of any holding company of the Cornerstone Investor, it shall transfer the Relevant Shares to the Cornerstone Investor or another wholly-owned subsidiary of the Cornerstone Investor or of any holding company of the Cornerstone Investor, which undertakes to strictly abide by the restrictions on disposal imposed on the Cornerstone Investor pursuant to the Cornerstone Investor Agreement.