

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 Far East Holdings International Limited, 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 and the Offer Shares 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 Registrar of Companies in Hong Kong" in Appendix III to this Prospectus, have been registered with the Registrar of Companies in Hong Kong as required by Section 38D of the Companies (Winding Up and Miscellaneous Provisions) Ordinance. The Securities and Futures Commission of Hong Kong 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, 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.



遠東控股國際有限公司
Far East Holdings International Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 36)

**OPEN OFFER OF 268,306,531 OFFER SHARES
ON THE BASIS OF ONE (1) OFFER SHARE
FOR EVERY TWO (2) EXISTING SHARES
HELD ON THE RECORD DATE**

Financial adviser to the Company



KINGSTON CORPORATE FINANCE LTD.

Underwriter of the Open Offer



KINGSTON SECURITIES LTD.

Terms used in this cover page shall have the same meanings as defined in this Prospectus.

The latest time for acceptance of and payment for the Offer Shares is 4:00 p.m. on Thursday, 5 February 2015. The procedures for application are set out on pages 18 and 19 of this Prospectus.

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 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 have been dealt in on an ex-entitlement basis commencing from Tuesday, 13 January 2015 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 Wednesday, 11 February 2015), 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.

22 January 2015

CONTENTS

	<i>Page</i>
Definitions	1
Expected timetable	5
Termination of the Underwriting Agreement	7
Letter from the Board	9
Appendices	
I. Financial information of the Group	I-1
II. Unaudited pro forma financial information of the Group	II-1
III. General information	III-1

DEFINITIONS

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

“acting in concert”	has the meaning ascribed thereto under the Takeovers Code
“Announcement”	the announcement of the Company dated 18 December 2014 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
“associate(s)”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“business day”	any day (other than a Saturday, Sunday or public holiday) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Companies Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong (as amended, supplemented or otherwise modified from time to time)
“Company”	Far East Holdings International Limited (Stock Code: 36), a company incorporated in Hong Kong with limited liability and the issued Shares are listed on the Stock Exchange
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Independent Third Party(ies)”	independent third party(ies) who is/are not connected person(s) (as defined in the Listing Rules) of the Company and is/are independent of and not connected with the Company and directors, chief executive, controlling shareholders and substantial shareholders of the Company or any of its subsidiaries or their respective associates
“Last Trading Day”	Thursday, 18 December 2014, the last day on which the Shares were traded on the Stock Exchange immediately preceding the publication of the Announcement
“Latest Practicable Date”	19 January 2015 being the latest practicable date for ascertaining certain information for inclusion in this Prospectus
“Latest Time for Acceptance”	4:00 p.m. on Thursday, 5 February 2015 or such later time or date as may be agreed between the Underwriter and the Company in writing
“Latest Time for Termination”	4:00 p.m. on Wednesday, 11 February 2015, or such later time or date as may be agreed between the Underwriter and the Company in writing, being the latest time to terminate the Underwriting Agreement
“Listing Committee”	the Listing Committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Offer Share(s)”	268,306,531 new Shares (assuming no new Shares being issued and no Shares being repurchased by the Company on or before the Record Date) proposed to be provisionally allotted to the Qualifying Shareholders for subscription under the Open Offer
“Open Offer”	the proposed issue of the Offer Shares on the basis of one (1) Offer Share for every two (2) Shares held on the Record Date by way of open offer to the Qualifying Shareholders for subscription pursuant to the terms and conditions to be set out in the Underwriting Agreement
“Overseas Shareholders”	Shareholders with registered addresses (as shown in the register of members of the Company on the Record Date) which are outside Hong Kong

DEFINITIONS

“PRC”	the People’s Republic of China
“Prohibited Shareholders”	those Overseas Shareholders to whom the Company considers it necessary or expedient not to offer the Open Offer to such Shareholders on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Prospectus”	this prospectus in the agreed form to be despatched to the Shareholders in connection with the Open Offer on the Prospectus Posting Date
“Prospectus Documents”	the Prospectus and the Application Form
“Prospectus Posting Date”	Thursday, 22 January 2015 or such later date as may be agreed between the Underwriter and the Company for the despatch of the Prospectus Documents
“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”	Wednesday, 21 January 2015 or such other date as may be agreed between the Company and the Underwriter in writing for the determination of the entitlements under the Open Offer
“Registrar”	Computershare Hong Kong Investor Services Limited of Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, the Hong Kong share registrar and transfer office of the Company
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Specified Event”	an event occurring or matter arising on or after the date hereof and prior to the Latest Time for Termination which if it had occurred or arisen before the date hereof would have rendered any of the warranties contained in the Underwriting Agreement untrue or incorrect in any material respect

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the issue price of HK\$0.30 per Offer Share at which the Offer Shares are proposed to be offered for subscription
“Takeovers Code”	the Code on Takeovers and Mergers
“Underwriter”	Kingston Securities Limited, a licensed corporation to carry on business in type 1 regulated activity (dealing in securities) under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Underwriting Agreement”	the underwriting agreement dated 18 December 2014 in relation to the Open Offer entered into between the Company and the Underwriter as amended from time to time
“Underwritten Shares”	268,306,531 Offer Shares
“Untaken Shares”	those (if any) of the Underwritten Shares for which duly completed Application Forms (accompanied by cheques or banker’s cashier order for the full amount payable on application which are honoured on first or, at the option of the Company, subsequent presentation) have not been lodged for acceptance, or received, as the case may be, on or before Latest Time for Acceptance
“%” or “per cent”	percentage or per centum

The English names of certain PRC established companies or entities which are marked with asterisk () are translation of their Chinese names and are included in this prospectus for identification purpose only.*

EXPECTED TIMETABLE

All times and dates stated in this Prospectus refer to Hong Kong local times and dates. Dates or deadlines specified in expected timetable below stated in this Prospectus are indicative only and may be extended or varied by the Company. Any changes to the expected timetable will be published or notified to Shareholders as and when appropriate.

(Hong Kong time)

Latest time for acceptance of, and payment of Offer Shares	4:00 p.m. on Thursday, 5 February 2015
Latest time for the Open Offer to become unconditional	4:00 p.m. on Wednesday, 11 February 2015
Announcement of results of acceptance of the Offer Shares	Thursday, 12 February 2015
Despatch of share certificates for Offer Shares	Friday, 13 February 2015
Dealings in Offer Shares commence	9:00 a.m. on Monday, 16 February 2015
Designated broker start to stand in market to provide matching services for sale and purchase of odd lots Shares	9:00 a.m. on Monday, 16 February 2015
Designated broker ceases to stand in the market to provide matching services for the sale and purchase of odd lots of Shares	4:00 p.m. on Tuesday, 10 March 2015

EXPECTED TIMETABLE

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE OFFER SHARES

The latest time for acceptance of and payment for the Offer Shares will be postponed 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 Thursday, 5 February 2015. Instead, the latest time for acceptance of and payment for the Offer Shares 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 Thursday, 5 February 2015. Instead, the latest time of acceptance of and payment for the Offer Shares 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 of and payment for the Offer Shares does not take place at the Latest Time for Acceptance, the dates mentioned in the section headed “Expected Timetable” in this Prospectus may be affected. The Company will notify Shareholders by way of announcements on any change to the expected timetable as soon as practicable.

TERMINATION OF THE UNDERWRITING AGREEMENT

Rescission and Termination of the Underwriting Agreement

If, prior to the Latest Time for Termination (provided that for the purposes of the termination clause of the Underwriting Agreement, if the date of the Latest Time for Termination shall be a business day on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is or remains in force in Hong Kong between 9:00 a.m. and 4:00 p.m. on that day, the date of the Latest Time for Termination shall be the next business day on which no tropical cyclone warning signal no. 8 or above or no black rainstorm warning signal is or remains in force in Hong Kong between 9:00 a.m. and 4:00 p.m. on that day):

- (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 of the Underwriting Agreement) 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 which would, 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
- (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; or
- (8) the Prospectus when published contains information (either as to business prospects or the condition of the Group or as to its compliance with any laws or the Listing Rules or any applicable regulations) which has not prior to the date hereof been publicly announced or published by the Company and which may in the absolute opinion of the Underwriter be material to the Group as a whole upon completion of the Open Offer and is likely to affect materially and adversely the success of 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 Underwriting Agreement thereto 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.

LETTER FROM THE BOARD



遠東控股國際有限公司
Far East Holdings International Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 36)

Executive Directors:

Mr. Derek Chiu

Mr. Richard Yen

(Managing Director and Chief Executive Officer)

Mr. Yu Pak Yan, Peter

Mr. Fok Chi Tak

Mr. Ip Ngai Sang

Non-executive Director:

Mr. Desmond Chiu

Independent non-executive Directors:

Mr. Chan Ming Sun, Jonathan

Dr. Wong Yun Kuen

Ms. Kwan Shan

Registered Office:

16th Floor

Far East Consortium Building

121 Des Voeux Road Central

Hong Kong

Principal Office:

Room 2101–2102, 21st Floor

Far East Consortium Building

121 Des Voeux Road Central

Hong Kong

22 January 2015

To the Qualifying Shareholders,

and for information only, to the Prohibited Shareholders

Dear Sir or Madam,

**OPEN OFFER OF 268,306,531 OFFER SHARES
ON THE BASIS OF ONE (1) OFFER SHARE
FOR EVERY TWO (2) EXISTING SHARES
HELD ON THE RECORD DATE**

INTRODUCTION

On 18 December 2014, the Company announced that it proposed to raise approximately HK\$80.49 million before expenses by issuing 268,306,531 Offer Shares at the Subscription Price of HK\$0.30 per Offer Share on the basis of one (1) Offer Share for every two (2) existing Shares held on the Record Date and payable in full upon application.

Qualifying Shareholders are not entitled to apply for excess Offer Shares and any Offer Shares not taken up by the Qualifying Shareholders will be underwritten by the Underwriter. The Open Offer is only available to the Qualifying Shareholders and will not be extended to the Prohibited Shareholders.

LETTER FROM THE BOARD

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

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\$0.30 per Offer Share
Number of Shares in issue as at the Latest Practicable Date:	536,613,062 Shares
Number of Offer Shares:	268,306,531 Offer Shares
Number of Underwritten Shares:	All the Offer Shares, being 268,306,531 Offer Shares
Number of enlarged Shares in issue upon completion of the Open Offer:	804,919,593 Shares (assuming no new Shares being issued and no Shares being repurchased by the Company on or before the completion of the Open Offer)

The Open Offer is fully underwritten by the Underwriter pursuant to the Underwriting Agreement.

As at the date of the Latest Practicable Date, the Company does not have any outstanding derivatives, options, warrants or securities in issue which are convertible or exchangeable into Shares.

Assuming no new Shares being issued and no Shares being repurchased by the Company on or before the completion of the Open Offer, the 268,306,531 Offer Shares proposed to be allotted and issued, representing 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 issue of the 268,306,531 Offer Shares immediately after completion of the Open Offer.

As at the Latest Practicable Date, the Board has not received any information or irrevocable undertakings from any Shareholders of their intention to take up their assured entitlements under the Open Offer.

LETTER FROM THE BOARD

Subscription Price

The Subscription Price is HK\$0.30 per Offer Share, payable in full upon application.

The Subscription Price represents:

- (a) a discount of approximately 58.90% to the closing price of HK\$0.73 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a discount of approximately 58.45% to the average closing price of approximately HK\$0.722 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the Last Trading Day;
- (c) a discount of approximately 48.89% to the theoretical ex-entitlement price of HK\$0.587 based on the closing price of HK\$0.73 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (d) a discount of approximately 33.33% to the closing price of HK\$0.45 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 the prevailing market price of the Shares and the current financial market conditions. The Directors consider that each Qualifying Shareholder will be entitled to subscribe for the Offer Shares at the same 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 at a discount to the recent closing prices of the Shares 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\$0.287.

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, being 268,306,531 Offer Shares at the Subscription Price (assuming no new Shares being issued and no Shares being repurchased by the Company on or before the Record Date). Acceptance for all or any part of a Qualifying Shareholder's entitlement should be made by completing the Application Form and lodging the same with a remittance for the Offer Shares being accepted for.

Qualifying Shareholders

The Open Offer is only available to the Qualifying Shareholders. The Company will send (a) the Prospectus Documents to the Qualifying Shareholders; and (b) the Prospectus, for information only, to the Prohibited Shareholders.

To qualify for the Open Offer, the Shareholders must at the close of business on the Record Date (a) be registered on the register of members of the Company; and (b) not being the Prohibited Shareholders.

LETTER FROM THE BOARD

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. Shareholders with their Shares held by nominee companies are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date.

Rights of Overseas Shareholders

The Prospectus Documents will not be registered or filed under the applicable securities or equivalent legislation of any jurisdiction other than Hong Kong. Overseas Shareholders whose names appear on the register of members of the Company at the close of business on the Record Date may not be eligible to take part in the Open Offer. Based on the register of members of the Company as at the Record Date, there are 25 Overseas Shareholders situated in Australia, Canada, the Macau Special Administrative Region of the PRC, the Philippines, the PRC, the United Kingdom and the United States of America respectively. Pursuant to Rule 13.36 (2)(a) of the Listing Rules (including notes 1 and 2 thereto), the Company has made enquiry with its legal advisers regarding the legal restrictions (if any) under the laws of the relevant jurisdictions and the requirements of the relevant regulatory body or the stock exchange in respect of extending the Open Offer to the Overseas Shareholders.

Based on the advice and replies provided by the relevant foreign legal advisers, the Directors are of the view (i) that it is inexpedient to extend the Open Offer to the Overseas Shareholders in Australia, Canada, the Philippines and the United States of America, due to the time and costs involved in the registration of this Prospectus and/or compliance with the applicable legal or regulatory requirements or special formalities in these jurisdictions if the Open Offer were to be lawfully made to such Overseas Shareholders; and (ii) that it is expedient to extend the Open Offer to the Overseas Shareholders in the Macau Special Administrative Region of the PRC, the PRC and the United Kingdom as there are no legal restrictions prohibiting the making of Open Offer in these jurisdictions and no local legal or regulatory compliance is required to be made in these jurisdictions. Accordingly, other than the Overseas Shareholders with registered addresses in Australia, Canada, the Philippines and the United States of America, there are no Prohibited Shareholders.

The Company will send this Prospectus, for information only, to the Prohibited Shareholders. It is the responsibility of the Shareholders, including the Overseas Shareholders, to observe the local legal and regulatory requirements applicable to them for taking up and onward sale (if applicable) of the Offer Shares.

Those Qualifying Shareholders who do not take up the Offer Shares to which they are entitled and the Prohibited Shareholders should note that their shareholdings in the Company will be diluted upon completion of the Open Offer.

LETTER FROM THE BOARD

Status of the Offer Shares

The Offer Shares, when allotted and fully-paid, will rank pari passu in all respects with the Shares then in issue. 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 in their fully-paid form.

Share certificates for Offer Shares

Subject to the fulfilment of the conditions of the Open Offer, share certificates for all fully-paid Offer Shares are expected to be posted on or before Friday, 13 February 2015 to those who have accepted and paid for the Offer Shares, by ordinary post at their own risk.

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 Untaken Shares will be underwritten by the Underwriter.

Fractions of the Offer Shares

No fractional entitlements to the Offer Shares will be issued to the Qualifying Shareholders and no entitlements of the Prohibited Shareholders to the Offer Shares will be issued to the Prohibited Shareholders. Entitlement to the Offer Shares will be rounded down to the nearest whole number. All such fractional entitlements will be aggregated and taken up by the Underwriter in accordance with the terms and conditions of the Underwriting Agreement.

Odd Lot Matching Services

In order to alleviate the difficulties arising from the existence of odd lots of Offer Shares arising from the Open Offer, the Company has appointed Computershare Hong Kong Investor Services Limited to provide matching service for sale and purchase of odd lots of Offer Shares at the relevant market price per Offer Share, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Offer Shares to make up a full board lot, or to dispose of their holding of odd lots of the Offer Shares. Shareholders who wish to utilise the service should contact Computershare Hong Kong Investor Services Limited at (852) 2862 8555, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong during the period from Monday, 16 February 2015 to Tuesday, 10 March 2015, both days inclusive.

Holders of odd lots of the Offer Shares should note that successful matching of the sale and purchase of odd lots of the Offer Shares is not guaranteed. If you are in any doubt as to the above arrangements, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

LETTER FROM THE BOARD

Application for the Offer Shares

The Application Form in respect of the entitlement of the Offer Shares will be enclosed with the Prospectus entitling the Qualifying Shareholders to whom it is addressed to subscribe for the Offer Shares as shown therein by completing such form and lodging the same with a remittance for the Offer Shares being taken up with the Registrar by the Latest Time for Acceptance.

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 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. Dealings in the Offer Shares on the Stock Exchange may be settled through CCASS. Shareholders should seek advice from their stockbroker or other professional adviser for details of those settlement arrangements and how such arrangements will affect their rights and interests.

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.

UNDERWRITING ARRANGEMENT

Underwriting Agreement

Date:	18 December 2014 (after trading hours)
Underwriter:	Kingston Securities Limited
Number of Offer Shares:	268,306,531 Offer Shares
Number of Underwritten Shares:	All the Offer Shares, being 268,306,531 Offer Shares

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Underwriter and its associates are Independent Third Parties. As at the date of the Underwriting Agreement, the Underwriter is not interested in any Shares.

LETTER FROM THE BOARD

Pursuant to the Underwriting Agreement, in the event of the Underwriter being called upon to subscribe for or procure subscription for the Untaken Shares, the Underwriter shall not subscribe, for its own account, for such number of Untaken Shares which will result in the shareholding of it and parties acting in concert with it to exceed 10.0% of the voting rights of the Company upon the completion of the Open Offer. The Underwriter shall use its best endeavours to ensure that each of the subscribers of the Untaken Shares procured by it (i) shall be an Independent Third Party and not acting in concert with the Directors or chief executive of the Company or substantial Shareholders of the Company or their respective associates; and (ii), none of such subscribers, together with any party acting in concert with it, will hold 19.9% or more of the voting rights of the Company upon completion of the Open Offer, such that the Company will be able to comply with the public float requirement under Rule 8.08 of the Listing Rules.

Underwriting commission

The Company will pay the Underwriter an underwriting commission of 2.5% of the aggregate Subscription Price in respect of the maximum number of the Underwritten Shares. The Directors are of the view that the terms of the Underwriting Agreement, including the commission, are fair and reasonable.

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.

Rescission and Termination of the Underwriting Agreement

If, prior to the Latest Time for Termination (provided that for the purposes of the termination clause of the Underwriting Agreement, if the date of the Latest Time for Termination shall be a business day on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is or remains in force in Hong Kong between 9:00 a.m. and 4:00 p.m. on that day, the date of the Latest Time for Termination shall be the next business day on which no tropical cyclone warning signal no. 8 or above or no black rainstorm warning signal is or remains in force in Hong Kong between 9:00 a.m. and 4:00 p.m. on that day):

- (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 of the Underwriting

LETTER FROM THE BOARD

Agreement) 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 which would, 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
- (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; or

LETTER FROM THE BOARD

- (8) the Prospectus when published contains information (either as to business prospects or the condition of the Group or as to its compliance with any laws or the Listing Rules or any applicable regulations) which has not prior to the date hereof been publicly announced or published by the Company and which may in the absolute opinion of the Underwriter be material to the Group as a whole upon completion of the Open Offer and is likely to affect materially and adversely the success of 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 Underwriting Agreement thereto 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 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 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;
- (3) 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;

LETTER FROM THE BOARD

- (4) the obligations of the Underwriter becoming unconditional and the Underwriting Agreement is not terminated in accordance with its terms;
- (5) compliance with and performance of all undertakings and obligations of the Company under the Underwriting Agreement; and
- (6) compliance with the requirements under the applicable laws and regulations of Hong Kong.

All of the above conditions are incapable of being waived. 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 no party shall have any claim against any other party for costs, damages, compensation or otherwise save for any antecedent breaches.

As at the Latest Practicable Date, none of the above conditions have been fulfilled.

PROCEDURES FOR ACCEPTANCE AND PAYMENT FOR THE OFFER SHARES

For each Qualifying Shareholder, an Application Form is enclosed with the Prospectus which entitles you to subscribe for the number of the Offer Shares shown therein.

If you as a Qualifying Shareholder(s) wishes to exercise your right to subscribe for all number of Offer Shares offered to you as specified in the Application Form or to exercise your rights to subscribe for any number less than your entitlement under the Open Offer, you must sign and lodge the Application Form in accordance with the instructions printed thereon, together with a remittance for the full amount payable in respect of such number of Offer Shares you have subscribed for, with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:00 p.m. on Thursday, 5 February 2015 (or, under bad weather conditions, such later date and/or time as mentioned in the section headed "Expected timetable" in this Prospectus). All remittances must be made by cheque or cashier's order in Hong Kong dollars. Cheques must be drawn on an account with, and banker's cashier orders must be issued by, a licensed bank in Hong Kong and made payable to "**Far East Holdings International Limited – Provisional Allotment Account**" and crossed "**Account Payee Only**".

It should be noted that unless the duly completed Application Form, together with the appropriate remittance, have been lodged with the Company's share registrar in Hong Kong by no later than 4:00 p.m. on Thursday, 5 February 2015 (or, under bad weather conditions, such later date and/or time as mentioned in the section headed "Expected timetable" in the Prospectus), the Application Form and all rights and entitlements thereunder will be deemed to have been declined and will be cancelled. The Application Form contains full information regarding the procedures to be followed for acceptance of the whole or part of your assured entitlement of the Offer Shares.

LETTER FROM THE BOARD

All cheques or banker's cashier orders will be presented for payment immediately upon receipt and all interest earned on such application monies (if any) will be retained for the benefit of the Company. Any Application Form in respect of which the accompanying cheque and/or cashier's order is dishonoured on first presentation is liable to be rejected, and, in such event, the relevant entitlements thereunder will be deemed to have been declined and will be cancelled. No receipt will be issued in respect of any Application Form or any application monies received.

If the Underwriter exercises the rights to terminate the Underwriting Agreement or if the conditions of the Open Offer are not fulfilled, the monies received in respect of acceptances of the Offer Shares will be refunded to the Qualifying Shareholders or in case of joint applicants, to the first-named applicant, without interest by means of cheques despatched by ordinary post to their respective registered addresses at their own risk as soon as practicable thereafter.

SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company before and after the completion of the Open Offer (assuming no new Shares being issued and no Shares being repurchased by the Company on or before 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 their respective entitlements under the Open Offer		Assuming no Qualifying Shareholders take up their respective entitlements under the Open Offer	
	<i>Approximate</i> No. of Shares	<i>Approximate</i> %	<i>Approximate</i> No. of Shares	<i>Approximate</i> %	<i>Approximate</i> No. of Shares	<i>Approximate</i> %
Substantial Shareholder(s) and Directors						
Mr. Duncan Chiu (<i>Note 1</i>)	163,417,604	30.45	245,126,406	30.45	163,417,604	20.30
Mr. Desmond Chiu (<i>Note 2</i>)	4,000	0.00	6,000	0.00	4,000	0.00
Public Shareholders						
Underwriter and/or sub-underwriters/ subscribers procured by the Underwriter	-	0.00	-	0.00	268,306,531	33.33
Other public Shareholders	373,191,458	69.55	559,787,187	69.55	373,191,458	46.36
Total	536,613,062	100.00	804,919,593	100.00	804,919,593	100.00

Notes:

- Mr. Duncan Chiu held 163,417,604 Shares as at the Latest Practicable Date and is a substantial Shareholder.
- Mr. Desmond Chiu is the brother of Mr. Duncan Chiu and an non-executive Director.

LETTER FROM THE BOARD

REASONS FOR THE OPEN OFFER AND USE OF PROCEEDS

The Company is an investment holding company, and the principal activities of its subsidiaries are manufacturing and sales of garment products, property investment and securities investment.

The gross proceeds from the Open Offer will be approximately HK\$80.49 million. The net proceeds from the Open Offer, after deducting all relevant expenses, are estimated to be approximately HK\$76.97 million and are intended to be used as to approximately HK\$62 million for short-term investments in securities and approximately HK\$14.97 million for working capital of the Group.

Having considered other fund raising alternatives for the Group, such as bank borrowings and placing of new Shares or other convertible securities, and taking into account the benefits and cost of each of the alternatives, the Open Offer allows the Group to strengthen its balance sheet without facing the increasing interest rates and enlarge the capital base of the Company, which may facilitate long-term development of the Group. The Board is of the view that it is in the interest of the Company and the Shareholders as a whole to raise the capital through the Open Offer since it offers the Qualifying Shareholders the opportunity to maintain their pro rata shareholding interests in the Company and continue to participate in the future growth and development of the Group should they wish to do so. In view of the above, the Directors (including the independent non-executive Directors) consider the Open Offer is in the interests of the Company and the Shareholders as a whole.

FUND RAISING ACTIVITIES OF THE COMPANY DURING THE PAST TWELVE MONTHS

The Company has not conducted any equity fund raising activities in the past twelve months immediately preceding the date of the Announcement.

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 the 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 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 have been dealt in on an ex-entitlement basis commencing from Tuesday, 13 January 2015 and that dealing in Shares will take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled.

LETTER FROM THE BOARD

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 Wednesday, 11 February 2015), 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.

FURTHER INFORMATION

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

By order of the Board
Far East Holdings International Limited
Richard Yen
Managing Director

FINANCIAL INFORMATION

Financial information of the Group for the three years ended 31 December 2011, 31 December 2012, 31 December 2013 and the six months ended 30 June 2014 are disclosed in the annual report of the Company for the year ended 31 December 2011 (pages 24 to 92), the annual report of the Company for the year ended 31 December 2012 (pages 27 to 86) and the annual report of the Company for the year ended 31 December 2013 (pages 28 to 86), as well as the interim report for the six months ended 30 June 2014 (pages 14 to 36), respectively, of the Company, which are published on both the Stock Exchange website (<http://www.hkexnews.hk>) and the Company's designated website (<http://www.feholdings.com.hk/>).

FINANCIAL AND TRADING PROSPECTS

The Company is an investment holding company, and the principal activities of its subsidiaries are manufacturing and sales of garment products, property investment and securities investment.

For the six months period ended 30 June 2014 and the year ended 31 December 2013, the Group recorded a loss of HK\$3.47 million and HK\$11.43 million respectively.

Manufacturing and sales of garment products

For the six months period ended 30 June 2014 and the year ended 31 December 2013, the garment products business of the Group recorded revenue of approximately HK\$7.25 million (decrease of approximately 8.58% as compared to the same period in 2013) and HK\$15.93 million (decrease of approximately 6.57% as compared to the same period in 2012) respectively. The business is facing challenges in terms of increasing material and labour costs, and falling per unit sales price. The market condition in Japan and Europe has yet to improve and demand for children's wear remains low. Yet, the garment business of the Group will continue to down size and find ways to increase its income to offset its losses.

Property investment

On 24 January 2014, the Company entered into the acquisition agreement with Mr. Duncan Chiu, a substantial Shareholder, pursuant to which the Company conditionally agreed to acquire the entire issue share capital of Blooming Success Limited ("**Blooming Success**") and its subsidiary (together the "**Blooming Success Group**"), at the consideration of HK\$36.6 million, in which HK\$10 million was satisfied by cash and HK\$26.6 million was satisfied by the issuance of 62,588,235 Shares at an issue price of HK\$0.425 each.

Blooming Success is an investment holding company incorporated in the British Virgin Islands with limited liability. The principal assets of the Blooming Success Group are: (a) four retail shops located on Caine Road, Mid-Levels, Hong Kong and (b) an office and two parking lots at Global Trade Square on Wong Chuk Hang Road, Hong Kong. Details of which are set out in the circular of the Company dated 1 April 2014.

The total value of investment properties was approximately HK\$109.9 million as at 30 June 2014. Retail shops on 110 Caine Road in Mid-Level West were one of the two large property investments made in 2014.

Investment in securities

The Group recorded a fair value gain on available-for-sale investments of approximately HK\$15.1 million for the six months ended 30 June 2014. The Company has previously adopted a longer term perspective in terms of its investment strategy. As stated in the Company's interim report for the six months ended 30 June 2014, although volatility in financial markets hindered the Company's ability to identify good investment opportunities, some of the information technology related investments were still able to generate healthy returns for the Group as a result of the boom of information technology related stocks.

On 12 December 2014, the Company announced that the Group intends to concurrently continue its existing business while developing the new short term securities investment business as one of its principal business activities. Given the positive current market environment, the Directors are in the view that it is a suitable time for the Company to take a more active and opportunistic approach in gaining short term investment profits. The Group anticipates that the short term securities investment business will bring more short term return to the Company and increase shareholders' value, and will therefore be in the interest of the Company and its shareholders as a whole.

INDEBTEDNESS STATEMENT

At the close of business on 30 November 2014, being the latest practicable date prior to the printing of this prospectus, the Group had outstanding unsecured and unguaranteed amounts due to Directors of approximately HK\$327,000 and guaranteed short term bank loans of approximately HK\$87,546,000 which were secured against the first legal charges with any rental assignments on the Group's properties. The bank loans were guaranteed by the Company.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities, the Group did not have outstanding at the close of business on 30 November 2014 any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, hire purchases commitments, guarantees or other material contingent liabilities.

WORKING CAPITAL SUFFICIENCY

The Directors, after due and careful consideration, are of the opinion that, after taking into account the present financial resources available to the Group, the estimated net proceeds to be raised from the Open Offer and in the absence of unforeseen circumstances, the Group will have sufficient working capital for at least twelve months from the date of this Prospectus.

MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2013, being the date to which the latest published audited accounts of the Company have been made up.

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF PRO FORMA FINANCIAL INFORMATION****TO THE DIRECTORS OF FAR EAST HOLDINGS INTERNATIONAL LIMITED**

We have completed our assurance engagement to report on the compilation of pro forma financial information of Far East Holdings International Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") by the directors of the Company (the "Directors") for illustrative purposes only. The pro forma financial information consists of the pro forma statement of adjusted consolidated net tangible assets of the group attributable to owners of the Company as at 30 June 2014 and related notes as set out in Appendix II to the Prospectus issued by the Company dated 22 January 2015 (the "Prospectus"). The applicable criteria on the basis of which the Directors have compiled the pro forma financial information are described in Appendix II to the Prospectus.

The pro forma financial information has been compiled by the Directors to illustrate the impact of the proposed open offer on the basis of one offer share for every two shares held on the record date as defined in the announcement dated 18 December 2014 (the "Transaction") on the Group's consolidated net tangible assets as at 30 June 2014 as if the transaction had taken place at 30 June 2014. As part of this process, information about the Group's consolidated net tangible assets has been extracted by the Directors from the Group's unaudited consolidated financial statements for the six months ended 30 June 2014, on which an interim review report has been published.

Directors' Responsibilities for the Pro Forma Financial Information

The Directors are responsible for compiling the 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 with reference to Accounting Guideline 7 Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars ("AG 7") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the 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 pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements ("HKSAE") 3420 Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus issued by the HKICPA. This standard requires that the reporting accountant comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the pro forma financial information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in an investment prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 30 June 2014 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the pro forma financial information has been properly compiled on the basis stated;
- (b) that basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

22 January 2015

UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP ATTRIBUTABLE TO OWNERS OF THE COMPANY

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company has been prepared in accordance with paragraph 29 of Chapter 4 of the Listing Rules set out below to illustrate the effect of the Open Offer as defined in the Prospectus on the unaudited consolidated net tangible assets of the Group as if it had taken place on 30 June 2014.

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company has been prepared for illustrative purposes only, and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to owners of the Company had the Open Offer been completed as at 30 June 2014 or at any future date.

The following unaudited pro forma statement of the adjusted consolidated net tangible assets of the Group attributable to owners of the Company is prepared based on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2014, extracted from the published interim report of the Group for the six months ended 30 June 2014, with adjustment described below:

	Unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30.06.2014 HK\$'000 (Note 1)	Unaudited estimated net proceeds from the Open Offer HK\$'000 (Note 2)	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 30.06.2014 HK\$'000	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share immediately after completion of the Open Offer HK\$ (Note 3)
Based on 268,306,531 Offer Shares at subscription price of HK\$0.30 per Offer Share	492,801	76,970	569,771	0.73

Notes:

- 1 The unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2014 is extracted from the published interim report of the Company for the six months ended 30 June 2014. The consolidated net tangible assets of the Group attributable to owners of the Company per Share as at 30 June 2014 before the completion of the Open Offer is approximately HK\$0.95 which is based on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2014 of approximately HK\$492,801,000 divided by 516,845,064 Shares which represents Company's Shares in issue as at 30 June 2014.
- 2 The estimated net proceeds from the Open Offer of approximately HK\$76,970,000 is based on 268,306,531 Offer Shares to be issued (based on 516,845,064 Shares in issue as at 30 June 2014 and 19,767,998 Share Options which were exercised in August and September 2014 into the same number of Shares) at the Subscription Price of HK\$0.3 per Offer Share of the Company on the basis of one Offer Share for every two Shares held on the Record Date and after deduction of estimated related expenses of approximately HK\$3,522,000.
- 3 The calculation of the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share immediately after completion of the Open Offer is based on 785,151,595 Shares which comprise 516,845,064 Shares in issue as at 30 June 2014 and 268,306,531 Offer Shares to be issued under the Open Offer, assuming no new Shares would be issued and no Shares would be repurchased by the Company on or before the completion of the Open Offer.
- 4 No adjustment has been made to reflect any trading results or other transactions of the Group subsequent to 30 June 2014.

RESPONSIBILITY STATEMENT

This Prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in the compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this Prospectus 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 misleading.

SHARE CAPITAL

The issued share capital of the Company as at the Latest Practicable Date and following completion of the Open Offer was as follows:

Issued and fully paid or credited as fully paid:

536,613,062	Shares in issue as at the Latest Practicable Date
<u>268,306,531</u>	Offer Shares to be issued upon completion of the Open Offer
<u><u>804,919,593</u></u>	Shares following completion of the Open Offer

The certificates of the Offer Shares, if issued, will be definitive document of title. All of the Shares in issue and the Offer Shares to be issued rank pari passu in all respects with each other, including in particular as to dividends, voting rights and capital.

As at the Latest Practicable Date, the Company does not have any outstanding derivatives, options, warrants or securities in issue which are convertible or exchangeable into Shares.

The Shares in issue are listed on the Stock Exchange. No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange and no application is being made or is currently proposed or sought for the Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

There is no arrangement under which future dividends are waived or agreed to be waived.

DISCLOSURE OF DIRECTORS' INTERESTS AND SHORT POSITIONS IN THE COMPANY

As at the Latest Practicable Date, the interests and short positions of the Directors or chief executive of the Company and their associates in the 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 (a) 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 are taken or deemed to have under such provisions of the SFO); or

(b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or
(c) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Listing Rules to be notified to the Company and the Stock Exchange were as follows:

Long position

Name of Director	Capacity	Number of ordinary Shares held	Approximate percentage of the issued share capital of the Company
Mr. Desmond Chiu	Personal interest	4,000	0.001%

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company and their associates had any interests or short positions in any Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would be required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they would be taken or deemed to have under such provisions of the SFO); (b) to be recorded in the register required to be kept by the Company pursuant to section 352 of the SFO; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code.

DISCLOSURE OF SUBSTANTIAL SHAREHOLDERS INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES

As at the Latest Practicable Date, so far as was known to the Directors or chief executive of the Company based on the register maintained by the Company pursuant to Part XV of the SFO, the following persons (other than a Director or chief executive of the Company) had, or were deemed or taken to have, interests or short positions in the Shares and 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, were directly or indirectly, interested in 10% 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 members of the Group or had any option in respect of such capital:

Name of Shareholder	Capacity	Long position/ short position	Number of Shares interested	Approximate percentage of the issued share capital of the Company
The Underwriter (Notes 1 and 3)	Beneficial owner	Long position	268,306,531	33.33%
Galaxy Sky Investments Limited (Notes 1 and 3)	Interest in controlled corporation	Long position	268,306,531	33.33%

Name of Shareholder	Capacity	Long position/ short position	Number of Shares interested	Approximate percentage of the issued share capital of the Company
Kingston Capital Asia Limited (Notes 1 and 3)	Interest in controlled corporation	Long position	268,306,531	33.33%
Kingston Financial Group Limited (Notes 1 and 3)	Interest in controlled corporation	Long position	268,306,531	33.33%
Active Dynamic Limited (Notes 1 and 3)	Interest in controlled corporation	Long position	268,306,531	33.33%
Ms. Chu Yuet Wah (Note 1, 2 and 3)	Interest in controlled corporation	Long position	270,880,531	33.65%
Mr. Duncan Chiu	Beneficial owner	Long position	163,417,604	30.45%

Notes:

- (1) The 268,306,531 Offer Shares which the Underwriter is interested under the Underwriting Agreement on the assumption of no acceptance by the Qualifying Shareholders under the Open Offer. 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 42.90% interest in Kingston Financial Group Limited. Ms. Chu Yuet Wah owns 100% interest in Active Dynamic Limited.
- (2) Apart from the 268,306,531 Offer Shares which the Underwriter is interested under the Underwriting Agreement, 2,574,000 Shares are held by Kingston Finance Limited, of which Ms. Chu Yuet Wah is one of the beneficial owners.
- (3) The approximate percentages of interest in Shares as shown represented the number of Shares interested by the relevant Shareholders to the issued share capital of the Company as at the Latest Practicable Date as enlarged by the relevant Offer Shares.

Save as disclosed above, as at the Latest Practicable Date, so far as was known to the Directors or chief executive of the Company based on the register maintained by the Company pursuant to Part XV of the SFO, no other persons (other than Director or chief executive of the Company) had, or were deemed or taken to have, any interests or short positions in the Shares or underlying Shares which were required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, nor were there any persons, directly or indirectly, interested in 10% 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 members of the Group or held any option in respect of such capital.

DIRECTORS' INTEREST IN ASSETS AND/OR ARRANGEMENTS

As at the Latest Practicable Date, none of the Directors directly or indirectly, had any interest in any assets which had since 31 December 2013 (being the date to which the latest published audited consolidated financial statements of the Group were made up) been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

As at the date of this Prospectus, there is no contract or arrangement subsisting in which any Director is materially interested and which is significant in relation to the business of the Group.

COMPETING BUSINESS INTERESTS OF DIRECTORS

As at the Latest Practicable Date, none of the Directors nor their respective associates had any businesses or interests that competes or might compete with the business of the Group or any other conflict of interests with the Group.

SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with the Company or any member of the Group (excluding contracts expiring or determinable by the Group within one year without payment of compensation (other than statutory compensation)).

LITIGATIONS

As at the Latest Practicable Date, no member of the Group was engaged in any litigation, arbitration or claims of material importance and, so far as the Directors were aware, no litigation or claim of material importance was pending or threatened by or against any member of the Group.

EXPERT AND CONSENT

The following is the qualification of the expert who has given opinion and advice, which is contained in this Prospectus:

Name	Qualification
Deloitte Touche Tohmatsu	Certified Public Accountants

Deloitte Touche Tohmatsu has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion of its report and references to its name in the form and context in which it appears. As at the Latest Practicable Date, Deloitte Touche Tohmatsu:

- (1) did not have any shareholding in any member of the Group and did not have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and
- (2) did not have any direct or indirect interest in any assets which have been, since 31 December 2013 (being the date to which the latest published audited consolidated financial statements of the Group were made up), 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.

PARTIES INVOLVED IN THE OPEN OFFER AND CORPORATE INFORMATION

Registered Office	16th Floor Far East Consortium Building 121 Des Voeux Road Central Hong Kong
Principal Office	Room 2101–2102, 21st Floor Far East Consortium Building 121 Des Voeux Road Central Hong Kong
Company Secretary	Ms. Wong Po Ling Pauline
Authorised Representatives	Mr. Derek Chiu Ms. Wong Po Ling Pauline
Auditor	Deloitte Touche Tohmatsu 35/F., One Pacific Place 88 Queensway Hong Kong China
Underwriter	Kingston Securities Limited Suite 2801, 28th Floor One IFC, 1 Harbour View Street Central, Hong Kong
Principal Bankers	Hang Seng Bank Limited 83 Des Voeux Road Central, Hong Kong The Hongkong and Shanghai Banking Corporation Limited 1 Queen's Road Central Central, Hong Kong
Share Registrar and Transfer Office	Computershare Hong Kong Investor Services Limited Shops 1712–1716 17th Floor, Hopewell Centre 183 Queen's Road East, Wanchai Hong Kong

PARTICULAR OF THE DIRECTORS**EXECUTIVE DIRECTORS****Mr. Derek Chiu**

Mr. Chiu, aged 48, joined the Group in 1989 and was re-designated as an executive Director in November 2011. He was also appointed as a member of each of the remuneration committee and the nomination committee of the Company. Mr. Chiu is also directors of various subsidiaries and an associated company of the Company. He is the managing director and chief executive of Far East Hotels and Entertainment Limited (stock code: 37). Mr. Chiu has extensive experience in the operation of amusement parks and entertainment business.

He is the brother of Mr. Desmond Chiu, the non-executive Director.

Mr. Richard Yen

Mr. Yen, aged 46, joined the Group in November 2011. He was also appointed as an executive Director, the chief executive officer, the managing director and the directors of the subsidiaries of the Company. Mr. Yen leads the management team and is responsible for the Group's business development. Mr. Yen has over 20 years of executive management and mergers and acquisitions experience in the region, working in multinational companies in Japan, the United States and China. He possesses extensive industry knowledge in advanced technology and consumer products, and devises corporate strategies related to technology and regional business development. Mr. Yen holds a Bachelor Degree in Aerospace Engineering and a Master Degree in Business Administration in International Management from Boston University.

Mr. Yen was the executive director and chief operating officer of Golife Concepts Holdings Limited (now known as "China Star Cultural Media Group Limited") (stock code: 8172) from 2006 to 2008.

Mr. Yu Pak Yan, Peter

Mr. Yu, aged 64, joined the Group in November 2014 and was appointed as an executive Director and the chairman of the investment committee of the Company. Mr. Yu has extensive experience in real estate and financial services industries. Mr. Yu has a Bachelor Degree in Management from Youngstown State University in Ohio, the United States of America (the "United States") and a Master of Science Degree in Financial Services from American College in Pennsylvania, the United States. Mr. Yu is a member of the Certified Commercial Investment Member Institute and was the first Chinese-American elected to the board of the San Francisco Association of Realtors. Mr. Yu worked in Pacific Union Real Estate Company in the United States from 1980-1995 and held senior positions in MetLife and New York Life Insurance Company in managing Asian customers in North America.

Mr. Yu is currently an independent non-executive director of China Sandi Holdings Limited (stock code: 910), Kingston Financial Group Limited (stock code: 1031) and Noble Century Investment Holdings Limited (stock code: 2322).

Mr. Yu was an executive director and the chairman of Kong Sun Holdings Limited (stock code: 295) from August 2008 to September 2014 and an independent non-executive director of M Dream Inworld Limited (now known as “GET Holdings Limited”) (stock code: 8100) from July 2010 to January 2014.

Mr. Fok Chi Tak

Mr. Fok, aged 39, joined the Group in November 2014 and was appointed as an executive Director of the Company. Mr. Fok has over 14 years of experience in corporate finance, corporate governance, mergers and acquisitions, auditing and financial management. Mr. Fok graduated from Oxford Brookes University in the United Kingdom with a bachelor’s degree in accounting and finance and The University of Hong Kong with a master’s degree in business administration. Mr. Fok is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. Mr. Fok is also a fellow member of the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Chartered Secretaries.

Mr. Fok is currently an executive director and the chief financial officer of Hao Tian Development Group Limited (stock code: 474), whose securities are listed on the Main Board of the Stock Exchange.

Mr. Ip Ngai Sang

Mr. Ip, aged 51, firstly joined the Company in April 2009 as a business development manager who is mainly responsible for communicating and managing the portfolio investments of the Group in information, communication and technology companies. In November 2011, he was appointed as an executive Director. Mr. Ip is also the directors of the subsidiaries of the Company. He received both his Bachelor of Science Degree and Master of Business Administration Degree from the Chinese University of Hong Kong.

NON-EXECUTIVE DIRECTOR

Mr. Desmond Chiu

Mr. Chiu, aged 47, joined the Group since 1991. He is also directors of the subsidiaries of the Company. Mr. Chiu graduated from the University of Cambridge, the United Kingdom. Mr. Chiu is the brother of Mr. Derek Chiu, the executive Director. Mr. Chiu was an executive director of Far East Hotels and Entertainment Limited (stock code: 37) from May 2010 to September 2013.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chan Ming Sun, Jonathan

Mr. Chan, aged 42, joined the Group in November 2014 and was appointed as an independent non-executive Director, the chairman of each of the audit committee and remuneration committee and the member of each of the nomination committee and

investment committee of the Company. Mr. Chan has over 15 years of experience in direct investment, management of private equity fund for investing in Chinese enterprises. Between July 2000 and August 2001, Mr. Chan was an investment manager with Softbank China Venture Investments Limited. Between April 1995 and June 2000, he worked at Ernst & Young in Hong Kong and his last position was a senior associate with the audit and corporate finance department. Mr. Chan obtained a Bachelor of Commerce degree in Accounting and Computer Information Systems from the University of New South Wales, Australia in June 1995. Mr. Chan is a member of Hong Kong Institute of Certified Public Accountants since January 1999, a Certified Practising Accountants, Australia since February 1995 and a fellow of The Hong Kong Institute of Directors since June 2013.

Mr. Chan is currently (i) the associate director of Go-To-Asia Investment Limited; (ii) an independent non-executive director of Hao Tian Development Group Limited (stock code: 474) since March 2012 and that of China Dredging Environment Protection Holdings Limited (stock code: 871) since November 2012, the securities of both companies are listed on the Main Board of the Stock Exchange, and (iii) an independent non-executive director of Changhong Jiahua Holdings Limited (stock code: 8016) since February 2007 and that of L & A International Holdings Limited (stock code: 8195) since October 2014, whose securities are listed on the Growth Enterprise Market of the Stock Exchange.

Mr. Chan was an independent non-executive director of (i) FinTronics Holdings Company Limited (now known as “Beautiful China Holdings Company Limited”) (stock code: 706) between March 2013 and February 2014; (ii) Shenyang Public Utility Holdings Company Limited (stock code: 747) between February 2009 and June 2013; and (iii) China Northern Enterprises Investment Fund Limited (now known as “Capital VC Limited”) (stock code: 2324) between August 2004 and April 2012, the securities of the above companies are listed on the Main Board of the Stock Exchange.

Dr. Wong Yun Kuen

Dr. Wong, aged 57, joined the Group in December 2014 and was appointed as an independent non-executive Director and the member of each of the audit committee and investment committee of the Company. Dr. Wong received his Ph.D. degree from Harvard University, and was “Distinguished Visiting Scholar” at Wharton School of the University of Pennsylvania. Dr. Wong has worked in financial industries in the United States and Hong Kong for many years, and has considerable experience in corporate finance, investment and derivative products. He is a member of the Hong Kong Securities and Investment Institute.

Dr. Wong is an executive director of UBA Investments Limited (stock code: 768), and an independent non-executive director of Bauhaus International (Holdings) Limited (stock code: 483), China Yunnan Tin Minerals Group Company Limited (stock code: 263), Kingston Financial Group Limited (stock code: 1031), Guocang Group Limited (stock code: 559), Sincere Watch (Hong Kong) Limited (stock code: 444) and China Sandi Holdings Limited (stock code: 910). The securities of the above companies are listed on the Main Board of the Stock Exchange. Dr. Wong is also an independent non-executive director of Kaisun Energy Group Limited (stock code: 8203), whose securities are listed on the Growth Enterprise Market of the Stock Exchange.

Dr. Wong was an independent non-executive director of ZMAY Holdings Limited (now known as “Hong Kong Life Sciences and Technologies Group Limited”) (stock code: 8085) from November 2009 to September 2012, whose securities are listed on the Growth Enterprise Market of the Stock Exchange, and was also an independent non-executive director of Climax International Company Limited (now known as “KuangChi Science Limited”) (stock code: 439) from June 2007 to August 2014, Kong Sun Holdings Limited (stock code: 295) from April 2007 to November 2014, New Island Printing Holdings Limited (now known as “Huajun Holdings Limited”) (stock code: 377) from October 2010 to September 2014 and Harmony Asset Limited (stock code: 428) from September 2004 to December 2014, the securities of these companies are listed on the Main Board of the Stock Exchange.

Ms. Kwan Shan

Ms. Kwan, aged 43, joined the Group in December 2014 and was appointed as an independent non-executive Director, the chairman of the nomination committee and the member of each of the audit committee and remuneration committee of the Company. Ms. Kwan has more than 16 years of experience in the accounting and finance field in listed companies. Ms. Kwan holds a Bachelor’s Degree in Accountancy from Hong Kong Polytechnic University and is a fellow member of the Association of Chartered Certified Accountants. Ms. Kwan is currently a company secretary of Yueshou Environmental Holdings Limited (stock code: 1191), whose securities are listed on the Main Board of the Stock Exchange.

SENIOR MANAGEMENT

Mr. Andrew Chun Wah Fan

Mr. Fan, aged 36, was appointed as the financial controller of the Group after resigned from the office of an independent non-executive Director on 1 March 2012. Mr. Fan is a practicing certified public accountant under the name of C. W. Fan & Co. Limited. Prior to that, he was a vice president of Citigroup and a manager of PricewaterhouseCoopers, Hong Kong. Mr. Fan is a member of both the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). He is a member of the Tenth and Eleventh Chinese People’s Political Consultative Conference of Zhejiang Province (中國人民政治協商會議第十屆及第十一屆浙江省委員會), a member of the 4th and 5th Chinese People’s Political Consultative Conference of Shenzhen (中國人民政治協商會議第四屆及第五屆廣東省深圳市委員會), a vice executive chairman of the Hong Kong United Youth Association.

Mr. Fan holds a Bachelor Degree in Business Administration (accounting and finance) from the University of Hong Kong and a Bachelor Degree in Law from the University of London.

The business/residential addresses of the Directors and senior management are as follows:

EXECUTIVE DIRECTORS

Mr. Derek Chiu	Duplex No. 1 on 1/F and 2/F, Dynasty Villa 6, No. 2 Yin Ping Road, Kowloon, Hong Kong
Mr. Richard Yen	Flat B, 7/F., La Clare Mansion, 92 Pok Fu Lam Road, Hong Kong
Mr. Yu Pak Yan, Peter	1/F., 8 Kiang Su Street, To Kwa Wan, Kowloon, Hong Kong
Mr. Fok Chi Tak	1 Lung Ping Road, Beacon Heights, Phase 1, Block 1, 1/F., Flat A, Kowloon, Hong Kong
Mr. Ip Ngai Sang	Flat A, 18/F., Rialto Mansion, 183 King's Road, North Point, Hong Kong

NON-EXECUTIVE DIRECTOR

Mr. Desmond Chiu	10 1/4 Miles, Castle Peak Road, Lot 270, D.D. 354, Yau Kam Tau, New Territories, Hong Kong
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INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chan Ming Sun, Jonathan	Flat C, 15/F., Fu Lai Yuen, 1 Chi Fu Road, Chi Fu Fa Yuen, Pok Fu Lam, Hong Kong
Dr. Wong Yun Kuen	Flat C4, 14/F., Block C, Garden Vista, 11-13 On King Street, Sha Tin, New Territories, Hong Kong
Ms. Kwan Shan	Flat 1, 4/F., Block C, 16 Kwai Yi Road, New Kwai Fong Gardens, Kwai Chung, New Territories, Hong Kong

SENIOR MANAGEMENT

Mr. Andrew Chun Wah Fan	Room 2101-2102, 21/F., Far East Consortium Building, 121 Des Voeux Road Central, Hong Kong
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DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

A copy of each of the Prospectus Documents and the written consent as referred to under the paragraph headed “Expert and Consent” in this appendix, have been delivered to the Registrar of Companies in Hong Kong for registration pursuant to section 38D of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong).

LEGAL EFFECT

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

MATERIAL CONTRACTS

The following contracts, not being contracts in the ordinary course of business, have been entered into by members of the Group within two years immediately preceding the Latest Practicable Date which are or may be material:

- (1) the Underwriting Agreement dated 18 December 2014 entered into between the Company and the Underwriter in relation to the Open Offer;
- (2) the conditional sale and purchase agreement dated 24 January 2014 entered into between the Company and the Mr. Duncan Chiu (“Mr. Chiu”) in relation to the acquisition of 50,000 ordinary shares of US\$1 each, representing the entire issued share capital of Blooming Success Limited, a company incorporated in British Virgin Islands with limited liability, by the Company from Mr. Chiu at a consideration of HK\$36.6 million;
- (3) the cornerstone investor agreement dated 27 November 2013 entered into between the Company, China Binary Sale Technology Limited (“China Binary”) and Quam Securities Company Limited in relation to the acquisition of the shares of China Binary by the Company up to an aggregate value of HK\$10 million. The acquisition was completed on 4 December 2013 and the Company acquired 16,662,000 shares of China Binary at a price of HK\$0.6 per share;

- (4) the equity transfer agreement dated 30 September 2013 entered into between the Jubilee Star Limited, a company incorporated under the laws of Hong Kong and an indirect wholly-owned subsidiary of the Company and China Aviation Supplies Holding Limited* (中國航空器材集團公司), a state-owned enterprise established under the laws of the PRC in relation to the disposal of the approximately 20.02% of the equity interests in Beijing Kailan Aviation Technology Co., Ltd* (北京凱蘭航空技術有限公司) by the Jubilee Star Limited to China Aviation Supplies Holding Limited* (中國航空器材集團公司);
- (5) the disposal agreement dated 24 May 2013 entered into between the Company and Mr. Chu Kar Cheong (“Mr. Chu”) pursuant to which Mr. Chu conditionally agreed to acquire and the Company conditionally agreed to sell the 221 shares of Market Talent Limited held by the Company at a cash consideration of HK\$2,800,000.

EXPENSES

The expenses in connection with the Open Offer, including financial advisory fees, underwriting, printing registration, translation, legal and accountancy charges, registration and other related expense, are estimated to amount to HK\$3.52 million and are payable by the Company.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours from 9:00 a.m. to 5:00 p.m. at the principal office of the Company at Room 2101–2102, 21st Floor, Far East Consortium Building, 121 Des Voeux Road Central, Hong Kong on any week day other than Saturdays and public holidays from the date of this prospectus up to and including the latest time for acceptance of, and payment of Offer Shares:

- (1) the articles of association of the Company;
- (2) the report from Deloitte Touche Tohmatsu on the unaudited pro forma financial information on the Group, the text of which is set out in Appendix II;
- (3) the written consent from Deloitte Touche Tohmatsu referred to in the section headed “Expert and Consent” of this appendix;
- (4) the letter from the Board, the text of which is set out in this Prospectus;
- (5) the annual reports of the Company for each of the two years ended 31 December 2012 and 2013;
- (6) the interim report of the Company for the six months ended 30 June 2014;
- (7) this Prospectus;

- (8) the material contracts referred to in the paragraph headed “Material Contracts” in this appendix;
- (9) the circular of the Company dated 1 April 2014 in relation to, inter alia, a major and connected transaction; and
- (10) the circular of the Company dated 30 June 2014 in relation to a very substantial disposal.

MISCELLANEOUS

- The Company Secretary of the Company is Ms. Wong Po Ling Pauline (“Ms. Wong”). Ms. Wong is an associate member of the Hong Kong Institute of Chartered Secretaries.
- The registered office of the Company is at 16/F., Far East Consortium Building, 121 Des Voeux Road Central, Hong Kong and the head office and the principal place of business of the Company in Hong Kong is at Room 2101–2102, 21st Floor, Far East Consortium Building, 121 Des Voeux Road Central, Hong Kong.
- The Hong Kong share registrar and transfer office of the Company is Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong.
- The English text of this prospectus prevails over the Chinese text in case of inconsistency.