
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect about this prospectus or as to the action to be taken, you should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Eternity Investment Limited (the "Company"), you should at once hand the Prospectus Documents (as defined herein) to the purchaser or the transferee or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Dealings in the Shares (as defined herein) and the Offer Shares (as defined herein) may be settled through CCASS (as defined herein) established and operated by HKSCC (as defined herein). You should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser for details of the settlement arrangements and how such arrangements may affect your rights and interests.

A copy of each of the Prospectus Documents, together with copies of the documents specified in the paragraph headed "Documents delivered to the Registrars of Companies in Hong Kong and Bermuda" in Appendix III to this prospectus, have been registered with the Registrar of Companies in Hong Kong as required by Section 342C of the Companies Ordinance (as defined herein). A copy of each of the Prospectus Documents will as soon as practicable be filed with the Registrar of Companies in Bermuda and otherwise in compliance with the Companies Act (as defined herein). The Registrar of Companies in Bermuda and the Registrar of Companies in Hong Kong take no responsibility as to the contents of any of these documents.

Subject to the granting of listing of, and permission to deal in, the Offer Shares on the Stock Exchange (as defined herein), the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Offer Shares on the Stock Exchange or, under contingent situation, such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and the CCASS Operational Procedures in effect from time to time.

Hong Kong Exchanges and Clearing Limited, the Stock Exchange and HKSCC take no responsibility for the contents of the Prospectus Documents, 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 the Prospectus Documents.



ETERNITY INVESTMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 764)

OPEN OFFER OF 152,224,414 OFFER SHARES AT HK\$1.20 PER OFFER SHARE ON THE BASIS OF ONE OFFER SHARE FOR EVERY TWO EXISTING SHARES HELD ON THE RECORD DATE

Underwriter



KINGSTON SECURITIES LTD.

The latest time for acceptance of and payment for the Offer Shares is 4:00 p.m. on Monday, 22 April 2013. The procedures for application are set out on pages 20 to 22 of this prospectus.

Shareholders (as defined herein) should note that the Underwriting Agreement (as defined herein) contains provisions entitling the Underwriter (as defined herein) to terminate its obligations thereunder in writing if at any time prior to the Latest Time for Termination (as defined herein):

- (1) in the absolute opinion of the Underwriter, the success of the Open Offer (as defined herein) would be materially and adversely affected by:
 - (a) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Open Offer; or
 - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date hereof) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially and adversely prejudice the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or
- (2) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities) occurs which in the absolute opinion of the Underwriter is likely to materially or adversely affect the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or
- (3) there is any change in the circumstances of the Company or any member of the Group which in the absolute opinion of the Underwriter will adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any of member of the Group or the destruction of any material asset of the Group; or
- (4) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out; or
- (5) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole whether or not ejusdem generis with any of the foregoing; or
- (6) any matter which, had it arisen or been discovered immediately before the date of the Prospectus and not having been disclosed in the Prospectus, would have constituted, in the absolute opinion of the Underwriter, a material omission in the context of the Open Offer; or
- (7) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than ten consecutive business days, excluding any suspension in connection with the clearance of the Announcement, or the Prospectus Documents or other announcements or circulars in connection with the Open Offer.

the Underwriter shall be entitled by notice in writing to the Company, served prior to the Latest Time for Termination, to terminate the Underwriting Agreement.

The Underwriter shall be entitled by notice in writing to rescind the Underwriting Agreement if prior to the Latest Time for Termination:

- (1) any material breach of any of the representations, warranties or undertakings contained in the Underwriting Agreement above comes to the knowledge of the Underwriter; or
- (2) any specified event comes to the knowledge of the Underwriter.

Shareholders should note that the Shares have dealt in on an ex-entitlement basis commencing from Wednesday, 27 March 2013 and that dealings in Shares will take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled. Any Shareholder or other person dealing in Shares up to the date on which all conditions to which the Open Offer is subject are fulfilled (which is expected to be 4:00 p.m. on Thursday, 25 April 2013), will accordingly bear the risk that the Open Offer cannot become unconditional and may not proceed. Any Shareholder or other person contemplating selling or purchasing Shares, who is in any doubt about his/her/its position, is recommended to consult his/her/its own professional adviser.

8 April 2013

CONTENTS

| | <i>Page</i> |
|---|-------------|
| Definitions | 1 |
| Termination of the Underwriting Agreement | 6 |
| Expected timetable | 8 |
| Letter from the Board | |
| Introduction | 9 |
| The Open Offer | 10 |
| Underwriting arrangement | 14 |
| Procedures for application | 20 |
| Warning of the risk of dealings in the Shares | 22 |
| Shareholding structure of the Company | 23 |
| Reasons for the Open Offer and use of proceeds | 24 |
| Financial and trading prospect of the Group | 25 |
| Fund raising exercises of the Company | 27 |
| Adjustments to the Options | 28 |
| General | 28 |
| Appendix I — Financial information of the Group | 29 |
| Appendix II — Unaudited pro forma financial information of the Group | 32 |
| Appendix III — General information | 38 |

DEFINITIONS

In this Prospectus, unless the context otherwise requires, the following expressions shall have the following meanings:

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| “acting in concert” | has the meaning ascribed to it in the Hong Kong Code on Takeovers and Mergers |
| “Announcement” | the announcement of the Company dated 13 March 2013 in relation to the Open Offer |
| “Application Form(s)” | the form(s) of application to be used by the Qualifying Shareholders to apply for the Offer Shares in the form agreed by the Company and the Underwriter |
| “Board” | the board of the Directors |
| “Business Day” | any day (excluding a Saturday, Sunday, public holiday and any day on which a tropical cyclone warning no. 8 or above or a “black” rainstorm warning signal is hoisted or remains hoisted in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not lowered or discontinued at or before 12:00 noon) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours |
| “CCASS” | the Central Clearing and Settlement System, established and operated by HKSCC |
| “Company” | Eternity Investment Limited (stock code: 764), a company incorporated in Bermuda with limited liability and the issued Shares are listed on the Main Board |
| “Companies Act” | the Companies Act 1981 of Bermuda, as amended from time to time |
| “Companies Ordinance” | the Companies Ordinance, Chapter 32 of the Laws of Hong Kong |
| “Director(s)” | the director(s) of the Company |

DEFINITIONS

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| “Group” | the Company and its subsidiaries |
| “HKSCC” | Hong Kong Securities Clearing Company Limited |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “Independent Third Party(ies)” | any person(s) or company(ies) and he/she/it/their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected person(s) (as defined under the Listing Rules) |
| “Last Trading Day” | 13 March 2013, the last day on which the Shares were traded on the Stock Exchange immediately preceding the publication of the Announcement |
| “Latest Lodging Date” | 4:30 p.m. on Thursday, 28 March 2013 as the latest time for lodging transfer of Shares in order to qualify for the Open Offer |
| “Latest Practicable Date” | Tuesday, 2 April 2013, being the latest practicable date for ascertaining certain information for inclusion in this prospectus |
| “Latest Time for Acceptance” | the latest time for acceptance of, and payment for the Offer Shares at 4:00 p.m., on Monday, 22 April 2013 or such other time or date as may be agreed between the Company and the Underwriter |
| “Latest Time for Termination” | the latest time for terminating the Underwriting Agreement at 4:00 p.m., on Thursday, 25 April 2013, being the third Business Day after the Latest Time for Acceptance or such later time or date as may be agreed between the Company and the Underwriter |
| “Listing Committee” | the Listing Committee of the Stock Exchange |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |

DEFINITIONS

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| “Main Board” | Main Board of the Stock Exchange (excludes the option market) operated by the Stock Exchange |
| “Offer Shares” | 152,224,414 new Shares to be allotted and issued pursuant to the Open Offer |
| “Open Offer” | the proposed issue of the Offer Shares by way of open offer to the Qualifying Shareholders for subscription at the Subscription Price of HK\$1.20 per Offer Share on the basis of one (1) Offer Share for every two (2) existing Shares held on the Record Date |
| “Options” | the share options granted under the Share Option Scheme |
| “Overseas Letter” | a letter from the Company to the Prohibited Shareholder(s) (if any) explaining the circumstances in which the Prohibited Shareholders are not permitted to participate in the Open Offer |
| “Overseas Shareholders” | Shareholder(s) with registered address(s) (as shown in the register of members of the Company on the Record Date) are outside Hong Kong |
| “Placing” | the placing of 47,000,000 new Shares at a placing price of HK\$0.645 per Share as completed on 24 January 2013 |
| “Prohibited Shareholder(s)” | the Overseas Shareholder(s) whose address is/are in a place(s) outside Hong Kong where, the Directors, based on legal opinions provided by legal advisers of the Company, consider it is necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place not to offer the Offer Shares to such Overseas Shareholders |
| “Prospectus” | this prospectus issued by the Company in relation to the Open Offer |

DEFINITIONS

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| “Prospectus Documents” | the Prospectus and the Application Form |
| “Prospectus Posting Date” | Monday, 8 April 2013 or such later date as may be agreed between the Underwriter and the Company for the despatch of the Prospectus Documents to the Qualifying Shareholders (or the Prospectus only in case of Prohibited Shareholder(s)) |
| “Qualifying Shareholders” | Shareholders whose names appear on the register of members of the Company on the Record Date, other than the Prohibited Shareholders |
| “Record Date” | Friday, 5 April 2013, being the date by reference to which entitlements to the Open Offer was determined |
| “Registrar” | Tricor Standard Limited, 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong, being the Hong Kong branch share registrar and transfer office of the Company |
| “SFO” | The Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong |
| “Share(s)” | the ordinary share(s) of HK\$0.01 each in the share capital of the Company |
| “Shareholder(s)” | the holder(s) of the issued Shares |
| “Share Option Scheme” | the share option scheme of the Company adopted on 12 December 2011 |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Subscription Price” | the subscription price of HK\$1.20 per Offer Share |
| “Twin Success” | Twin Success International Limited, a company incorporated in the British Virgin Islands with limited liability and a substantial Shareholder (as defined under the Listing Rules) |

DEFINITIONS

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| “Twin Success Undertaking” | the irrevocable undertaking given by Twin Success under the Underwriting Agreement to take up in full its entitlements under the Open Offer to subscribe for 35,236,000 Offer Shares |
| “Underwriter” | Kingston Securities Limited, a licensed corporation to carry on business in type 1 regulated activity (dealing in securities) under the SFO |
| “Underwriting Agreement” | the underwriting agreement dated 13 March 2013 in relation to the Open Offer entered into between the Company, the Underwriter and Twin Success |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “%” | per cent |

TERMINATION OF THE UNDERWRITING AGREEMENT

It should be note that the Underwriting Agreement contains provisions entitling the Underwriter to terminate its obligations thereunder if at any time prior to 4:00 p.m. on the Latest Time for Termination:

- (1) in the absolute opinion of the Underwriter, the success of the Open Offer would be materially and adversely affected by:
 - (a) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Open Offer; or
 - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date hereof) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially and adversely prejudice the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or
- (2) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities) occurs which in the absolute opinion of the Underwriter is likely to materially or adversely affect the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or
- (3) there is any change in the circumstances of the Company or any member of the Group which in the absolute opinion of the Underwriter will adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any of member of the Group or the destruction of any material asset of the Group; or

TERMINATION OF THE UNDERWRITING AGREEMENT

- (4) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out; or**
- (5) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole whether or not ejusdem generis with any of the foregoing; or**
- (6) any matter which, had it arisen or been discovered immediately before the date of the Prospectus and not having been disclosed in the Prospectus, would have constituted, in the absolute opinion of the Underwriter, a material omission in the context of the Open Offer; or**
- (7) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than ten consecutive business days, excluding any suspension in connection with the clearance of the Announcement, or the Prospectus Documents or other announcements or circulars in connection with the Open Offer,**

the Underwriter shall be entitled by notice in writing to the Company, served prior to the Latest Time for Termination, to terminate the Underwriting Agreement.

The Underwriter shall be entitled by notice in writing to rescind the Underwriting Agreement if prior to the Latest Time for Termination:

- (1) any material breach of any of the representations, warranties or undertakings contained in the Underwriting Agreement above comes to the knowledge of the Underwriter; or**
- (2) any specified event comes to the knowledge of the Underwriter.**

Any such notice shall be served by the Underwriter prior to the Latest Time for Termination.

EXPECTED TIMETABLE

2013

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| Latest Time for Acceptance | 4:00 p.m. on Monday, 22 April |
| Latest Time for Termination by the Underwriter | 4:00 p.m. on Thursday, 25 April |
| Announcement of the results of the Open Offer | Thursday, 25 April |
| Despatch of share certificates for Offer Shares. | Friday, 26 April |
| Despatch of refund cheques if the Open Offer is terminated. | Friday, 26 April |
| Expected first day of dealings in fully-paid Offer Shares on the Stock Exchange | 9:00 a.m. on Monday, 29 April |

Notes:

1. All times and dates refer to Hong Kong local times and dates.
2. The Latest Time for Acceptance will not take place if there is:
 - a tropical cyclone warning signal number 8 or above, or
 - a “black” rainstorm warning
 - (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Monday, 22 April 2013. Instead the Latest Time for Acceptance will be extended to 5:00 p.m. on the same Business Day; or
 - (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Monday, 22 April 2013. Instead the Latest Time for Acceptance will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m..

If the Latest Time for Acceptance does not take place on Monday, 22 April 2013, the dates mentioned in this section headed “Expected timetable” may be affected. An announcement will be made by the Company in such event advising the revised dates.

3. Dates or deadlines specified in this Prospectus for events in the expected timetable for (or otherwise in relation to) the Open Offer are indicative only and may be extended or varied by agreement between the Company and the Underwriter and in accordance with the applicable rules and regulations. Any consequential changes to the expected timetable for the Open Offer will be published by way of an announcement.

LETTER FROM THE BOARD



ETERNITY INVESTMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 764)

Executive Directors:

Mr. Lei Hong Wai (*Chairman and
Chief Executive Officer*)

Mr. Cheung Kwok Wai, Elton

Mr. Chan Kin Wah, Billy

Registered office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Non-executive Director:

Mr. Cheung Kwok Fan

*Head office and principal place of
business in Hong Kong:*

Unit 3811, Shun Tak Centre

West Tower

168-200 Connaught Road Central

Hong Kong

Independent non-executive Directors:

Mr. Wan Shing Chi

Mr. Ng Heung Yan

Mr. Wong Tak Chuen

8 April 2013

*To the Qualifying Shareholders and,
for information only, the Prohibited Shareholders*

Dear Sir or Madam,

**OPEN OFFER OF 152,224,414 OFFER SHARES
AT HK\$1.20 PER OFFER SHARE ON THE BASIS OF
ONE OFFER SHARE FOR EVERY TWO EXISTING SHARES HELD
ON THE RECORD DATE**

INTRODUCTION

On 13 March 2013, the Company announced that it proposed to raise not less than approximately HK\$182.67 million before expenses, by way of open offer of not less than 152,224,414 Offer Shares and not more than 152,432,572 Offer Shares at the Subscription Price of HK\$1.20 per Offer Share on the basis of one (1) Offer Share for every two (2)

LETTER FROM THE BOARD

existing Shares held on the Record Date and payable in full upon application. Qualifying Shareholders are not entitled to apply for excess Offer Shares not taken up in excess of their respective entitlements under the Open Offer. The Open Offer is only available to the Qualifying Shareholders and will not be extended to the Prohibited Shareholders.

As at the Latest Lodging Date, the Company has 304,448,829 Shares in issue. Given that the register of members was closed from 2 April 2013, being the next Business Day immediately after the Latest Lodging Date, to 5 April 2013 and no further Shares were issued or repurchased during the book close period, the total number of issued Shares on the Record Date was the same as the Latest Lodging Date. As such, on the basis of one (1) Offer Share for every two (2) existing Shares held on the Record Date, 152,224,414 Offer Shares will be allotted and issued by the Company, in which 35,236,000 Offer Shares will be taken up by Twin Success pursuant to the Twin Success Undertaking and 116,988,414 Offer Shares will be underwritten by the Underwriter pursuant to the Underwriting Agreement.

The purpose of this Prospectus is to provide you with, among other things, further details of (i) the Open Offer including the procedures for application and payment for the Offer Shares; (ii) the financial information of the Group; and (iii) the general information of the Group.

THE OPEN OFFER

Issue statistics

| | |
|---|---|
| Basis of the Open Offer: | One (1) Offer Share for every two (2) existing Shares held on the Record Date. |
| Subscription Price: | HK\$1.20 per Offer Share. |
| Number of Shares in issue as at the Record Date: | 304,448,829 Shares. |
| Number of Offer Shares: | 152,224,414 Offer Shares. |
| Number of Offer Shares to be taken up by Twin Success pursuant to the Underwriting Agreement: | Twin Success has irrevocably undertaken in favour of the Company and the Underwriter to subscribe for 35,236,000 Offer Shares to which it is entitled under Open Offer. Details of the Twin Success Undertaking are disclosed in this Prospectus below. |

LETTER FROM THE BOARD

Number of Offer Shares underwritten by the Underwriter: 116,988,414 Offer Shares. Accordingly, taking into account the Twin Success Undertaking, the Open Offer is fully underwritten.

Number of enlarged Shares in issue upon completion of the Open Offer: 456,673,243 Shares.

As at the Latest Practicable Date, the Company has 416,315 outstanding Options entitling the holders thereof to subscribe for 416,315 Shares. Save for the Options, the Company has no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares as at the Latest Practicable Date.

The allotment and issue of 152,224,414 Offer Shares represents 50% of the Company's issued share capital as at the Latest Practicable Date and approximately 33.33% of the Company's issued share capital as enlarged by the allotment and issue of the 152,224,414 Offer Shares immediately after completion of the Open Offer.

The aggregate nominal value of the Offer Shares will be HK\$1,522,244.14.

Basis of entitlement

The basis of the entitlement shall be one (1) Offer Share for every two (2) existing Shares held on the Record Date.

Qualifying Shareholders

The Open Offer is only available to the Qualifying Shareholders. The Company has sent the Prospectus Documents to the Qualifying Shareholders.

Shareholders whose Shares are held by nominee companies should note that the Board will regard a nominee company as a single Shareholder according to the register of members of the Company.

The invitation to subscribe for the Offer Shares to be made to the Qualifying Shareholders will not be transferable. There will not be any trading in nil-paid entitlements on the Stock Exchange. The Directors consider that the arrangement of trading in nil-paid entitlements on the Stock Exchange will involve additional administrative work and costs for the Open Offer, which is not considered to be cost effective.

LETTER FROM THE BOARD

Subscription Price

The Subscription Price is HK\$1.20 per Offer Share, payable in full upon application.

The Subscription Price represents:

- (a) a discount of approximately 9.09% to the closing price of HK\$1.32 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a discount of approximately 6.25% to the theoretical ex-entitlement price of HK\$1.28 based on the closing price of HK\$1.32 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (c) a discount of approximately 7.41% to the average closing price of approximately HK\$1.296 per Share for the last five consecutive trading days immediately prior to the Last Trading Day; and
- (d) a discount of approximately 2.44% to the closing price of HK\$1.23 per Share as at the Latest Practicable Date.

The Subscription Price was determined after arm's length negotiations between the Company and the Underwriter with reference to, among others, the prevailing market price of the Shares. The Directors consider that each Qualifying Shareholder will be entitled to subscribe for the Offer Shares at the Subscription Price in proportion to his/her/its shareholding held on the Record Date and the terms of the Open Offer, including the Subscription Price which has been set as a discount to the recent closing prices of the Shares prior to the Last Trading Day with an objective of encouraging existing Shareholders to take up their entitlements so as to share in the potential growth of the Company, to be fair and reasonable and in the best interests of the Company and the Shareholders as a whole.

The net price per Offer Share will be approximately HK\$1.18.

Rights of Overseas Shareholders

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong and Bermuda.

Based on the register of members of the Company as at the Latest Lodging Date, there was one Shareholder with a registered address in Macau. Given that the register of members of

LETTER FROM THE BOARD

the Company was closed from 2 April 2013 to 5 April 2013 and no Shares was transferred during the book close period, the Shareholders in the register of members of the Company on the Record Date was the same as that on the Latest Lodging Date. The Company has complied with all necessary requirements specified in Rule 13.36(2)(a) of the Listing Rules (including notes 1 and 2) and has made enquiry with its Macau legal adviser regarding the feasibility of extending the Open Offer to the Overseas Shareholder under the laws of Macau and the requirements of the relevant regulatory body in Macau.

Based on the advice and replies provided by the Macau legal adviser, the Directors are of the view that it is expedient to extend the Open Offer to the Overseas Shareholder in Macau as there are no legal restrictions prohibiting the making of Open Offer in Macau and no local legal or regulatory compliance is required to be made in Macau.

Accordingly, there is no Prohibited Shareholders in connection with the Open Offer and no Overseas Letter is required to be sent by the Company.

Status of the Offer Shares

The Offer Shares, when allotted, issued and fully paid, will rank *pari passu* in all respects with the Shares in issue on the date of allotment and issue of the Offer Shares. Holders of fully-paid Offer Shares will be entitled to receive all future dividends and distributions which are declared, made or paid after the date of allotment of the Offer Shares.

Share certificates and refund cheques for the Open Offer

Subject to the fulfillment of the conditions of the Open Offer, certificates for all fully-paid Offer Shares are expected to be posted on or before Friday, 26 April 2013 to those Qualifying Shareholders by ordinary post at their own risk. If the Open Offer is terminated, refund cheques will be despatched on or before Friday, 26 April 2013 by ordinary post to the Qualifying Shareholders at their own risk.

Each Qualifying Shareholder will receive one share certificate for all the fully-paid Offer Shares issued to him/her/it.

Fractions of the Offer Shares

Fractional entitlements to the Offer Shares will not be issued to the Qualifying Shareholders but will be aggregated and sold in the open market, if at premium, net of expenses can be obtained and the net proceeds, after deduction of related expenses arising from such sale, will be retained for the benefit of the Company.

LETTER FROM THE BOARD

No application for excess Offer Shares

Considering that the Open Offer will give the Qualifying Shareholders an equal and fair opportunity to maintain their respective pro rata shareholding interests in the Company, if application for excess Offer Shares is arranged, the Company will be required to put in additional effort and costs to administer the excess application procedures. Accordingly, no excess Offer Shares will be offered to the Qualifying Shareholders and any Offer Shares not taken up by the Qualifying Shareholders will be underwritten by the Underwriter.

Application for listing

The Company has applied to the Listing Committee of the Stock Exchange for the listing of and permission to deal in, the Offer Shares. Dealings in the Offer Shares on the Stock Exchange will be subject to the payment of stamp duty (if any) in Hong Kong and any other applicable fees and charges in Hong Kong.

Subject to the granting of the approval for the listing of, and permission to deal in, the Offer Shares on the Stock Exchange, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement date of dealings in the Offer Shares on the Stock Exchange or, under contingent situation, such other date as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

No part of the securities of the Company is listed or dealt in or on which listing or permission to deal is being or is proposed to be sought on any other stock exchange.

The Offer Shares will have the same board lot size of 10,000 Shares per board lot.

UNDERWRITING ARRANGEMENT

The Underwriting Agreement

Date: 13 March 2013

Underwriter: Kingston Securities Limited

LETTER FROM THE BOARD

| | |
|--------------------------------------|---|
| Undertakings: | Twin Success Undertaking Twin Success has given an irrevocable undertaking in favour of the Company and the Underwriter to subscribe for 35,236,000 Offer Shares to which it is entitled under the Open Offer. |
| Number of Offer Shares underwritten: | Pursuant to the Underwriting Agreement, the Underwriter has conditionally agreed to underwrite a total of 116,988,414 Offer Shares, being the Offer Shares (other than the 35,236,000 Offer Shares agreed to be taken up by Twin Success under the Twin Success Undertaking) which have not been taken up. Accordingly, the Open Offer is fully underwritten. |

As at the date of the Underwriting Agreement, the Underwriter is interested in one (1) Share. Save for the above, to the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Underwriter and its ultimate beneficial owners are Independent Third Parties.

It is one of the conditions of the Underwriting Agreement that the Underwriter would enter into binding agreements with certain placees and/or sub-underwriters, which shall be Independent Third Parties, for placing and/or sub-underwriting the Offer Shares, such that none of the Underwriter together with its parties acting in concert nor any of the placees and/or sub-underwriters and their respective parties acting in concert shall in aggregate be interested in 10% or more of the issued share capital of the Company as enlarged by the Open Offer.

The Company has been informed by the Underwriter that the Underwriter has already entered into sub-underwriting agreements with sub-underwriters to ensure the fulfillment of its obligations set out in the paragraph above.

Underwriting Commission

The Company will pay the Underwriter an underwriting commission of 1.0% of the aggregate Subscription Price in respect of the maximum number of the underwritten Offer Shares. The Directors are of the view that the terms of the Underwriting Agreement, including the commission, are fair and reasonable.

LETTER FROM THE BOARD

The Board considers the terms of the Underwriting Agreement including the commission rate accord with the market practice and are fair and reasonable so far as the Company and the Shareholders are concerned.

Irrevocable undertakings given by Twin Success

As at the date of the Underwriting Agreement, Twin Success is interested in 70,472,000 Shares, representing approximately 23.15% of the total issued share capital of the Company. Twin Success irrevocably undertakes to the Company and to the Underwriter that:

- (1) not to dispose of, or agree to dispose of, any Shares held by it from the date of the Underwriting Agreement to the close of business on the Record Date;
- (2) to subscribe for 35,236,000 Offer Shares to which it is entitled under the Open Offer; and
- (3) to lodge the Application Form(s) in respect of the 35,236,000 Offer Shares referred to in paragraph (2) above accompanied by the appropriate remittances which shall be honoured on first presentation and otherwise comply with the procedures for such acceptance and application as described in the Prospectus Documents prior to the Latest Time for Acceptance.

As at the Latest Practicable Date, other than the Twin Success Undertaking, the Company has not received any undertaking provided by any other Shareholders to subscribe for his/her/its entitlement under the Open Offer or any arrangement that may have an effect to the Open Offer.

Termination of the Underwriting Agreement

The Underwriter may terminate the arrangements set out in the Underwriting Agreement by notice in writing issued to the Company at any time prior to the Latest Time for Termination if, prior to 4:00 p.m. on the Latest Time for Termination:

- (1) in the absolute opinion of the Underwriter, the success of the Open Offer would be materially and adversely affected by:
 - (a) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of

LETTER FROM THE BOARD

any nature whatsoever which may in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Open Offer; or

- (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date hereof) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially and adversely prejudice the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or
- (2) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities) occurs which in the absolute opinion of the Underwriter is likely to materially or adversely affect the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or
- (3) there is any change in the circumstances of the Company or any member of the Group which in the absolute opinion of the Underwriter will adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any of member of the Group or the destruction of any material asset of the Group; or
- (4) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out; or
- (5) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole whether or not ejusdem generis with any of the foregoing; or

LETTER FROM THE BOARD

- (6) any matter which, had it arisen or been discovered immediately before the date of the Prospectus and not having been disclosed in the Prospectus, would have constituted, in the absolute opinion of the Underwriter, a material omission in the context of the Open Offer; or
- (7) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than ten consecutive business days, excluding any suspension in connection with the clearance of the Announcement, or the Prospectus Documents or other announcements or circulars in connection with the Open Offer,

the Underwriter shall be entitled by notice in writing to the Company, served prior to the Latest Time for Termination, to terminate the Underwriting Agreement.

The Underwriter shall be entitled by notice in writing to rescind the Underwriting Agreement if prior to the Latest Time for Termination:

- (1) any material breach of any of the representations, warranties or undertakings contained in the Underwriting Agreement above comes to the knowledge of the Underwriter; or
- (2) any specified event comes to the knowledge of the Underwriter.

Any such notice shall be served by the Underwriter prior to the Latest Time for Termination.

Upon the giving of notice in accordance with the above, the Underwriting Agreement shall terminate and the obligations of the parties shall forthwith cease and be null and void and none of the parties shall, save in respect of any right or liability accrued before such termination, have any right against or liability towards any of the other parties arising out of or in connection with the Underwriting Agreement.

Conditions of the Open Offer

The Open Offer is conditional upon:

- (1) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly

LETTER FROM THE BOARD

authorised in writing) as having been approved by resolution of the Directors (and all other documents required to be attached thereto) and otherwise in compliance with the Listing Rules and the Companies Ordinance not later than the Prospectus Posting Date;

- (2) the filing with the Registrar of Companies in Bermuda one copy of the Prospectus Documents duly signed by one Director (for and on behalf of all Directors) as having been approved by resolution of the Directors (and all other documents required to be attached thereto) and otherwise in compliance with the Companies Act on or before the Prospectus Posting Date;
- (3) the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of the Prospectus and a letter in the agreed form to the Prohibited Shareholders, if any, for information purpose only explaining the circumstances in which they are not permitted to participate in the Open Offer on or before the Prospectus Posting Date;
- (4) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in the Offer Shares by no later than the first day of their dealings;
- (5) if necessary, the Bermuda Monetary Authority granting consent to the issue of the Offer Shares by the Latest Time for Termination or such other time as the Underwriter may agree with the Company in writing;
- (6) the obligations of the Underwriter becoming unconditional and that the Underwriting Agreement is not terminated in accordance with its terms;
- (7) compliance with and performance of all undertakings and obligations of the Company under the Underwriting Agreement;
- (8) compliance with and performance of all undertakings and obligations of Twin Success under the Twin Success Undertaking; and
- (9) the entering into of binding agreements by the Underwriter with certain placees and/or sub-underwriters, which shall be Independent Third Parties, for placing and/or

LETTER FROM THE BOARD

sub-underwriting the Offer Shares, such that none of the Underwriter together with its parties acting in concert nor any of the placees and/or sub-underwriters and their respective parties acting in concert shall be interested in 10% or more of the issued share capital of the Company as enlarged by the Open Offer.

All of the above conditions are not waivable. If any of the conditions of the Open Offer is not satisfied in whole or in part by the Company by the Latest Time for Termination or such other date as the Company and the Underwriter may agree, the Underwriting Agreement shall terminate and none of the parties shall, save in respect of any right or liability accrued before such termination, have any right against or liability towards any of the other parties arising out of or in connection with the Underwriting Agreement.

As at the Latest Practicable Date, the condition (9) has been fulfilled.

PROCEDURES FOR APPLICATION

The Application Form is enclosed with this Prospectus which entitles the Qualifying Shareholders to whom it is addressed to subscribe for the number of Offer Shares as shown therein subject to payment in full by the Latest Time for Acceptance. Qualifying Shareholders should note that they may subscribe for any number of Offer Shares only up to the number set out in the Application Form.

If Qualifying Shareholders wish to exercise his/her/its rights to subscribe for all the Offer Shares offered to them as specified in the Application Form or to exercise his/her/its rights to subscribe for any number less than their entitlements under the Open Offer, they must complete, sign and lodge the Application Form in accordance with the instructions printed thereon, together with remittance for the full amount payable in respect of such number of Offer Shares they have subscribed for with the Registrar, Tricor Standard Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong by not later than 4:00 p.m. on Monday, 22 April 2013. All remittance(s) must be made in Hong Kong dollars and cheques must be drawn on an account with, or bankers' cashier's orders must be issued by, a licensed bank in Hong Kong and made payable to "**Eternity Investment Limited — Open Offer Account**" and crossed "**Account Payee Only**".

It should be noted that unless the duly completed and signed Application Form, together with the appropriate remittance, have been lodged with the Registrar, Tricor Standard Limited, by not later than 4:00 p.m. on Monday, 22 April 2013, the relevant assured allotment of Offer Shares and all rights and entitlements in relation thereto shall be deemed to have been declined and will be cancelled.

LETTER FROM THE BOARD

The Application Form contains full information regarding the procedures to be followed if you wish to accept the whole or part of your assured entitlement.

All cheques or cashier's orders accompanying completed Application Form will be presented for payment upon receipt and all interests earned on such monies (if any) will be retained for the benefit of the Company. Completion and return of an Application Form with a cheque and/or cashier's order, will constitute a warranty by the applicant that the cheque and/or cashier's order will be honoured on first presentation. Any application in respect of which the cheque or cashier's order is dishonoured on first presentation is liable to be rejected, and in that event the assured entitlement and all rights thereunder will be deemed to have been declined and will be cancelled.

If the conditions of the Open Offer are not fulfilled and/or the Underwriting Agreement is terminated in accordance with its terms before the Latest Time for Termination, the monies received in respect of acceptance of Offer Shares will be refunded, without interests, by sending a cheque made out to the applicant (or in the case of joint applicants, to the first named applicant) and crossed "Account Payee Only", through ordinary post at the risk of the applicant(s) to the address specified in the register of members of the Company on or before Friday, 26 April 2013.

Save as described under the paragraph headed "Rights of the Overseas Shareholders" above, no action has been taken to permit the offering of the Offer Shares or the distribution of the Prospectus Documents in any territory other than Hong Kong and Bermuda. Accordingly, no person receiving this Prospectus or the Application Form in any territory outside Hong Kong may treat it as an offer or invitation to apply for the Offer Shares, unless in a territory where such an offer or invitation could lawfully be made without compliance with any registration or other legal and regulatory requirements thereof. It is the responsibility of anyone receiving the Prospectus Documents outside Hong Kong wishing to make an application for the Offer Shares to satisfy himself/herself/itself before subscribing for the assured allotted Offer Shares, as to the full observance of the laws and regulations of all relevant jurisdictions, including the obtaining of any governmental or other consents, and to pay any taxes and duties required to be paid in any such jurisdiction in connection therewith. The Company reserves the right to refuse to accept any application for the Offer Shares where it believes that doing so would violate the applicable securities or other laws or regulations of any jurisdiction. No application for the Offer Shares will be accepted from any person who is a Prohibited Shareholder.

LETTER FROM THE BOARD

The Company will not allot any fractions of Offer Shares.

The Application Form is for use only by the person(s) name therein and is not transferable.

No receipt will be issued in respect of any application monies received.

WARNING OF THE RISK OF DEALINGS IN THE SHARES

Shareholders and potential investors should note that the Open Offer is conditional upon the Underwriting Agreement having become unconditional and Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof.

Accordingly, the Open Offer may or may not proceed. Shareholders and potential investors should exercise extreme caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

Shareholders should note that the Shares will be dealt in on an ex-entitlement basis commencing from Wednesday, 27 March 2013 and that dealing in Shares will take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled.

Any Shareholder or other person dealing in Shares up to the date on which all conditions to which the Open Offer is subject are fulfilled (which is expected to be on 4:00 p.m. on Thursday, 25 April 2013), will accordingly bear the risk that the Open Offer cannot become unconditional and may not proceed. Any Shareholder or other person contemplating selling or purchasing Shares, who is in any doubt about his/her/its position, is recommended to consult his/her/its own professional adviser.

LETTER FROM THE BOARD

SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company before and after the completion of the Open Offer:

| | As at the Latest Practicable Date | | Immediately after completion of the Open Offer (assuming all Qualifying Shareholders take up his/her/its entitlements under the Open Offer) | | Immediately after completion of the Open Offer (assuming no Qualifying Shareholders (other than Twin Success) take up his/her/its entitlements under the Open Offer) (Note 4) | |
|--|-----------------------------------|----------------------|---|----------------------|--|----------------------|
| | No. of Shares | Approx. % | No. of Shares | Approx. % | No. of Shares | Approx. % |
| Twin Success (Notes 1 and 3) | 70,472,000 | 23.15 | 105,708,000 | 23.15 | 105,708,000 | 23.15 |
| Chan Kin Wah, Billy (Notes 2 and 3) | 1,633,000 | 0.54 | 2,449,500 | 0.54 | 1,633,000 | 0.36 |
| <i>Public</i> | | | | | | |
| Existing public Shareholders | 232,343,828 | 76.31 | 348,515,742 | 76.31 | 232,343,828 | 50.87 |
| The Underwriter | 1 | 0.00 | 1 | 0.00 | 44,988,415 | 9.85 |
| Sub-underwriters procured by the Underwriter | — | 0.00 | — | 0.00 | 72,000,000 | 15.77 |
| Sub-total | <u>232,343,829</u> | <u>76.31</u> | <u>348,515,743</u> | <u>76.31</u> | <u>349,332,243</u> | <u>76.49</u> |
| Total | <u>304,448,829</u> | <u>100.00</u> | <u>456,673,243</u> | <u>100.00</u> | <u>456,673,243</u> | <u>100.00</u> |

Notes:

- These Shares are beneficially owned by Twin Success. Twin Success is owned as to 50% by Silver Pacific International Limited and as to 50% by Silver Pacific Development Limited. Silver Pacific International Limited is wholly owned by Mr. Lei Hong Wai, the Chairman of the Board and an executive Director. Silver Pacific Development Limited is owned as to 50% by Mr. Cheung Kwok Wai, Elton, an executive Director, and as to 50% by Mr. Cheung Kwok Fan, the non-executive Director.
- Mr. Chan Kin Wah, Billy, an executive Director.
- As at the Latest Practicable Date, the Company had 416,315 outstanding Options entitling the holders thereof to subscribe for 416,315 new Shares under the Share Option Scheme. Of the total 416,315 outstanding Options, 933 Options were held by Mr. Lei Hong Wai, the Chairman of the Board and an executive Director, 2,349 Options were held by Mr. Chan Kin Wah, Billy, an executive Director, and the remaining 413,033 Options were held by other participants of the Share Option Scheme.

LETTER FROM THE BOARD

4. The Company has been informed by the Underwriter that, for the purpose of fulfilling condition (9) as disclosed in the section headed “Conditions of the Open Offer” in this Prospectus, the Underwriter had entered into binding sub-underwriting agreements with sub-underwriters, who are Independent Third Parties, for sub-underwriting 72,000,000 Offer Shares. As a result, none of the Underwriter together with its parties acting in concert nor any of the placees and/or sub-underwriters and their respective parties acting in concert shall in aggregate be interested in 10% or more of the issued share capital of the Company as enlarged by the Open Offer.

REASONS FOR THE OPEN OFFER AND USE OF PROCEEDS

The Group is principally engaged in distribution of films, sub-licensing of film rights, sale of financial assets, provision of management services to the concierge department of a gaming promoter, property investment and money lending.

The gross proceeds and net proceeds from the Open Offer will be approximately HK\$182.67 million and HK\$180.02 million, respectively. Of the total net proceeds, HK\$80 million is intended to be used for financing the proposed subscription of the convertible bonds (the “**CB Subscription**”) in the principal amount of HK\$40.00 million to be issued by China AU Group Holdings Limited (“**China AU**”, stock code: 8176), a company listed on the Growth Enterprise Market of the Stock Exchange, and the proposed granting of an unsecured loan (the “**Granting of Loan**”) in the principal amount of HK\$40.00 million to China AU as announced by the Company on 21 March 2013 and the remaining balance of approximately HK\$100.02 million is intended to be used for financing the development and expansion of the Group’s money lending business.

The Directors consider that it is prudent to finance the expansion of the Group’s money lending business, the CB Subscription and the Granting of Loan by equity financing as it will not increase the Group’s finance costs and risk level. In considering the methods of equity financing, the Board has considered the possibility of a rights issue which allows the Shareholders to trade their entitlements in the market in nil-paid form. The trading of nil-paid entitlements in the market in nil-paid form pursuant to the rights issue was not proposed by the Board based on the following grounds:

- (i) it will delay the process of fund raising on a timely manner;
- (ii) it will increase administrative costs and expenses of the Company in arranging trading arrangement of the nil-paid rights and additional time for trading of nil-paid rights shares; and
- (iii) there is no certainty of a market to exist, and the trading cost involved may not be economical.

LETTER FROM THE BOARD

Other than rights issue or open offer, the Board has also considered other fund raising activities, such as private placement of new Shares. With the size of fund to be raised, a private placement of new Shares will inevitably cause a massive dilution to the shareholding interest of the existing Shareholders as they will not be able to participate on an equitable basis.

Based on the above, the Board considers that the Open Offer is more time and cost effective and a better option as compared to rights issue and private placement of new Shares.

As such, the Directors consider that the Open Offer is in the interests of the Company and the Shareholders as a whole as it offers all the Qualifying Shareholders an equal opportunity to participate in the enlargement of the capital base of the Company and enables the Qualifying Shareholders to maintain their proportionate interests in the Company and continue to participate in the future development of the Company should they wish to do so.

However, those Qualifying Shareholders who do not take up the Offer Shares to which they are entitled should note that their shareholdings in the Company would be diluted.

FINANCIAL AND TRADING PROSPECT OF THE GROUP

For the year ended 31 December 2012, the Group recorded a profit attributable to owners of the Company of HK\$206.26 million, whereas the Group recorded a loss of HK\$155.26 million for the previous year. The turnaround on the Group's performance was mainly attributable to a HK\$252.52 million decrease in impairment loss recognised in respect of intangible assets and a HK\$167.18 million increase in gain arising on change in fair value of investment properties.

As the market grapples with the same issues that have hung over it for several years now: the Eurozone debt crisis, fragile state of economic recovery in the United States and fears of a slowdown in Mainland China, the outlook for 2013 remains uncertain and the Directors expect periods of volatility in 2013. However, the Directors recognise that an uncertainty outlook can often coincide with a good opportunity to invest. As such, the Group will continue to adopt a more conservative investment approach toward its sale of financial assets business for 2013.

LETTER FROM THE BOARD

Following the termination of one of the management services agreements on 12 September 2012, the Group continues to provide management services to the concierge department of a licensed gaming promoter pursuant to the remaining management services agreement held by it. As the competition in Macau VIP gaming sector is keen, the Directors expect a relatively stable performance for the Group's provision of management services business in 2013.

For enriching its property investment portfolio, the Group acquired two three-storey New Territories Small Houses in August 2012. All units of these two three-storey New Territories Small Houses have been rented out since the fourth quarter of 2012. Pursuant to the preliminary sale and purchase agreement dated 20 November 2012 and entered into between the Group as vendor and Grand Reward Limited as purchaser, the Group shall deliver vacant possession of the whole of 1st floor and the flat roof, the whole of 6th to 12th floors, roof, external walls, two lavatories, three lorry parking spaces and eight private car parking spaces on the ground floor of an industrial building located in Kwun Tong, Kowloon, Hong Kong (the "**Kwun Tong Property**") to Grand Reward Limited upon completion. In January 2013, the Group served three-month notices to the tenants of the Kwun Tong Property for terminating the tenancies for the purpose of completing the proposed disposal. Accordingly, the rental income of the Group's property investment business will be deteriorated after the first quarter of 2013. As the proposed disposal of the Kwun Tong Property has not yet been completed, the Kwun Tong Property was reclassified as "assets classified as held for sale" at 31 December 2012 for financial reporting purpose. It is expected that the proposed disposal will be completed in the second quarter of 2013. Although the consideration for disposing of the Kwun Tong Property was reached at HK\$586.00 million, the Kwun Tong Property was revalued upwards to its market value of HK\$603.00 million at 31 December 2012 in accordance with Hong Kong Financial Reporting Standards. Given that the carrying value of the Kwun Tong Property of HK\$603.00 million at 31 December 2012 exceeds the consideration of HK\$586.00 million by HK\$17.00 million, it is expected that the Group will record a loss on disposal of the Kwun Tong Property of HK\$17.00 million plus transaction costs to be incurred upon completion. Despite the introduction of new measures by the Hong Kong Government and Hong Kong Monetary Authority for stabilising property prices in February 2013, the Directors remain optimistic about Hong Kong properties as land is a scarce resource in Hong Kong and the land supply of Hong Kong is limited. As such, the Directors will cautiously seek opportunity for investing other properties in order to enrich the Group's property investment portfolio and increase the Group's rental income.

LETTER FROM THE BOARD

Following the expansion into money lending business in the first quarter of 2012, a number of merchants and professionals have enquired the Group for obtaining short-term financings. The Directors believe that there is a strong demand for short-term financings in Hong Kong and have determined to allocate more resources to expand the Group's money lending business in order to improve the Group's performance. Despite the determination for expanding its money lending business, the Group will adopt a cautious approach towards its assessment and approval of loans in order to reduce its credit risk.

Given that the outlook for 2013 remains uncertain, the Group will continue to cautiously monitor the business environment and continue to strengthen its business foundation by focusing on its the existing businesses to protect the interests of the Shareholders. In addition to focusing on the Group's existing businesses in the next fiscal year, the Directors will continue to cautiously identify suitable investment opportunities for the Group to diversify its businesses and broaden its revenue.

FUND RAISING EXERCISES OF THE COMPANY

| Date of announcement | Event | Net proceeds (approximately) | Intended use of proceeds | Actual use of proceeds |
|----------------------|----------------------------------|------------------------------------|---|--|
| 14 January 2013 | Placing of 47,000,000 new Shares | HK\$29.86 million <i>(Note)</i> | For property investment in Hong Kong | The net proceeds have not been utilised. |
| 5 April 2012 | Placing of 39,670,000 new Shares | HK\$12.27 million | Financing possible investment project or high-yield convertible notes | The proceeds have been used for financing the acquisition of investment properties in August 2012. |

Note: As disclosed in the Company's announcement dated 14 January 2013, the net proceeds to be raised from the Placing was estimated to be HK\$29.92 million. Due to the under-estimation of certain fees and expenses, the actual amount received from the Placing was HK\$29.86 million.

Save as abovementioned, the Company had not conducted any other fund raising exercise in the past 12 months immediately preceding the date of the Announcement.

LETTER FROM THE BOARD

ADJUSTMENTS TO THE OPTIONS

As at the Latest Practicable Date, the Company had 416,315 outstanding Options entitling the holders thereof to subscribe for 416,315 new Shares. Upon completion of the Open Offer, adjustments to the exercise prices and numbers of the outstanding Options may be required under the relevant terms of the instrument in relation to the Options or the Share Option Scheme. The auditors of the Company will be appointed to certify the necessary adjustments, if any, to the exercise prices and numbers of the outstanding Options. Further announcement will be made by the Company in this regard.

GENERAL

Your attention is drawn to the information contained in the appendices to this Prospectus.

Yours faithfully
For and on behalf of the Board
Eternity Investment Limited
Lei Hong Wai
Chairman

FINANCIAL INFORMATION INCORPORATED BY REFERENCE

The audited consolidated financial statements of the Group for the years ended 31 December 2010, 31 December 2011 and 31 December 2012, including the notes thereto, have been published in the annual reports of the Company for the years ended 31 December 2010 (pages 50 to 187), 31 December 2011 (pages 52 to 206) and 31 December 2012 (pages 61 to 214) respectively, which are incorporated by reference into this Prospectus. The management discussion and analysis of the Group for the years ended 31 December 2010, 31 December 2011 and 31 December 2012 have been published in the annual reports of the Company for the years ended 31 December 2010 (pages 6 to 18), 31 December 2011 (pages 6 to 20) and 31 December 2012 (pages 7 to 26) respectively, which are incorporated by reference into this Prospectus.

The said annual reports of the Company are available on the Company's website at www.eternityinv.com.hk and the website of the Stock Exchange at www.hkexnews.hk.

STATEMENT OF INDEBTEDNESS**Borrowings**

At the close of business on 28 February 2013, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this Prospectus, the Group had no outstanding borrowings.

Contingent Liabilities

On 15 April 2010, a claim was brought by China Finance & Assets Management Limited (“CFAM”) in the High Court Action No. 526 of 2010 against Rexdale Investment Limited (“Rexdale”), an indirect wholly-owned subsidiary of the Company that, despite repeated demands, Rexdale has failed and still refuses to pay to CFAM a service fee in the sum of HK\$25.00 million.

No provision for the claim brought by CFAM was made in the audited consolidated accounts of the Group for the year ended 31 December 2012 as Lafe Corporation Limited has undertaken to indemnify and keep indemnified One Synergy Limited (“One Synergy”), the immediate holding company of Rexdale, against any and all losses, claims, damages, penalties, actions, demands, proceedings, judgement and costs (including legal costs on a full indemnify basis and any amount paid for settlement of claims) arising from or in connection with the claim pursuant to the sale and purchase agreement dated 31 December 2010 entered into between Lafe Corporation Limited as vendor and One Synergy as purchaser relating to the sale and purchase of the entire issued share capital of Lafe Properties (Hong Kong) Limited (the former name of Rexdale).

General

Save as aforesaid or otherwise disclosed herein, and apart from intra-group liabilities and normal trade payables, the Group did not have any outstanding mortgages, charges, debentures or other loan capital, bank overdrafts, loans, debt securities or other similar indebtedness, liabilities under acceptance or acceptances credits, finance leases or hire purchase commitments, guarantees or other material contingent liabilities at the close of business on 28 February 2013.

WORKING CAPITAL

The Directors after due and careful enquiry, are of the opinion that, in the absence of unforeseeable and after taking into account of the net proceeds from the Open Offer and the internal resources of the Group, the Group has sufficient working capital for its normal business for at least the next 12 months from the date of publication of this Prospectus.

MATERIAL ADVERSE CHANGE

The Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2012, being the date to which the latest published audited consolidated accounts of the Group were made up, as at the Latest Practicable Date.

THE BUSSINESS ACQUIRED AFTER 31 DECEMBER 2012 BEING THE DATE TO WHICH THE LATEST PUBLISHED AUDITED CONSOLIDATED ACCOUNTS OF THE GROUP WERE MADE UP

On 18 February 2013, the Company proposed to seek approvals from the Shareholders for (i) exercising the conversion rights attaching to the bonus convertible notes issued by China Star Entertainment Limited (“**China Star**”, stock code: 326), a company listed on the Main Board of the Stock Exchange, in the aggregate principal amount of HK\$6,079,806.76 to convert their principal amount into 607,980,676 new shares in China Star and (ii) granting a mandate to the Company for disposing of the 303,990,338 shares in China Star that already held by the Group and the 3,524,647,342 new shares in China Star to be allotted and issued to the Group pursuant to the exercise of the conversion rights attaching to the bonus convertible notes and the convertible notes issued by China Star in the aggregate principal amount of HK\$350.00 million. Please refer to the Company’s announcement dated 18 February 2013 for more details; and

On 21 March 2013, the Group entered into a subscription agreement with China AU. Subject to the fulfillment of the conditions set out in the subscription agreement, the Group has agreed to subscribe for the convertible notes in the principal amount of HK\$40.00 million to be issued by China AU at their face value. The convertible notes are unsecured, non-interest bearing and maturing on the date falling on the 30 months from the date of their issue. The convertible notes carry rights entitling the holders thereof to convert their principal amount into new shares in China AU at an initial conversion price of HK\$1.00 per share at any time prior to the maturity date. On the same date, the Group also entered into a loan agreement with China AU. Pursuant to the loan agreement, the Group has conditionally agreed to grant an unsecured loan in the principal amount of HK\$40.00 million to China AU. The loan is unsecured, interest bearing at 5% per annum and maturing on the date falling on the third anniversary from the date of drawdown. Please refer to the Company's announcement dated 21 March 2013 for more details.

**1. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED
NET TANGIBLE ASSETS**

The following is an illustrative unaudited pro forma statement of adjusted consolidated net tangible assets of the Group (the “**Unaudited Pro Forma Financial Information**”), which has been prepared based on the audited consolidated statement of financial position of the Group as at 31 December 2012 as set out in the Company’s published annual report for the year ended 31 December 2012, after making pro forma adjustments as set out in the notes below.

This Unaudited Pro Forma Financial Information has been prepared in accordance with Rule 4.29 of the Listing Rules for the purpose of illustrating the effect of the Open Offer as if it had taken place on 31 December 2012. It has been prepared on the basis of the notes set out below and is consistent with the accounting policies adopted by the Group.

This Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only, and because of its hypothetical nature, it may not give a true picture of the adjusted net tangible assets of the Group had the Open Offer been completed as at 31 December 2012 or at any future date.

This Unaudited Pro Forma Financial Information should be read in conjunction with the historical information of the Group as set out in the published annual report of the Company for the year ended 31 December 2012 and other financial information included elsewhere in this prospectus.

| | Audited consolidated net assets of the Group attributable to owners of the Company as at 31 December 2012 <i>(Note 1)</i> HK\$'000 | Adjustment for intangible assets <i>(Note 2)</i> HK\$'000 | Net proceeds from the Placing <i>(Note 3)</i> HK\$'000 | Adjusted audited consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2012 after the completion of the Placing HK\$'000 | Estimated net proceeds from the Open Offer HK\$'000 | Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2012 immediately after the completion of the Open Offer HK\$'000 |
|--|--|---|--|---|--|--|
| Based on 152,224,414 Offer Shares to be issued | <u>1,521,952</u> | <u>(5,722)</u> | <u>29,860</u> | <u>1,546,090</u> | <u>180,020</u> | <u>1,726,110</u> |

HK\$

Adjusted audited consolidated net tangible assets of the Group per Share attributable to owners of the Company as at 31 December 2012 after the completion of the Placing *(Note 5)*

5.08

Unaudited pro forma adjusted consolidated net tangible assets of the Group per Share attributable to owners of the Company as at 31 December 2012 immediately after the completion of the Open Offer based on 152,224,414 Offer Shares to be issued *(Note 6)*

3.78

Notes:

1. The audited consolidated net assets of the Group attributable to owners of the Company as at 31 December 2012 is extracted from the published annual report of the Group as at 31 December 2012.
2. The intangible assets of the Group as at 31 December 2012 are approximately HK\$5,722,000, which are extracted from the published annual report of the Group as of 31 December 2012.
3. On 14 January 2013, the Company and Kingston Securities Limited (“**Kingston**”) entered into the Placing Agreement, pursuant to which the Company has conditionally agreed to place, through Kingston, on a best effort basis, up to 47,000,000 Placing Shares to not fewer than six places who and whose ultimate beneficial owners are third parties independent of and not connected or acting in concert with any directors, chief executive or substantial shareholders of the Company or its subsidiaries or any of their respective associates at a price of HK\$0.645 per Placing Share. The net proceeds from the Placing amounted to HK\$29,860,000. The Placing was completed on 24 January 2013.
4. The estimated net proceeds from the Open Offer of approximately HK\$180,020,000 are based on 152,224,414 Offer Shares to be issued at the Subscription Price of HK\$1.20 per Offer Share and after deduction of estimated related expenses of approximately HK\$2,649,000.
5. The adjusted audited consolidated net tangible assets of the Group per Share attributable to owners of the Company after the completion of the Placing of approximately HK\$5.08 is calculated based on HK\$1,546,090,000 divided by 304,448,829 Shares in issue after the completion of the Placing. The 304,448,829 Shares in issue comprised 257,448,829 Shares in issue as at 31 December 2012 and 47,000,000 new Shares issued on 24 January 2013.
6. The unaudited pro forma adjusted consolidated net tangible assets of the Group per Share attributable to owners of the Company immediately after completion of the Open Offer of approximately HK\$3.78 is calculated based on the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company immediately after completion of the Open Offer of approximately HK\$1,726,110,000 divided by 456,673,243 Shares in issue immediately after completion of the Open Offer. The 456,673,243 Shares in issue comprised 257,448,829 Shares in issue as at 31 December 2012, 47,000,000 new Shares issued on 24 January 2013 pursuant to the Placing and 152,224,414 Offer Shares to be issued pursuant to the Open Offer.
7. No adjustment has been made to the unaudited pro forma adjusted consolidated net tangible assets of the Group to reflect any trading results or other transactions of the Group entered into subsequent to 31 December 2012.

2. ACCOUNTANTS' REPORT ON THE UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP

The following is the text of the report, prepared for the sole purpose of inclusion in this Prospectus, received from the reporting accountants, HLB Hodgson Impey Cheng Limited, Chartered Accountants, Certified Public Accountants, Hong Kong, in respect of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group set out in this appendix.



國衛會計師事務所有限公司
Hodgson Impey Cheng Limited

Chartered Accountants
Certified Public Accountants

8 April 2013

The Directors
Eternity Investment Limited
Unit 3811, 38/F., Shun Tak Centre, West Tower
168-200 Connaught Road Central
Hong Kong

Dear Sirs,

We report on the unaudited pro forma financial information of Eternity Investment Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) set out on pages 32 to 34 under the heading of “Unaudited Pro Forma Statement of Adjusted Consolidated Net Tangible Assets of the Group” (the “**Unaudited Pro Forma Financial Information**”) in Appendix II of the Company’s prospectus issued by the Company dated 8 April 2013 (the “**Prospectus**”). The Unaudited Pro Forma Financial Information has been prepared by the directors of the Company for illustrative purpose only, to provide information about how the proposed open offer of 152,224,414 offer shares on the basis of one offer share for every two existing shares at a subscription price of HK\$1.20 per offer share for inclusion in Appendix II of the Prospectus. The basis of preparation of the Unaudited Pro Forma Financial Information is set out on page 32 of the Prospectus.

Respective responsibilities of the Directors of the Company and reporting accountants

It is the responsibility solely of the directors of the Company to prepare the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”).

It is our responsibility to form an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

Basis of opinion

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 300 “Accountants’ Reports on Pro Forma Financial Information in Investment Circulars” issued by the HKICPA. Our work, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the audited consolidated net tangible assets of the Group attributable to the equity holders of the Company as at 31 December 2012 with the audited consolidated statement of financial position of the Group as at 31 December 2012 as set out in the published annual report of the Group for the year ended 31 December 2012, considering the evidence supporting the adjustments and discussing the Unaudited Pro Forma Financial Information with the directors of the Company.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated, that such basis is consistent with the accounting policies of the Group and that the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

The Unaudited Pro Forma Financial Information is for illustrative purposes only, based on the judgements and assumptions of the directors of the Company, and, because of its hypothetical nature, does not provide any assurance or indication that any event will take place in the future and may not be indicative of the adjusted net tangible assets of the Group as at 31 December 2012 or any future date.

Opinion

In our opinion:

- the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated;
- such basis is consistent with the accounting policies of the Group; and
- the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Yours faithfully

HLB Hodgson Impey Cheng Limited

Chartered Accountants

Certified Public Accountants

Yu Chi Fat

Practising Certificate Number: P05467

Hong Kong

RESPONSIBILITY STATEMENT

These Prospectus Documents, for which the Directors collectively and individually accept full responsibility, include particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in these Prospectus Documents is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or these Prospectus Documents misleading.

SHARE CAPITAL

The authorised and issued share capital of the Company as at the Latest Practicable Date and immediately upon completion of the Open Offer are as follows:

Authorised: *HK\$*

| | | |
|-----------------------|--|-----------------------|
| <u>10,000,000,000</u> | Shares as at the Latest Practicable Date and immediately upon completion of the Open Offer | <u>100,000,000.00</u> |
|-----------------------|--|-----------------------|

Issued and fully paid: *HK\$*

| | | |
|--------------------|--|---------------------|
| 304,448,829 | Shares in issue and fully paid as at the Latest Practicable Date | 3,044,488.29 |
| <u>152,224,414</u> | Offer Shares to be issued | <u>1,522,244.14</u> |
| <u>456,673,243</u> | Shares in issue and fully paid immediately upon completion of the Open Offer | <u>4,566,732.43</u> |

All the Shares in issue and the Offer Shares (when allotted, issue and fully paid) to be allotted and issued rank *pari passu* in all respects with each other including as regards to dividends and voting rights.

The issued Shares are listed on the Main Board of the Stock Exchange. No part of the securities of the Company is listed or dealt in, nor is listing or permission to deal in the securities of the Company being or proposed to be sought, on any other stock exchange.

As at the Latest Practicable Date, there is no arrangement under which future dividends are/will be waived or agreed to be waived.

As at the Latest Practicable Date, no share or loan capital of the Company or any members of the Group has been put under option or agreed conditionally or unconditionally to be put under option and no warrant or conversion right affecting the Shares has been issued or granted or agreed conditionally, or unconditionally to be issued or granted, except for the 152,224,414 Offer Shares and the 416,315 outstanding Options exercisable into 416,315 new Shares.

Save as the 416,315 outstanding Options, the Company does not have any other outstanding derivatives, options, warrants and conversion rights or similar rights or securities in issue which are convertible or exchangeable into Shares or Offer Shares.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

Save as disclosed below, as at the Latest Practicable Date, no Directors or chief executive of the Company had or was deemed to have interests or short positions in Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies of the Listing Rules, to be notified to the Company and the Stock Exchange:

Long positions

a. the Shares

| Name of Director | <i>Note</i> | Capacity | Number of issued Shares held | Approximate percentage of the issued share capital of the Company |
|------------------|-------------|---------------------------------|------------------------------------|---|
| Mr. Lei Hong Wai | <i>1</i> | Held by controlled corporations | 70,472,000 | 23.12% |

| Name of Director | Note | Capacity | Number of issued Shares held | Approximate percentage of the issued share capital of the Company |
|----------------------------|------|---------------------------------|------------------------------|---|
| Mr. Cheung Kwok Wai, Elton | 1 | Held by controlled corporations | 70,472,000 | 23.12% |
| Mr. Cheung Kwok Fan | 1 | Held by controlled corporations | 70,472,000 | 23.12% |
| Mr. Chan Kin Wah, Billy | | Beneficial owner | 1,633,000 | 0.54% |

Note:

1. Twin Success is owned as to 50% by Silver Pacific International Limited and as to 50% by Silver Pacific Development Limited. Silver Pacific International Limited is wholly owned by Mr. Lei Hong Wai. Silver Pacific Development Limited is owned as to 50% by Mr. Cheung Kwok Wai, Elton and as to 50% by Mr. Cheung Kwok Fan.

b. the Options

| Name of Director | Capacity | Number of Options held | Number of underlying Shares |
|-------------------------|------------------|------------------------|-----------------------------|
| Mr. Lei Hong Wai | Beneficial owner | 933 | 933 |
| Mr. Chan Kin Wah, Billy | Beneficial owner | 2,349 | 2,349 |

c. derivatives to the Shares

| Name of Director | Note | Capacity | Number of derivatives (physically settled) | Number of underlying Shares |
|----------------------------|------|---------------------------------|--|-----------------------------|
| Mr. Lei Hong Wai | 1 | Held by controlled corporations | 35,236,000 | 35,236,000 |
| Mr. Cheung Kwok Wai, Elton | 1 | Held by controlled corporations | 35,236,000 | 35,236,000 |
| Mr. Cheung Kwok Fan | 1 | Held by controlled corporations | 35,236,000 | 35,236,000 |

Note:

- The derivatives (physically settled) represent the Twin Success Undertaking given by Twin Success under the Underwriting Agreement to take up in full its entitlement under the Open Offer to subscribe for 35,236,000 Offer Shares.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

Save as disclosed below, as at the Latest Practicable Date, according to the register of interest kept by the Company under Section 336 of the SFO and so far as was known to the Directors, no other person or companies had an interest or short positions in Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who were, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or had any option in respect of such capital:

Long positions

a. the Shares

| Name of Shareholder | Notes | Capacity | Number of issued Shares held | Approximate percentage of the issued share capital of the Company |
|--------------------------------------|----------------|---------------------------------|------------------------------|---|
| Twin Success | <i>1</i> | Beneficial owner | 70,472,000 | 23.12% |
| Silver Pacific International Limited | <i>1 and 2</i> | Held by controlled corporation | 70,472,000 | 23.12% |
| Silver Pacific Development Limited | <i>1 and 3</i> | Held by controlled corporation | 70,472,000 | 23.12% |
| Mr. Lei Hong Wai | <i>1 and 2</i> | Held by controlled corporations | 70,472,000 | 23.12% |
| Mr. Cheung Kwok Wai, Elton | <i>1 and 3</i> | Held by controlled corporations | 70,472,000 | 23.12% |

| Name of Shareholder | Notes | Capacity | Number of issued Shares held | Approximate percentage of the issued share capital of the Company |
|----------------------------------|----------------|---------------------------------|------------------------------|---|
| Mr. Cheung Kwok Fan | <i>1 and 3</i> | Held by controlled corporations | 70,472,000 | 23.12% |
| Asia Vest Partners VII Limited | <i>4</i> | Held by controlled corporations | 32,373 | 9.95% |
| Asia Vest Partners X Limited | <i>4</i> | Held by controlled corporations | 32,373 | 9.95% |
| Asia Vest Partners Limited | <i>4</i> | Held by controlled corporations | 32,373 | 9.95% |
| Mr. Andrew Nam Sherrill | <i>4</i> | Held by controlled corporations | 32,373 | 9.95% |
| The Underwriter | <i>5</i> | Beneficial owner | 1 | 0.00% |
| Galaxy Sky Investments Limited | <i>5</i> | Held by controlled corporations | 1 | 0.00% |
| Kingston Capital Asia Limited | <i>5</i> | Held by controlled corporations | 1 | 0.00% |
| Kingston Financial Group Limited | <i>5</i> | Held by controlled corporations | 1 | 0.00% |
| Active Dynamic Limited | <i>5</i> | Held by controlled corporations | 1 | 0.00% |
| Ms. Chu Yuet Wah | <i>5</i> | Held by controlled corporations | 1 | 0.00% |

Notes:

1. Twin Success is owned as to 50% by Silver Pacific International Limited and as to 50% by Silver Pacific Development Limited.
2. Silver Pacific International Limited is wholly owned by Mr. Lei Hong Wai.
3. Silver Pacific Development Limited is owned as to 50% by Mr. Cheung Kwok Wai, Elton and as to 50% by Mr. Cheung Kwok Fan.
4. The number of issued Shares held was adjusted for the capital reorganisation of the Company that became effective on 2 May 2008, 23 April 2009 and 9 May 2012.
5. The Underwriter is a wholly-owned subsidiary of Galaxy Sky Investments Limited, which is wholly owned by Kingston Capital Asia Limited. Kingston Capital Asia Limited is wholly owned by Kingston Financial Group Limited. Active Dynamic Limited owns 40.24% interest in Kingston Financial Group Limited. Ms. Chu Yuet Wah owns 100% interest in Active Dynamic Limited.

b. the Options

| Name of Shareholder | Capacity | Number of Options held | Number of underlying Shares |
|----------------------------|------------------|-------------------------------|------------------------------------|
| Mr. Lei Hong Wai | Beneficial owner | 933 | 933 |

c. derivatives to the Shares

| Name of Shareholder | <i>Notes</i> | Capacity | Number of derivatives (physically settled) | Number of underlying Shares |
|----------------------------------|--------------|---------------------------------|---|------------------------------------|
| The Underwriter | <i>1</i> | Beneficial owner | 117,196,572 | 117,196,572 |
| Galaxy Sky Investments Limited | <i>1</i> | Held by controlled corporations | 117,196,572 | 117,196,572 |
| Kingston Capital Asia Limited | <i>1</i> | Held by controlled corporations | 117,196,572 | 117,196,572 |
| Kingston Financial Group Limited | <i>1</i> | Held by controlled corporations | 117,196,572 | 117,196,572 |
| Active Dynamic Limited | <i>1</i> | Held by controlled corporations | 117,196,572 | 117,196,572 |
| Ms. Chu Yuet Wah | <i>1</i> | Held by controlled corporations | 117,196,572 | 117,196,572 |

| Name of Shareholder | Notes | Capacity | Number of derivatives (physically settled) | Number of underlying Shares |
|--------------------------------------|-------|---------------------------------|--|-----------------------------|
| Twin Success | 2 | Beneficial owner | 35,236,000 | 35,236,000 |
| Silver Pacific International Limited | 2 | Held by controlled corporation | 35,236,000 | 35,236,000 |
| Silver Pacific Development Limited | 2 | Held by controlled corporation | 35,236,000 | 35,236,000 |
| Mr. Lei Hong Wai | 2 | Held by controlled corporations | 35,236,000 | 35,236,000 |
| Mr. Cheung Kwok Wai, Elton | 2 | Held by controlled corporations | 35,236,000 | 35,236,000 |
| Mr. Cheung Kwok Fan | 2 | Held by controlled corporations | 35,236,000 | 35,236,000 |

Notes:

1. The derivatives (physically settled) represent the maximum number of the Underwritten Shares underwritten by the Underwriter pursuant to the Underwriting Agreement.
2. The derivatives (physically settled) represent the Twin Success Undertaking given by Twin Success under the Underwriting Agreement to take up in full its entitlement under the Open Offer to subscribe for 35,236,000 Offer Shares.

DIRECTORS' INTERESTS IN CONTRACTS AND ASSETS

None of the Directors was materially interested, directly or indirectly, in any contract or arrangement entered into by any member of the Group which was subsisting as at the date of this Prospectus and which was significant in relation to the business of the Group.

None of the Directors has or had any direct or indirect interest in any assets which have been acquired or disposed of by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2012, being the date to which the latest published audited consolidated accounts of the Group were made up.

COMPETING INTEREST

So far as the Directors aware, as at the Latest Practicable Date, none of the Directors nor their respective associates had any business or interest that competes or may compete with the business of the Group or any other conflicts of interest with the Group.

LITIGATION

As at the Latest Practicable Date, save as disclosed below, neither the Company nor its subsidiaries, was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance known to the Directors to be pending or threatened against any member of the Group.

On 15 April 2010, a claim was brought by CFAM in the High Court Action No. 526 of 2010 against Rexdale that, despite repeated demands, Rexdale has failed and still refused to pay to CFAM a service fee in the sum of HK\$25.00 million.

No provision for the claim brought by CFAM was made in the audited consolidated accounts of the Group for the year ended 31 December 2012 as Lafe Corporation Limited has undertaken to indemnify and keep indemnified One Synergy against any and all losses, claims, damages, penalties, actions, demands, proceedings, judgement and costs (including legal costs on a full indemnify basis and any amount paid for settlement of claims) arising from or in connection with the claim pursuant to the sale and purchase agreement dated 31 December 2010 entered into between Lafe Corporation Limited as vendor and One Synergy as purchaser relating to the sale and purchase of the entire issued share capital of Lafe Properties (Hong Kong) Limited (the former name of Rexdale).

SERVICE CONTRACTS

As at the Latest Practicable Date, no Director had any existing or proposed service contracts with any member of the Group which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

EXPERT AND CONSENT

The following is the qualification of the expert who has been named in this Prospectus or has given opinions and advices, which are contained in this Prospectus:

| Name | Qualification |
|---------------------------------|---|
| HLB Hodgson Impey Cheng Limited | Chartered Accountants Certified Public Accountants |

HLB Hodgson Impey Cheng Limited has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion of its letters references to its name and/or its advice in the form and context in which it appears.

EXPERT'S INTERESTS IN ASSETS

As at the Latest Practicable Date, HLB Hodgson Impey Cheng Limited:

- (a) was not interested, either directly or indirectly, in any assets which have been acquired or disposed of by or leased to any member of the Group or is proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2012, being the date to which the latest published audited consolidated accounts of the Group were made up; and
- (b) did not have any shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of business) have been entered into by the members of the Group within the two years immediately preceding the Latest Practicable Date:

- (a) the conditional sale and purchase agreement dated 4 April 2011 and entered into between Citadines Ashley TST (Singapore) Pte. Ltd. as vendor and Golden Stone Management Limited, a wholly owned subsidiary of the Company, as purchaser in relation to the sale and purchase of the entire issued share capital of Citadines Ashley TST (Hong Kong) Limited and Citadines Ashley TST Management (Hong Kong) Limited at a total consideration of HK\$283 million;
- (b) the conditional sale and purchase agreement dated 25 May 2011 (as supplemented by the supplemental agreement dated 10 June 2011) and entered into between Vartan Holdings Limited as vendor and Riche (BVI) Limited, a wholly owned subsidiary of the Company, as purchaser in relation to the sale and purchase of the entire share capital of Adelio Holdings Limited at a consideration of HK\$267.6 million;
- (c) the placing and subscription agreement dated 7 June 2011 and entered into between Mr. Lei Hong Wai, the Company and the Underwriter in relation to the placing of 220,280,000 existing shares of HK\$0.01 each beneficially owned by Mr. Lei Hong Wai at a price of HK\$0.135 per share and the subscription of 220,280,000 new shares of HK\$0.01 each at a price of HK\$0.135 per share by Mr. Lei Hong Wai;

- (d) the underwriting agreement dated 7 June 2011 and entered into between the Company, the Underwriter, Mr. Lei Hong Wai and Thought Diamond International Limited in relation to the underwriting arrangement in respect of proposed issue of not less than 5,510,560,980 new shares of HK\$0.01 each and not more than 6,619,444,395 new shares by way of open offer to the qualifying Shareholders on the basis of five new shares for every one existing share held on 25 July 2011 at a price of HK\$0.04 per new share;
- (e) the supplemental agreement dated 10 June 2011 and entered into between Vartan Holdings Limited and Riche (BVI) Limited to amend the pre-completion undertaking given by Vartan Holdings Limited to Riche (BVI) Limited to the corresponding conditional sale and purchase agreement dated 25 May 2011;
- (f) the master franchise agreement dated 6 July 2011 and entered into between Advance Top Limited, a then wholly owned subsidiary of the Company, and アザース株式会社 (an unofficial English translation: Az-earth Company Limited and an unofficial Chinese translation: 麵鮮醬油房 周月) relating to the grant of the sole and exclusive rights and master license of franchise business of selling noodles, drinks and related Japanese food products by アザース株式会社 (an unofficial English translation: Az-earth Company Limited and an unofficial Chinese translation: 麵鮮醬油房 周月) to Advance Top Limited in the Greater China Region for a period of ten years commencing from 15 July 2011;
- (g) the supplemental agreement dated 30 September 2011 and entered into between Citadines Ashley TST (Singapore) Pte. Ltd. and Golden Stone Management Limited relating to the extension of long stop date of the conditional sale and purchase agreement dated 4 April 2011 from 30 September 2011 to 30 November 2011;
- (h) the sale and purchase agreement dated 26 October 2011 and entered into between Riche (BVI) Limited as purchaser and Ms. Tan Ting Ting as vendor relating to the sale and purchase of the entire issued share capital of Dynamic Eagle Investments Limited, a property investment company, at a consideration of HK\$6.50 million;
- (i) the conditional subscription agreement dated 22 December 2011 and entered into between Culture Landmark Investment Limited (“**Culture Landmark**”, stock code: 674) as issuer, a company listed on Main Board of the Stock Exchange, and the Company as subscriber in relation to the subscription of the convertible bonds to be issued by Culture Landmark in the principal amount of HK\$75.00 million;

- (j) the conditional sale and purchase agreement dated 3 January 2012 and entered into amongst Koffman Financial Group Limited as vendor, Eternity Finance Group Limited (“**Eternity Finance**”), a wholly owned subsidiary of the Company, as purchaser and Mr. Yu Shu Kuen as guarantor in relation to the sale and purchase of the entire share capital of Hong Kong Builders Finance Limited (“**Hong Kong Builders**”), a wholly owned subsidiary of the Company, and the respective shareholder’s loan at an aggregate consideration of HK\$33.07 million;
- (k) the binding provisional sale and purchase agreement dated 7 March 2012 and the sale and purchase agreement dated 20 March 2012 entered into between Dynamic Eagle Investments Limited, a wholly owned subsidiary of the Company, as vendor and an Independent Third Party as purchaser in relation to the sale and purchase of an investment property located at Tseung Kwan O, Sai Kung, New Territories at a consideration of HK\$7.95 million;
- (l) the conditional subscription agreement dated 19 March 2012 and entered into between Koffman Corporate Service Limited as issuer and Eternity Finance as subscriber in relation to the subscription of convertible note to be issued by Koffman Corporate Service Limited in the principal amount of HK\$27.00 million;
- (m) the conditional placing agreement dated 5 April 2012 and entered into between the Company and the Underwriter in relation to the placing of 39,670,000 new Shares at a price of HK\$0.32 per new Share;
- (n) the loan agreement dated 22 May 2012 and entered into between Hong Kong Builders as lender and an Independent Third Party as borrower in respect of an unsecured loan in the principal amount of HK\$15 million;
- (o) the deed of variation dated 28 May 2012 and entered into between Eternity Finance and Culture Landmark in relation to the early redemption of the convertible bonds in the principal amount of HK\$75.00 million issued by Culture Landmark;
- (p) the sale and purchase agreement dated 28 May 2012 and entered into between the Company as purchaser and Culture Landmark as vendor in relation to the sale and purchase of 146,640,000 shares in China Media and Films Holdings Limited (stock code: 8172), a company listed on Growth Enterprises Market of the Stock Exchange, at a consideration of HK\$51.32 million;
- (q) the irrevocable undertaking dated 4 June 2012 given by Simple View Investment Limited to China Star not to (i) accept the offer proposed by China Star; (ii) acquire any shares in China Star; (iii) dispose of and/or transfer any of the 200,000,000

shares in China Star held by it; and (iv) dispose of and/or transfer and/or exercise any of the subscription rights attached to the warrants issued by China Star on 15 June 2010 in an aggregate principal amount of HK\$10.00 million held by it, before the closing or lapse or termination of the proposed conditional cash offer as announced by China Star on 4 June 2012;

- (r) the irrevocable undertaking dated 4 June 2012 given by Victory Peace Holdings Limited, a wholly owned subsidiary of the Company, to China Star not to (i) accept the offer proposed by China Star; (ii) acquire any shares in China Star; (iii) dispose of and/or transfer any of the 68,000,000 shares in China Star held by it; and (iv) dispose of and/or transfer and/or exercise any of the subscription rights attached to the warrants issued by China Star on 29 June 2011 in an aggregate principal amount of HK\$26.25 million held by it, before the closing or lapse or termination of the proposed conditional cash offer as announced by China Star on 4 June 2012;
- (s) the irrevocable undertaking dated 4 June 2012 given by Eternity Finance to China Star not to (i) acquire any shares in China Star; (ii) dispose of and/or transfer and/or exercise any of the conversion rights attached to the convertible bonds in the aggregate principal of HK\$350.00 million issued by China Star held by it, before the closing or lapse or termination of the proposed conditional cash offer as announced by China Star on 4 June 2012; and (iii) require China Star to extend any offer notwithstanding the terms of the convertible bonds;
- (t) the irrevocable undertaking dated 4 June 2012 given by the Company to China Star not to (i) acquire any shares in China Star; (ii) dispose of and/or transfer and/or exercise any of the conversion rights attached to the convertible bonds in the aggregate principal of HK\$300.00 million to be issued by China Star, if issued; before the closing or lapse or termination of the proposed conditional cash offer as announced by China Star on 4 June 2012; and (iii) require China Star to extend any offer notwithstanding the terms of the convertible bonds, if issued;
- (u) the supplemental agreement dated 29 June 2012 and entered into between the Company and China Star relating to the extension of completion date of the second tranche subscription of the convertible bonds of HK\$300.00 million in the conditional subscription agreement dated 21 January 2011 from 30 June 2012 to 31 December 2013;
- (v) the loan agreement dated 21 August 2012 and entered into between Hong Kong Builders as lender and an Independent Third Party as borrower in respect of an unsecured loan in the principal amount of HK\$22.50 million;

- (w) the conditional sale and purchase agreement dated 21 August 2012 and entered into between East Legend Properties Limited, a wholly owned subsidiary of the Company, as purchaser and an Independent Third Party as vendor relating to the sale and purchase of all that piece or parcel of land situate lying and being at Sai Kung District, New Territories and registered in the Land Registry as LOT No. 646 IN DEMARACTION DISTRICT NO. 401 and of and in the three storeyed building known as No. 267 Ma Yau Tong, Sai Kung, New Territories which has been constructed on that land at a consideration of HK\$10.72 million;
- (x) the conditional sale and purchase agreement dated 21 August 2012 and entered into between Goway Properties Limited, a wholly owned subsidiary of the Company, as purchaser and an Independent Third Party as vendor relating to the sale and purchase of all that piece or parcel of land situate lying and being at Sai Kung District, New Territories and registered in the Land Registry as LOT No. 647 IN DEMARACTION DISTRICT NO. 401 and of and in the three storeyed building known as No. 267A Ma Yau Tong, Sai Kung, New Territories which has been constructed on that land at a consideration of HK\$10.72 million;
- (y) the loan agreement dated 31 August 2012 and entered into between Hong Kong Builders as lender and an Independent Third Party as borrower in respect of an unsecured loan in the principal amount of HK\$25.00 million.
- (z) the conditional sale and purchase agreement dated 16 October 2012 and entered into between Riche (BVI) Limited as vendor and Ms. Tan Ting Ting as purchaser relating to the sale and purchase of the entire issued share capital of Dynamic Eagle Investments Limited at a consideration of HK\$0.69 million;
- (aa) the binding preliminary sale and purchase agreement dated 20 November 2012 and entered into between Rexdale as vendor, and Grand Reward Limited as purchaser relating to a disposed of Lucky (Kwun Tong) Industrial Building at a consideration of HK\$586.00 million;
- (bb) a confirmation dated 20 November 2012 and signed by Simple View Investment Limited for electing to receive the bonus convertible bonds in lieu of all of its entitlement to the bonus shares under the bonus issue of shares and bonus convertible bonds to fulfill the minimum public float as announced by China Star on 20 November 2012;
- (cc) a confirmation dated 20 November 2012 and signed by Victory Peace Holdings Limited for electing to receive the bonus convertible bonds in lieu of all of its entitlement to the bonus shares under the bonus issue of shares and bonus

convertible bonds to fulfill the minimum public float as announced by China Star on 20 November 2012;

- (dd) the placing agreement dated 14 January 2013 and entered into between the Company and the Underwriter, pursuant to which the Company has conditionally agreed to place, through the Underwriter on a best effort basis, a maximum of 47,000,000 new Shares to not fewer than six independent investors at a price of HK\$0.645;
- (ee) the loan agreement dated 8 March 2013 and entered into between Hong Kong Builders as lender and an Independent Third Party as borrower in respect of an unsecured loan in the principal amount of HK\$80.00 million;
- (ff) the Underwriting Agreement;
- (gg) the subscription agreement dated 21 March 2013 and entered into between New Cove Limited, a wholly owned subsidiary of the Company, as subscriber and China AU as issuer relating to the subscription of the convertible bonds in the principal amount of HK\$40.00 million; and
- (hh) the loan agreement dated 21 March 2013 and entered into between Hong Kong Builders as lender and China AU as borrower relating to the grant of an unsecured loan in the principal amount of HK\$40.00 million.

CORPORATE INFORMATION AND PARTIES INVOLVED IN THE OPEN OFFER

*Corporate information***Board of Directors***Executive Directors*

Mr. Lei Hong Wai

(Chairman and Chief Executive Officer)

Mr. Cheung Kwok Wai, Elton

Mr. Chan Kin Wah, Billy, CPA, CPA *(Aust.)*,
CICPA *(non-practicing)**Non-executive Director*

Mr. Cheung Kwok Fan

Independent Non-executive Directors

Mr. Wan Shing Chi

Mr. Ng Heung Yan

Mr. Wong Tak Chuen

Members of Audit Committee

Mr. Wong Tak Chuen

Mr. Wan Shing Chi

Mr. Ng Heung Yan

Members of Remuneration Committee

Mr. Ng Heung Yan

Mr. Lei Hong Wai

Mr. Wan Shing Chi

Members of Nomination Committee

Mr. Lei Hong Wai

Mr. Wan Shing Chi

Mr. Ng Heung Yan

Members of Finance CommitteeMr. Chan Kin Wah, Billy, CPA, CPA *(Aust.)*,
CICPA *(non-practicing)*

Mr. Wong Tak Chuen

Authorised representatives

Mr. Lei Hong Wai

Mr. Chan Kin Wah, Billy, CPA, CPA *(Aust.)*,
CICPA *(non-practicing)*

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| Business address of Directors and authorised representatives | Unit 3811, Shun Tak Centre West Tower 168-200 Connaught Road Central Hong Kong |
| Company secretary | Mr. Chan Kin Wah, Billy, CPA, CPA (<i>Aust.</i>), CICPA (<i>non-practicing</i>) |
| Registered office | Clarendon House 2 Church Street Hamilton HM 11 Bermuda |
| Head office and principal place of business in Hong Kong | Unit 3811, Shun Tak Centre West Tower 168-200 Connaught Road Central Hong Kong |
| Auditor | HLB Hodgson Impey Cheng Limited Chartered Accountants Certified Public Accountants 31/F., Gloucester Tower The Landmark 11 Pedder Street Central Hong Kong |
| Principal share registrar and transfer office in Bermuda | HSBC Securities Services (Bermuda) Limited 6 Front Street Hamilton HM 11 Bermuda |
| Branch share registrar and transfer office in Hong Kong | Tricor Standard Limited 26th Floor, Tesbury Centre 28 Queen's Road East Wanchai Hong Kong |
| Principal bankers | Hang Seng Bank Limited Standard Chartered Bank (Hong Kong) Limited |

*Parties involved in the Open Offer***Underwriter**

Kingston Securities Limited
Suite 2801, 28th Floor
One International Finance Centre
1 Harbour View Street
Hong Kong

**Legal advisers to the Company in
relation to the Open Offer**

As to Hong Kong law:
Michael Li & Co.
19/F., Prosperity Tower
No. 39 Queen's Road Central
Central
Hong Kong

As to Bermuda law:
Conyers Dill & Pearman
2901, One Exchange Square
8 Connaught Place
Central
Hong Kong

As to Macau law:
Rato, Ling, Vong, Lei & Cortés
Avenida de Amizade
555 — Macau Landmark
Offer Tower — Rooms 2301-04
Macau

Reporting accountants

HLB Hodgson Impey Cheng Limited
Chartered Accountants
Certified Public Accountants
31/F., Gloucester Tower
The Landmark
11 Pedder Street
Central
Hong Kong

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| Financial advisers to the Company | Nuada Limited 17th Floor, BLINK 111 Bonham Strand Sheung Wan Hong Kong |
| Branch share registrar and transfer office in Hong Kong | Tricor Standard Limited 26th Floor, Tesbury Centre 28 Queen's Road East Wanchai Hong Kong |

EXPENSES

The expenses in connection with the Open Offer, including financial advisory fees, underwriting commission, printing, registration, translation, legal and accountancy charges, registration and other related expenses, are estimated to amount to approximately HK\$2.65 million and are payable by the Company.

PARTICULARS OF DIRECTORS

Executive Directors

Mr. Lei Hong Wai, aged 44, was appointed as an executive director of the Company and the Chairman of the Board on 18 January 2010 and 1 February 2010, respectively. Mr. Lei is responsible for the development of the overall strategic planning and management of the Group. He has over ten years of extensive experience in corporate management, investment and business development. He was an executive director of the Company during the period from 28 September 2001 to 13 October 2005. He was a director of The Chamber of Hong Kong Listed Companies Limited, which promotes interaction amongst its members which are listed companies in Hong Kong and the People's Republic of China, in 2002. He was the chairman and an executive director of Brilliant Arts Multi-Media Holding Limited (stock code: 8130, now known as Zhi Cheng Holdings Limited), a company listed on the Growth Enterprise Market operated by the Stock Exchange, during the period from 10 July 2007 to 24 June 2009.

Mr. Cheung Kwok Wai, Elton, aged 47, was appointed as an executive director of the Company on 1 February 2011. Mr. Cheung is responsible for the business development of the Group. He has over 20 years of experience in the area of corporate finance and securities industries. He holds a Master Degree in Accounting and Finance from the University of Lancaster in the United Kingdom. Mr. Cheung was an executive director of Brilliant Arts Multi-Media Holding Limited (stock code: 8130, now known as Zhi Cheng Holdings Limited), a company listed on the Growth Enterprise Market operated by the Stock Exchange, during the period from 27 August 2008 to 24 June 2009. Mr. Cheung is the elder brother of Mr. Cheung Kwok Fan, the non-executive director.

Mr. Chan Kin Wah, Billy, aged 50, was appointed as an executive director of the Company on 18 January 2010. Mr. Chan is responsible for the financial management of the Group. He has over 20 years of experience in accounting and financial control. He is a member of the Hong Kong Institute of Certified Public Accountants, a CPA member of CPA Australia and a non-practicing member of the Chinese Institute of Certified Public Accountants. He holds a Bachelor of Administration Degree from the University of Ottawa in Canada and a Master of Commerce Degree in Professional Accounting from the University of New South Wales in Australia. He was an independent non-executive director of Ching Hing (Holdings) Limited (stock code: 692, now known as China Household Holdings Limited), a company listed on the Main Board of the Stock Exchange, during the period from 25 July 2007 to 2 July 2010. He was also an independent non-executive director of Eternite International Company Limited (stock code: 8351, now known as Larry Jewelry International Company Limited), a company listed on the Growth Enterprise Market operated by the Stock Exchange, during the period from 21 September 2009 to 22 February 2011.

Non-executive Director

Mr. Cheung Kwok Fan, aged 45, has over 19 years' working experience in the field of architecture. He is a member of The Hong Kong Institute of Architects, a member of The Royal Australian Institute of Architects, Registered Architect in Hong Kong and an Authorised Person in the list of architects. He obtained his Bachelor Degree of Arts in Architectural Studies from The University of Hong Kong in 1989 and a Bachelor Degree in Architectural from The University of Hong Kong in 1991. He was selected as an awardee of the Ten Outstanding Young Persons Selection organised by Junior Chamber of International Hong Kong in 2005. Mr. Cheung was an executive director of Eternite International Company Limited (stock code: 8351, now known as Larry Jewelry International Company Limited), a company listed on Growth Enterprise Market operated by the Stock Exchange, during the period from 18 June 2009 to 16 December 2010. He is the younger brother of Mr. Cheung Kwok Wai, Elton, an executive director. Mr. Cheung was appointed as the non-executive director of the Company on 31 August 2011.

Independent Non-executive Directors

Mr. Wan Shing Chi, aged 43, has over 18 years of experience in the field of construction engineering and is currently a site coordinator of a reputable construction company in Hong Kong. He holds a Bachelor Degree of Engineering with honours from University of Melbourne, Australia and is a member of the Asia Institute of Building. Mr. Wan joined the Company in May 2010.

Mr. Ng Heung Yan, aged 42, has over 8 years of experience in metal work engineering design and currently works as a design manager in a private engineering company in Hong Kong. He was graduated from Monash University in Australia with a Bachelor Degree of Engineering (Industrial and Computing) in 1993. He was an independent non-executive director of Eternite International Company Limited (stock code: 8351, now know as Larry Jewelry International Company Limited), a company listed on the Growth Enterprise Market operated by the Stock Exchange, during the period from 21 September 2009 to 22 February 2011. Mr. Ng joined the Company in August 2011.

Mr. Wong Tak Chuen, aged 48, is a fellow member of both Hong Kong Institute of Certified Public Accountants and Association of Chartered Certified Accountants in the United Kingdom, as well as a member of the Institute of Chartered Accountants in England and Wales. He has over 20 years of experience in auditing, financial management, mergers and acquisitions gained from certain senior finance related positions in an international accounting firm in Hong Kong, companies listed in Hong Kong and a company listed in the United States of America. He is currently the chief financial officer and the company secretary of a company listed on the Main Board of the Stock Exchange. Mr. Wong joined the Company in November 2011.

DOCUMENTS DELIVERED TO THE REGISTRARS OF COMPANIES IN HONG KONG AND BERMUDA

A copy of each of the Prospectus Documents and the consent letter referred to in the paragraph headed “Expert and consent” in this Appendix has been registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies Ordinance. A copy of each of the Prospectus Documents will as soon as practicable be filed with the Registrar of Companies in Bermuda.

MISCELLANEOUS

- (1) The English texts of this Prospectus and the Application Form shall prevail over their respective Chinese texts.
- (2) As at the Latest Practicable Date, there was no restriction affecting the remittance of profit or repatriation of capital of the Company into Hong Kong from outside Hong Kong.
- (3) As at the Latest Practicable Date, save for the Twin Success Undertaking, the Board had not received any information from any substantial Shareholders (as defined under the Listing Rules) of their intention to take up or not the securities of the Company to be provisionally allotted or offered to them under the Open Offer.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the principal place of business of the Company at Unit 3811, Shun Tak Centre, West Tower, 168-200 Connaught Road Central, Hong Kong during normal business hours on any weekday other than public holidays, from the date of this Prospectus up to and including the Latest Time for Acceptance at 4:00 p.m. on Monday, 22 April 2013:

- (a) the memorandum of association and bye-laws of the Company;
- (b) the material contracts referred to in the paragraph headed “Material contracts” in this Appendix;
- (c) the annual reports of the Group for the financial years ended 31 December 2011 and 2012;
- (d) a copy of each of the circulars issued by the Company pursuant to the requirements set out in Chapter 14 and/or 14A of the Listing Rules since the date of the latest published audited accounts of the Company;
- (e) the letter from the reporting accountants regarding the unaudited pro forma financial information on the Group as set out in Appendix II to this Prospectus;
- (f) the written consent referred to in paragraph headed “Expert and consent” in this Appendix; and
- (g) this Prospectus Documents.

BINDING EFFECT

The Prospectus Documents and all acceptances of any offer or application contained in such documents, are governed by and shall be construed in accordance with the laws of Hong Kong. When an acceptance or application is made in pursuance of any such documents, the relevant document(s) shall have the effect of rendering all persons concerned bound by the provisions (other than the penal provisions) of sections 44A and 44B of the Companies Ordinance.